

**Arif Habib Dolmen REIT
Management Limited**

Condensed Interim Financial Statements
for the quarter ended
September 30, 2024

Arif Habib Dolmen REIT Management Limited
Directors' Report
For the Quarter Ended 30th September 2024

The Board of Directors of Arif Habib Dolmen REIT Management Limited (RMC) are pleased to present the condensed interim financial statements of the Company for the quarter ended on 30th September 2024.

Operational and Financial Progress

During the quarter, RMC continued to demonstrate its proficient management of an extensive portfolio of 13 REITs, including two listed REITs. Among these, 6 REITs have been in operation, notably Dolmen City REIT (DCR), Globe Residency REIT (GRR), Silk Islamic Development REIT (SIDR), Rahat Residency REIT (RRR), Signature Residency REIT (SRR) and Naya Nazimabad Apartment REIT (NNAR).

Following is a summary of operational REITs managed by the company:

Dolmen City REIT

Dolmen City REIT is Pakistan's first rental REIT. It consists of Dolmen Mall Clifton and The Harbour Front Building located on sea view road Clifton Karachi. DCR remains the largest (rental) REIT in Pakistan with net asset value of PKR 72.078 billion. DCR maintained occupancy at over 97.5% with quarterly rental income of PKR 1.286 billion. During the quarter, DCR has declared a dividend of Re 0.50 per unit, providing an annual dividend yield of 20% at par value.

Globe Residency REIT

Globe Residency was launched in November 2021 and was subsequently transferred to REIT scheme on 30th March 2022, it consists of 5 FL sites located in Naya Nazimabad Karachi. Construction work on GRR is progressing satisfactorily. As of the year end, 89.10% (834 apartments) from the available inventory (936 apartments) is sold, and the proceeds are being prudently utilized to advance the construction process. It may be noted that 408 apartments are being constructed under Musharaka arrangement with Meezan Bank, which will become available for sale after completion of grey structure.

Rahat Residency REIT

Rahat Residency REIT consists of 5 commercial sites located in Naya Nazimabad with a total area of 9,309 square yards. Currently projects on two sites are launched. The first phase of RRR (Rahat I) was inaugurated in December 2022. This project comprises both commercial and residential units, with over 45% of the total inventory already sold. Construction is currently in progress, with an anticipated completion within the estimated timeframe. Commercial shops of Rahat I are 100% sold and handing over of possession is in process. The second phase of Rahat Residency REIT was also initiated in December 2023 with over 27% of inventory booked, 53% of commercial shops of Rahat II sold.

Signature Residency REIT

SRR encompasses two commercial sites situated in Naya Nazimabad. Signature Tower, featuring a blend of commercial and residential units, was launched in January 2023 on one commercial site. As of now, 71% of the total available inventory has been sold, and construction is currently underway according to plan. Bank Alfalah Limited is in the process of acquiring 9,465 sq ft commercial area for digital lifestyle experience branch.

Naya Nazimabad Apartment REIT

NNAR launched “Peace Apartment” project in the month of June 2024, a mixed-use development featuring both commercial and residential units in Naya Nazimabad, Karachi. As of quarter end, 179 apartments out of 638 available apartments have been sold. Due to excess demand balloting for commercial area comprising of 91 shops is underway.

Silk Islamic Development REIT (SIDR)

We continue to work on vicinity development, furnishing model apartments and completion of the physical model. 65 apartments were booked in the test launch phase. In its meeting in August 2024, the sponsors have decided for full scale public launch in the next quarter.

Sapphire Bay Islamic Development REIT (SBIDR)

SBIDR achieved substantial progress by completing the acquisition of 1,800 acres out of 2,000 acres from Ravi Urban Development Authority. Currently work on master planning of the project is under way.

Pakistan Corporate CBD REIT (PCCR)

PCCR completed the acquisition of 23 kanals (Prime 4 and 5) in June 2024 and accordingly paid the land consideration in full to Punjab Central Business District Development Authority. We have also acquired from the authority an additional 5.19 kanals. First installment for the additional land already paid and the remaining amounts shall be paid in 5 semi-annual installments.

The management anticipates that the remaining REITs shall commence their operations in the upcoming Fiscal Year 2025.

During the quarter ended September 30, 2024, the company recorded revenue of PKR 96.089 million. Dolmen City REIT ‘DCR’ continues to be the dominant source of revenue, accounting for 34.61% (43.48% in the corresponding period). The management continues to strive to further dilute reliance on single source. The company has the policy of charging fee to operational REITs only. Administration expenses increased to 40 million from 31 million in the corresponding quarter. The finance cost decreased by PKR 4 million in the current quarter as compared to the corresponding period on account of reduction in interest rates and repayment of principal.

A summary of financial results is tabulated below:

Line Items	September 2024 (in Rs millions)	September 2023 (in Rs millions)
Operating Revenue – net	96.089	74.237
Administration Expenses	(40.734)	(30.904)
Other Income	0.719	0.721
Finance Cost	(19.786)	(23.774)
Profit Before Tax	35.163	15.587
Profit After Tax	24.829	11.176
EPS – in rupees	1.24	0.56

Business outlook

Real estate business is currently going through a soft patch owing to economic and political uncertainties. Recent developments such as the reduction in interest rates and stability of exchange rates have reignited interest in the market. It is hoped that activities shall pick up in the third quarter of the current fiscal year.

It is extremely important that the benefits of REITs and their positive role in the overall economic wellbeing is understood by key decision makers. REITs are the only possible instrument to document the real estate sector of the country. REIT funds setup by the company are evidence to the fact that REITs cannot only bring world class projects but would also enhance government's revenues in the process. REIT funds set up by the company have already contributed more than PKR 6 billion in revenues to the government.

Acknowledgement

The Board would like to thank the Securities and Exchange Commission of Pakistan and other business partners for their continued cooperation and support. We also appreciate the effort put in by the management team

For and on behalf of the Board



Muhammad Ejaz
Chief Executive Officer

October 29, 2024
Karachi



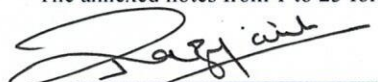
Arif Habib
Chairman

ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

		Unaudited	Audited
		30-Sep-24	30-Jun-24
		-----Rupees-----	
ASSETS	<i>Note</i>		
Non-current assets			
Property and equipment	4	16,859,584	17,267,448
Intangible assets	5	219,577	239,320
Long term investment	6	782,400,000	782,400,000
Long term advances and deposits		8,133,604	8,254,906
		<u>807,612,765</u>	<u>808,161,674</u>
Current assets			
Receivable from schemes	7	519,983,109	495,654,713
Loans and advances	8	17,753,625	8,869,735
Prepayments and other receivables		9,850,808	4,682,529
Cash and bank balances	9	16,685,291	354,586
Taxation - net		2,045,066	9,322,716
		566,317,899	518,884,279
Total assets		<u>1,373,930,664</u>	<u>1,327,045,953</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized capital</i>		500,000,000	500,000,000
Issued, subscribed and paid-up capital	10	200,000,000	200,000,000
<i>Revenue reserves</i>			
Unappropriated profit		278,004,368	253,174,778
		478,004,368	453,174,778
LIABILITIES			
Non-current liabilities			
Deferred taxation - net		52,943,961	53,112,689
Diminishing musharaka	11	6,010,906	6,643,634
Long-term loan from a banking company	12	199,999,999	199,999,999
		258,954,866	259,756,322
Current liabilities			
Advances	13	395,388,443	403,920,219
Loan from a director		15,000,000	12,000,000
Accrued expenses and other payables	14	58,284,443	49,043,936
Current maturity of long-term loan	12	133,333,334	133,333,334
Current maturity of diminishing musharaka	11	1,898,184	1,898,184
Accrued mark up on long-term loan		33,067,026	13,919,180
		636,971,430	614,114,853
Contingencies and commitments	15		
Total equity and liabilities		<u>1,373,930,664</u>	<u>1,327,045,953</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer

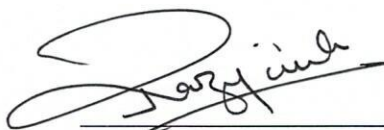

Chief Executive


Director

ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Unaudited)
FOR THE QUARTER ENDED SEP 30, 2024

	Note	30-Sep-24 ----- Rupees -----	30-Sep-2023
Revenue from contracts with customers	16	96,089,916	74,237,170
Administrative and operating expenses	17	(40,734,978)	(30,904,696)
		<u>55,354,938</u>	<u>43,332,474</u>
Other expenses		(1,125,000)	(4,693,258)
Other income	18	719,515	721,564
		(405,485)	(3,971,694)
		<u>54,949,453</u>	<u>39,360,780</u>
Finance costs	19	(19,786,104)	(23,773,808)
Profit before taxation		<u>35,163,349</u>	<u>15,586,972</u>
Taxation	20	(10,333,759)	(4,410,786)
Profit after taxation		<u>24,829,590</u>	<u>11,176,186</u>
Earnings per share - basic and diluted	21	<u>1.24</u>	<u>0.56</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
FOR THE QUARTER ENDED SEP 30, 2024

	30-Sep-24	30-Sep-2023
	-----Rupees-----	
Profit after taxation	24,829,590	11,176,186
Other comprehensive income	-	-
Total comprehensive income	<u>24,829,590</u>	<u>11,176,186</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive



Director

ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)
FOR THE QUARTER ENDED SEP 30, 2024

	Issued, subscribed and paid-up capital	Revenue reserve	
		Unappropriated profits	Total
	----- Rupees -----		
Balance as at June 30, 2023 (Restated)	<u>200,000,000</u>	<u>321,024,329</u>	<u>521,024,329</u>
<i>Total comprehensive income for the period</i>			
- Profit after taxation	-	11,176,186	11,176,186
- Other comprehensive income	-	-	-
	-	11,176,186	11,176,186
Transactions with owners			
- Dividend Paid		-	-
Balance as at September 30, 2023 (Restated)	<u>200,000,000</u>	<u>332,200,515</u>	<u>532,200,515</u>
Balance as at June 30, 2024	<u>200,000,000</u>	<u>253,174,778</u>	<u>453,174,778</u>
<i>Total comprehensive income for the period year ended September 30, 2024</i>			
- Profit after taxation	-	24,829,590	24,829,590
- Other comprehensive income	-	-	-
	-	24,829,590	24,829,590
Balance as at September 30, 2024	<u>200,000,000</u>	<u>278,004,368</u>	<u>478,004,368</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer



Chief Executive


Director

ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Unaudited)
FOR THE QUARTER ENDED SEP 30, 2024

		30-Sep-24	30-Sep-2023
		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Profit before taxation		35,163,349	15,586,972
<i>Adjustment for non-cash and other items:</i>			
- Depreciation on property and equipment	4	966,862	325,692
- Amortisation of intangible assets		19,743	29,469
- Markup accrued on bank deposits		(719,515)	(721,564)
- Finance costs		19,786,104	23,773,808
		20,053,194	23,407,405
Cash generated / (used) from operating activities before working capital changes		55,216,543	38,994,377
Working capital changes			
<i>(Increase) / decrease in current assets</i>			
- Receivable from schemes	7	(24,328,396)	(50,012,265)
- Loans and advances		(8,883,890)	(219,016)
- Prepayments and other receivables		(5,168,279)	(1,490,802)
		(38,380,565)	(51,722,083)
<i>Increase / (decrease) in current liabilities</i>			
- Advances in respect of management fee		(8,531,776)	(584,935)
- Accrued expenses and other payables	14	9,240,507	16,549,783
		708,731	15,964,848
Cash generated / (used) in operations		17,544,709	3,237,142
Long term advances and deposits		121,302	-
Finance cost paid		(167,950)	-
Taxes paid		(3,224,837)	(2,693,318)
Net cash generated / (used) in operating activities		14,273,224	543,824
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4	(559,000)	(281,760)
Long term advances refunded		-	(219,016)
Long term loan to employee recovered			(2,422,198)
Markup received		719,515	678,494
Net cash generated / (used) from investing activities		160,515	(2,244,480)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan received from a director		3,000,000	-
Repayment of lease liability		(1,103,034)	-
Net cash generated / (used) from financing activities		1,896,966	-
Net increase / (decrease) in cash and cash equivalents		16,330,705	(1,700,656)
Cash and cash equivalents at the beginning		354,586	4,071,916
Cash and cash equivalents at the end	9	16,685,291	2,371,260

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


 Chief Financial Officer


 Chief Executive


 Director

ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)
FOR THE QUARTER ENDED SEP 30, 2024

1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Dolmen REIT Management Limited ('the Company') was incorporated in Pakistan as a public limited company (un-quoted) on April 08, 2009 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is a REIT Management Company, registered under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 with the Securities and Exchange Commission of Pakistan (SECP). The certificate for commencement of business was obtained from SECP on September 07, 2009. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan.

The principal business of the Company is to launch Real Estate Investment Trust (REIT) Schemes and provide REIT management services in accordance with the Real Estate Investment Trust Regulations, 2022. The VIS Credit Rating Company Limited (VIS) maintained the RMC rating of the REIT Management Company to AM2+ on December 11, 2023. (AM2+ on October 25, 2022).

1.2 The REIT schemes currently under the management of the Company are as follows:

S. No.	REIT Scheme	REIT Type	Location of the Real Estate Project	Life of the REIT Scheme	Fund Size (Rs. in million)	Date of registration by the SECP	Date of registration under the Sindh Trusts Act, 2021	Listing Date
1)	Dolmen City REIT	Rental REIT	Dolmen Mall Clifton and The Harbor Front, Karachi.	Perpetual	22,237	29-May-15	20-Jan-15	26-Jun-15
2)	Silk Islamic Development REIT	Development REIT	Surjani Town, Karachi	8 Years	3,000	30-Jun-21	8-Jul-21	Not listed
3)	Silk World Islamic REIT	Development REIT	Surjani Town, Karachi	4 Years	6,160	27-Sep-21	26-Aug-21	Not listed
4)	Pakistan Corporate CBD REIT	Development REIT	Old Walton Airport, Lahore	4-5 Years	15,016	22-Dec-21	29-Oct-21	Not listed
5)	Sapphire Bay Islamic Development REIT	Development REIT	Ravi Riverfront City, Punjab	8 -10 years	25,000	12-Jan-22	24-Dec-21	Not listed
6)	Globe Residency REIT	Development REIT	Naya Nazimabad, Karachi	5 Years	2,800	13-Jan-22	24-Dec-21	28-Dec-22
7)	Rahat Residency REIT	Development REIT	Naya Nazimabad, Karachi	5 Years	1,650	3-Aug-22	24-Jun-22	Not listed
8)	Naya Nazimabad Appartments REIT	Development REIT	Naya Nazimabad, Karachi	7 Years	5,875	3-Aug-22	24-Jun-22	Not listed
9)	DHA Dolmen Lahore REIT	Rental REIT	Dolmen Mall, Lahore	Perpetual	15,528	3-Aug-22	27-Jun-22	Not listed
10)	Signatue Reit Residency	Development REIT	Naya Nazimabad, Karachi	4 Years	825	14-Jun-23	22-Mar-23	Not listed
11)	Gymkhana Apartment REIT	Development REIT	Naya Nazimabad, Karachi	7 Years	5,120	27-Dec-23	20-Jun-23	Not listed
12)	Park View Apartment REIT	Development REIT	Naya Nazimabad, Karachi	4-5 Years	2,421	9-Apr-24	20-Jun-23	Not listed
13)	Meezan Center REIT	Development REIT	Naya Nazimabad, Karachi	4-5 Years	1,381	13-Jun-24	20-Jun-23	Not listed

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017;
- The Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (the NBFC Rules 2003); and
- The Real Estate Investment Trust Regulations, 2022 (the REIT Regulations) and requirements of the Trust Deed.

Where the provisions of and directives issued under Companies Act, 2017, the NBFC Rules 2003, the REIT Regulations 2022 differ from IFRS standards, the provisions of and directives issued under Companies Act, 2017, the NBFC Rules 2003, the REIT Regulations 2022 have been followed.

2.2 Basis of measurement

In these financial statements, all items have been measured at their historical cost except for long term investment which are carried at fair value.

3. Risk Management

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the annual audited financial statements as at and for the year ended 30 June 2024.

4. PROPERTY AND EQUIPMENT

	Rupees					
	Furniture & fixtures	Office equipment	Computer and allied equipment	Telecommunication equipment	Vehicles	Total
<u>As at June 30, 2024</u>						
Cost	1,863,654	721,702	6,312,018	868,208	14,908,400	24,673,982
Accumulated depreciation	(604,094)	(206,358)	(3,874,839)	(633,918)	(2,087,325)	(7,406,534)
Book value	1,259,560	515,344	2,437,179	234,290	12,821,075	17,267,448
<u>Movement during the period</u>						
Additions during the period	-	92,000	452,000	15,000	-	559,000
Disposals during the period	-	-	-	-	-	-
<u>As at September 30, 2024</u>						
Depreciation for the year	(47,234)	(20,476)	(238,358)	(19,742)	(641,054)	(966,864)
Book value	1,212,326	586,868	2,650,821	229,548	12,180,021	16,859,584

		30-Sep-24	30-Jun-24
		-----Rupees-----	
5. INTANGIBLE ASSET	<i>Note</i>		
Computer Software		<u>219,577</u>	<u>239,320</u>
Opening written down value		239,320	357,196
Addition during the year		-	-
Less: Amortization during the year		<u>19,743</u>	<u>117,876</u>
Written down value		<u>219,577</u>	<u>239,320</u>
Amortization rate		<u>33%</u>	<u>33%</u>
6. LONG TERM INVESTMENT	<i>Note</i>		
- at fair value through profit or loss		-----Rupees-----	
Investment in Silk Islamic Development REIT	<i>6.1</i>	<u>782,400,000</u>	<u>782,400,000</u>
<i>6.1</i>	This represents 60 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme, named Silk Islamic Development REIT (SIDR), which constitutes 20% of the total 300 million units issued (the Investment). This REIT Scheme is managed by the Company and Central Depository Company of Pakistan Limited as its trustee. The company being strategic investor of SIDR, has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.		
7. RECEIVABLE FROM SCHEMES		30-Sep-24	30-Jun-24
		-----Rupees-----	
Management fee scheme		209,516,925	184,792,243
Scheme setup cost		244,283,217	237,344,453
Other receivable from scheme		<u>66,182,967</u>	<u>73,518,017</u>
		<u>519,983,109</u>	<u>495,654,713</u>
8. LOANS AND ADVANCES		30-Sep-24	30-Jun-24
Loans to employees		9,397,051	476,805
Advances to employees		<u>8,356,574</u>	<u>8,392,930</u>
		<u>17,753,625</u>	<u>8,869,735</u>
9. CASH AND BANK BALANCES			
Cash in hand		15,081	15,081
Cash at bank			
Saving accounts	<i>9.1</i>	<u>16,647,281</u>	<u>337,951</u>
Current accounts		<u>22,929</u>	<u>1,554</u>
		<u>16,670,210</u>	<u>339,505</u>
		<u>16,685,291</u>	<u>354,586</u>

9.1 These carry markup at the rates ranging from 8% to 20.5% (2024: 8.00% to 20.5%) per annum.

10. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

30-Sep-24 (Number of shares)	30-Jun-24 Number of shares	30-Sep-24 -----Rupees-----	30-Jun-24
<u>50,000,000</u>	<u>50,000,000</u>	<u>500,000,000</u>	<u>500,000,000</u>
<u>20,000,000</u>	<u>20,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>

10.1 There is no agreement with shareholders for voting rights, bond selection, right of first refusal and block voting

11. DIMINISHING MUSHARAKA

	30-Sep-24 -----Rupees-----	30-Jun-24
Opening balance	8,541,818	-
Addition during the year	-	8,700,000
Finance cost incurred during the year	470,306	1,197,213
Payments during the year	(1,103,034)	(1,355,395)
	<u>7,909,090</u>	<u>8,541,818</u>
Less: Current maturity shown under current liabilities	<u>(1,898,184)</u>	<u>(1,898,184)</u>
	<u>6,010,906</u>	<u>6,643,634</u>

11.1 The facility is obtained to finance the purchase of vehicle which is subject to profit 6 months KIBOR + 1.5%. The facility is secured against charge over the musharaka asset upto their respective values. The title of assets under musharaka are in the joint name of the financial institution and the company with the ownership of 60% and 40% respectively. The facility is repayable in 55 monthly instalments.

12. LONG TERM LOAN FROM A BANKING COMPANY

	30-Sep-24 -----Rupees-----	30-Jun-24
Loan from M/s. Bank Al Habib Limited	333,333,333	333,333,333
Less: Current maturity shown under current liabilities	<u>(133,333,334)</u>	<u>(133,333,334)</u>
	<u>199,999,999</u>	<u>199,999,999</u>

12 In June 2021, the Company had obtained a long term financing, amounting to Rs. 400 million, from M/s. Bank Al Habib Limited to meet its working capital requirements. In October 2021, the said facility was converted to Diminishing Musharika Financing in order to fund the two-third portion of the Company's 20% investment in the units of Silk Islamic Development REIT (SIDR). Subsequently, in April 2022, the bank approved the revised terms and conditions of the facility which are as follows:

- (a) The profit is calculated at 6-Month average KIBOR + 1.5% (with a floor of 5% p.a. and a cap of 25% p.a.). The average KIBOR is to be reviewed on the first day of the each semi-annual period (commencing from the aforementioned date of the revision in terms and conditions of the financing facility which were negotiated in April 2022). The tenor of financing is 5 years from the date of disbursement (including 2 years grace period). The rental will be recovered on quarterly basis and the bank's share in the shape of units will also be purchased on a semi-annual basis.
- (b) The financing arrangement is secured against the following:

- (i) assignment of periodic management fee to be received from Dolmen City REIT;
- (ii) title and ownership of the investment in units of SIDR in the joint name of the bank;
- (ii) pledge of 15,500,000 (June 30, 2024: 15,500,000) shares of M/s. Arif Habib Corporation Limited (with 30% margin) held by the director, Mr. Arif Habib, valuing Rs. 385.48 million; and
- (i) joint personal guarantee of the directors, Mr. Arif Habib and Mr. Abdus Samad A. Habib, amounting, in aggregate, to Rs. 571.5 million each.

13. ADVANCES	Note	30-Sep-24	30-Jun-24
		----- Rupees -----	
Advances in respect of scheme set-up costs			
- Silk Bank Limited	13.1	305,876,802	305,876,802
- Business Vision (Private) Limited	13.2	10,000,000	10,000,000
- Javedan Corporation Limited		5,354,113	5,354,113
		321,230,915	321,230,915
Advances in respect of management fee			
- DHA Dolmen Lahore REIT		39,550,000	39,550,000
- Naya Nazimabad Apartment REIT		16,599,446	25,114,172
- Gymkhana Apartment REIT		13,998,997	13,998,997
- Sapphire Bay Islamic Development REIT		4,009,085	4,026,135
- Signature Residency REIT		-	-
		74,157,528	82,689,304
		395,388,443	403,920,219

13.1 This represents an advance received from a commercial bank for the purpose of funding certain initial expenditures incurred or to be incurred on the setting up of Silk World Islamic REIT (SWIR) which include, but are not limited to, expenses relating to feasibility studies, asset valuation, legal counsel and court fees, land transfer duties and taxes and charges to be paid to Sindh Building Control Authority (SBCA). The principal terms and conditions of the advance are as follows:

- (a) Repayment of the advance shall only be made out of the reimbursements of set up costs to be received from SWIR; and
- (b) The advance shall not bear any interest.

13.2 This represents an amount received from M/s. Business Vision (Private) Limited for funding the initial expenditures incurred (or to be incurred) on behalf of Sky Garden REIT.

14. ACCRUED EXPENSES AND OTHER PAYABLES	30-Sep-24	30-Jun-24
	----- Rupees -----	
Accrued expenses	25,881,744	24,468,409
Sales tax payable	31,093,760	22,859,932
Withholding tax payable	789,689	1,196,344
Other liabilities	519,250	519,251
	58,284,443	49,043,936

15. CONTINGENCIES AND COMMITMENTS

As of September 30, 2024, there were no material contingencies and commitments to report.

		30-Sep-24	30-Sep-2023
	<i>Note</i>	----- Rupees -----	
16. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Management fee	16.1	109,979,003	83,888,001
Advisory fee		456,000	-
		<u>110,435,003</u>	<u>83,888,001</u>
Less: Sindh sales tax on		<u>(14,345,087)</u>	<u>(9,650,831)</u>
		<u>96,089,916</u>	<u>74,237,170</u>
16.1 REIT management fee			
Dolmen City REIT		38,244,009	37,123,381
Silk Islamic Development REIT		8,625,000	8,475,000
Globe Residency REIT		8,049,999	7,910,000
Rahat Residency REIT		2,898,630	4,661,250
Signature Residency		2,371,875	2,330,625
Sapphire Bay Islamic Development REIT		20,390,162	12,521,757
Pakistan Corporate CBD REIT		20,884,602	10,865,988
Naya Nazimabad Apartment REIT		8,514,726	-
		<u>109,979,003</u>	<u>83,888,001</u>
17. ADMINISTRATIVE EXPENSES		30-Sep-24	30-Sep-2023
Salaries, allowances and benefits		25,229,284	23,068,714
Legal and professional		414,668	90,000
Office maintenance charges		3,131,072	1,297,452
Travelling expense		4,072,938	32,505
Insurance		875,315	518,806
Director meeting fee		750,000	1,500,000
Depreciation on property and equipment		966,862	325,692
Auditors' remuneration		819,720	288,250
Communication		211,025	407,648
Rent		1,504,230	1,275,033
Printing and stationery		150,100	94,850
Training and membership expense		1,633,126	430,639
Amortization on intangible assets		19,743	29,469
Other expenses		956,895	1,545,638
		<u>40,734,978</u>	<u>30,904,696</u>
18. OTHER INCOME		30-Sep-24	30-Sep-2023
Mark-up on bank deposits		719,515	721,564
		<u>719,515</u>	<u>721,564</u>
19. FINANCE COST		30-Sep-24	30-Sep-2023
Mark-up on long term loan		19,315,798	23,773,808
Finance cost on lease liability		470,306	-
		<u>19,786,104</u>	<u>23,773,808</u>
20. TAXATION		30-Sep-24	30-Sep-2023
Current		10,502,487	4,410,786
Prior		-	-
		<u>10,502,487</u>	<u>4,410,786</u>
Deferred		(168,728)	-
		<u>10,333,759</u>	<u>4,410,786</u>

21 EARNINGS PER SHARE - BASIC AND DILUTED

	30-Sep-24	30-Sep-2023
Profit / (Loss) after taxation	24,829,590	11,176,186
	----- No of shares -----	
Weighted average number of ordinary shares	20,000,000	20,000,000
	-----Rupees-----	
Earning / (loss) per share - Basic and diluted	1.24	0.56

There was no dilutive effect on the basic earnings per share of the Company, since there were no potential ordinary shares in issue as at September 30, 2024 and September 30, 2023.

22. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, sponsors, directors, the Company managing the voluntary pension scheme, key management personnel and their close family members. Details of transactions carried out and balances held with related parties other than those disclosed elsewhere in these financial statements are as follows:

	30-Sep-2024	30-Sep-2023
	----- Rupees -----	
<u>Transactions during the period:</u>		
Dolmen City REIT -		
(A scheme managed by the Company)		
Receipt of expenses	-	1,239,788
Expenses paid	3,088,600	-
Management fee accrued	38,244,009	-
Management fee received	76,739,595	-
Silk Islamic Development REIT -		
(A scheme managed by the Company)		
Scheme set up costs paid	3,779,324	3,422,538
Receipt of set up costs	-	-
Management fee accrued	8,625,000	-
Management fee received	-	-
Silk World Islamic REIT -		
(A scheme managed by the Company)		
Scheme set up costs paid	-	1,566,000
Receipt of management costs	-	-

Pakistan Corporate CBD REIT -

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs
Management fee accrued
Management fee received

296,210	
20,884,602	
-	

Globe Residency REIT -

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs
Management fee accrued
Management fee received

17,050	262,081
-	-
8,049,999	-
-	-

Sapphire Bay Islamic Development REIT -

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs
Management fee accrued
Management fee received

17,050	8,542,705
-	-
20,390,162	-
-	-

Naya Nazimabad Apartment REIT

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs
Management fee accrued
Management fee received

337,500	-
-	-
8,514,726	-
-	-

Rahat Residency REIT

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs
Management fee accrued
Management fee received

12,500	33,600
-	-
2,898,630	-
-	-

Signature Residency REIT

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs
Management fee accrued
Management fee received

-	
2,371,875	
-	

Park View Apartment REIT

(A scheme managed by the Company)

Scheme set up costs paid
Receipt of set up costs

3,235,300	
-	

Arif Habib Development and Engineering Consultants**(Private) Limited****(Associate Company due to common directorship)**

Expenses paid	-	28,617,639
Receipt of expenses	<u>4,300,000</u>	<u>-</u>
Payable against expenses	<u>3,035,050</u>	<u>-</u>

MCB Arif Habib Savings and Investment Limited**(Associate Company due to common directorship)**

Paid against employer's VPS contribution paid		<u>3,201,320</u>
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Javedan Corporation Limited**(Associate Company due to common directorship)**

Expenses paid		<u>1,830,000</u>
Receipt against expenses		<u>575,000</u>

Rotocast Engineering Company (Private) Limited**(Associate Company due to common directorship)**

Rent payment		-
Rent expense	<u>1,504,230</u>	<u>-</u>
Common shared expenses	<u>1,532,296</u>	<u>1,275,033</u>
Payment of common shared expenses	<u>1,464,357</u>	<u>-</u>
Administration charges	<u>162,002</u>	<u>1,268,402</u>
Payment of administration charges	<u>-</u>	<u>-</u>
Office Insurance	<u>119,395</u>	<u>-</u>
	30-Sep-2024	30-June-2024

Balances with related parties as at the reporting date :**———— Rupees ————****Dolmen City REIT -****(A scheme managed by the Company)**

Receivable against management fee	<u>350,286</u>	<u>38,845,872</u>
Receivable as at year end	<u>3,041,985</u>	<u>-</u>
Payable as at year end	<u>-</u>	<u>46,615</u>

Silk Islamic Development REIT -**(A scheme managed by the Company)**

Receivable against management fee	<u>34,130,343</u>	<u>25,505,343</u>
Receivable against setup cost	<u>92,842,801</u>	<u>89,063,477</u>

Silk World Islamic REIT -**(A scheme managed by the Company)**

Receivable against management fee	<u>52,826,596</u>	<u>52,826,596</u>
Receivable against setup cost	<u>130,295,349</u>	<u>130,295,349</u>

Pakistan Corporate CBD REIT -**(A scheme managed by the Company)**

Receivable against management fee	<u>35,001,937</u>	<u>14,117,335</u>
Receivable against setup cost	<u>149,881</u>	<u>446,091</u>

Globe Residency REIT -**(A scheme managed by the Company)**

Receivable against management fee	<u>27,965,000</u>	<u>19,915,001</u>
Receivable against setup cost	<u>389,301</u>	<u>372,251</u>

Sapphire Bay Islamic Development REIT -**(A scheme managed by the Company)**

Receivable against management fee	<u>49,639,614</u>	<u>29,249,452</u>
Receivable against setup cost	<u>12,330,629</u>	<u>12,313,579</u>
Advance against management fee	<u>15,500,000</u>	<u>15,500,000</u>

Naya Nazimabad Apartment REIT**(A scheme managed by the Company)**

Advance against management fee	<u>25,114,172</u>	<u>25,114,172</u>
Receivable against management fee	<u>8,514,726</u>	<u>-</u>
Receivable against setup cost	<u>7,147,592</u>	<u>6,810,092</u>

Rahat Residency REIT**(A scheme managed by the Company)**

Receivable against management fee	<u>5,374,075</u>	<u>2,475,445</u>
Receivable against setup cost	<u>14,084</u>	<u>1,584</u>

DHA Dolmen Lahore REIT**(A scheme managed by the Company)**

Advance against management fee	<u>39,550,000</u>	<u>39,550,000</u>
Receivable against setup cost	<u>2,707,280</u>	<u>2,707,280</u>

Signature Residency REIT**(A scheme managed by the Company)**

Receivable against management fee	<u>4,743,750</u>	<u>2,371,875</u>
Receivable against setup cost	<u>1,632</u>	<u>1,632</u>
Advance against management fee	<u>514,676</u>	<u>514,676</u>

Gymkhana Apartment REIT**(A scheme managed by the Company)**

Advance against management fee	<u>13,998,997</u>	<u>13,998,997</u>
Receivable against setup cost	<u>1,737,623</u>	<u>1,737,623</u>

Sky Garden REIT**(A scheme managed by the Company)**

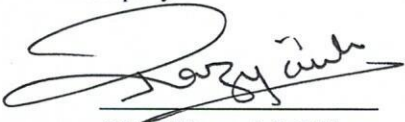
Receivable against setup cost	<u>1,901,305</u>	<u>1,901,305</u>
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Park View Apartment REIT (A scheme managed by the Company)		
Receivable against setup cost	<u>4,387,729</u>	<u>400,916</u>
Meezan Center REIT (A scheme managed by the Company)		
Receivable against setup cost	<u>1,902,454</u>	<u>1,902,454</u>
Arif Habib Development and Engineering Consultants (Private) Limited (Associate Company due to common directorship)		
Receivable against project management cost	<u>66,182,967</u>	<u>73,518,017</u>
Arif Habib Limited (Associate Company due to common directorship)		
Payable as at year end	<u>10,556</u>	<u>10,556</u>
Javedan Corporation Limited (Associate Company due to common directorship)		
Receivable as at year end	<u>2,220,887</u>	<u>2,220,887</u>
Payable as at year end	<u>7,575,000</u>	<u>7,575,000</u>
Rotocast Engineering Company (Private) Limited (Associate Company due to common directorship)		
Payable against administration charges	<u>1,804,620</u>	<u>3,189,024</u>

23. GENERAL

23.1 Date of authorisation of the financial statements for issue

These financial statements were authorised for issue on 29-Oct-2024 by the Board of Directors of the Company.


Chief Financial Officer


Chief Executive


Director