



**INVESTING TODAY FOR A  
PROSPEROUS TOMORROW**

**DOLMEN CITY REIT**  
ANNUAL REPORT 2021

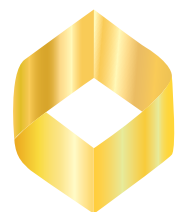


ARIF HABIB DOLMEN  
REIT MANAGEMENT LIMITED

**INVESTING  
TODAY FOR A  
PROSPEROUS  
TOMORROW**







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REIT MANAGEMENT LIMITED

## ABOUT REITS

A Real Estate Investment Trust (REIT) is an entity that professionally manages a pool of money from individuals and institutions to buy developed properties for rent, or to develop real estate and sell or rent it. The proceeds from rent or sale of the property are distributed to the unit holders.







## REITS IN PAKISTAN

REIT Regulatory Framework in Pakistan was introduced by Securities and Exchange Commission of Pakistan (SECP) in January 2008, subsequently replaced by REIT Regulations 2015 as amended in 2018. These regulations are comprehensive with the principal focus on the protection of investors' interests. A "REIT Scheme" is a listed, closed-end fund registered under Real Estate Investment Trust Regulations 2015. The three types of REIT schemes in Pakistan are:

**Developmental REIT:** A Developmental REIT Scheme invests in the development of real estate for Industrial, Commercial or Residential purposes through construction or refurbishment.

**Rental REIT:** A Rental REIT Scheme invests in Commercial or Residential real estate to generate rental income.

**Hybrid REIT:** A REIT Scheme having both; a component for rent and for development.







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## SCHEME'S INFORMATION

### Management Company

Arif Habib Dolmen REIT Management Limited

### Board of Directors

Mr. Nasim Beg	Chairman
Mr. Nadeem Riaz	Director
Mr. Qamar Hussain	Independent Director
Mr. Naeem Ilyas	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Abdus Samad A. Habib	Director
Mr. Faisal Nadeem	Director
Mr. Sajidullah Sheikh	Director
Mr. Muhammad Ejaz	Chief Executive Officer

### Audit Committee

Mr. Qamar Hussain	Chairman
Mr. Abdus Samad A. Habib	Member
Mr. Naeem Ilyas	Member

### Human Resource & Remuneration Committee

Ms. Tayyaba Rasheed	Chairperson
Mr. Abdus Samad A. Habib	Member
Mr. Faisal Nadeem	Member
Mr. Muhammad Ejaz	Member



<b>Other Executives</b>	Mr. Razi Haider Mr. Muneer Gader	CFO & Company Secretary Head of Internal Audit & Compliance
<b>Trustee</b>	Central Depository Company of Pakistan Limited CDC House, 99-B, Block B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi.	
<b>Share Registrar</b>	CDC Share Registrar Services Limited CDC House, 99-B, Block B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi.	
<b>Bankers</b>	Bank Al Habib Limited Askari Bank limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Meezan Bank Limited United Bank Limited Allied Bank Limited Bank Alfalah Limited Dubai Islamic Bank National Bank of Pakistan	
<b>External Auditors</b>	Yousuf Adil & Co. Chartered Accountants Cavish Court A-35, Block 7 & 8, K.C.H.S.U, Shahrah-e-Faisal, Karachi.	
<b>Internal Auditors</b>	Junaidy Shoaib Asad & Co. Chartered Accountants 1/6-P, P.E.C.H.S., Mohtrama Laeeq Begum Road, Off Shahrah-e-Faisal, Karachi.	
<b>Legal Advisor</b>	Mohsin Tayebaly & Co. Corporate Legal Consultants 1st Floor, Dime Centre, BC-4 Block 9, Kehkashan, Clifton, Karachi.	
<b>Property Manager</b>	Dolmen Real Estate Management (Private) Limited	
<b>Property Valuer</b>	Tristar International Consultant (Pvt.) Limited	
<b>Shariah Advisor</b>	Alhamd Shariah Advisory Services (Private) Limited	
<b>Rating Agency</b>	VIS Credit Rating Company Limited VIS House, 128/C, 25th Lane Off Khayaban-e-Ittehad, Phase VII, DHA, Karachi.	
<b>Current Ratings</b>	DCR Rating: AAA (rr) (REIT Rating) RMC Rating: AM2+ (RMC) (Management Quality Rating)	
<b>Registered Office of Management Company</b>	Arif Habib Centre, 23 M.T. Khan Road, Karachi.	

# VISION

- “all eyes on you”

As Pakistan's first REIT, DCR aims to maintain its position as the premier office and retail Real Estate Investment Trust.



# MISSION

- “challenge the status quo and try new things”

**Be a space where people aspire to work**

Inspiring you to achieve more

**Be the place where people love to shop**

Enhance the customer experience to maximize shopper loyalty

**To be the landlord of choice**

Optimizing the tenancy mix through proactive leasing





# DELIVERING VALUE

- “security, stability, resilience”

Providing our unit holders with regular, stable distributions and sustainable long term growth.



# BOARD OF DIRECTORS' PROFILE

## MR. NASIM BEG

CHAIRMAN

Mr. Nasim Beg is the Chief Executive Officer of Arif Habib Consultancy (Pvt.) Limited, along with being the Vice Chairman of MCB-Arif Habib Savings & Investments Limited, an Asset Management Company that was conceived and set up by him and which he headed as Chief Executive till June 2011.

He qualified as a Chartered Accountant in 1970 and over the decades has had experience in the business world, including manufacturing, as well as in financial services, within and outside the country. Before joining the Arif Habib Group, Mr. Beg served as the Deputy Chief Executive of the National Investment Trust, which he joined during its troubled period and played an instrumental role in its modernization and turn around. He also served as the acting Chief Executive of NIT for a few months. He has also been associated at top-level positions with other asset management and investment advisory companies.

Mr. Beg has also held senior level responsibilities in the automobile industry. During his tenure as the Chief Executive of Allied Precision (a subsidiary of the Allied Engineering Group), he set up a green field project for the manufacture of sophisticated indigenous components for the automotive industry under transfer of technology licenses with Japanese and European manufacturers.

His initiation to the financial services business was with the Abu Dubai Investment Company, UAE, where he was a part of the team that set up the company in 1977. He was the founding Chairman of the Institute of Financial Markets of Pakistan, which was sponsored by the Securities & Exchange Commission of Pakistan (SECP). He has served on several committees set up by the SECP for developing the Capital Markets, including the one that authored the Voluntary Pension System. He has also held the Chairmanship of the Mutual Funds Association of Pakistan. In addition, he has also been a member of the Prime Minister's Economic Advisory Council (EAC).

### Corporate Responsibilities

Arif Habib Consultancy (Private) Limited (Chief Executive)

### As Director

Arif Habib Corporation Limited  
Aisha Steel Mills Limited  
MCB-Arif Habib Savings & Investment Limited (Vice Chairman)  
Pakarab Fertilizer Limited  
Pakistan Opportunities Limited (Vice Chairman)  
Power Cement Limited (Chairman)  
Naymat Collateral Management Company Limited

## MR. NADEEM RIAZ

NON-EXECUTIVE DIRECTOR

Mr. Nadeem Riaz has experience of over 32 years in the real estate market developing and managing renowned and award winning residential, commercial and retail projects. He is a pioneer in developing international standard shopping malls in Pakistan transforming the dynamics of the retail industry.

Mr. Riaz is a member of both International Council of Shopping Centers (ICSC) and Middle East Council of Shopping Centers (MECSC), since 2002.

### Corporate Responsibilities

International Complex Projects Limited (Chief Executive Officer)

### As Director

Al Feroz (Private) Limited  
Dolmen (Private) Limited  
Retail Avenue (Private) Limited  
Sindbad Wonderland (Private) Limited  
Dolmen Real Estate Management (Private) Limited  
Grove (Private) Limited  
DHA Dolmen Lahore (Private) Limited  
Dolmen Project Management (Private) Limited



## MR. QAMAR HUSSAIN

### INDEPENDENT DIRECTOR

Mr. Qamar Hussain is a seasoned banker. Mr. Hussain started his banking career with Bank of America N.T. & S.A., Pakistan in 1981. He has worked with American Express Bank Limited as Senior Director Global Credit, New York and earlier as Senior Director Country Manager, Bangladesh. He had also been associated with the Chase Manhattan Bank in Pakistan and USA. He has also served as the President of National Bank of Pakistan (NBP).

Mr. Hussain holds an MBA degree in International Business & Finance from McGill University, Montreal,

Canada and has undergone extensive training in business leadership.

#### Corporate Responsibilities

##### As Director

SWSA (Private) Limited  
GMG Travels (Private) Limited  
GMG Holidays and Tours (Private) Limited

## MR. NAEEM ILYAS

### INDEPENDENT DIRECTOR

Mr. Naeem Ilyas, an independent director, having over 25 years of Strategic cum Operational level combined experience. He has served in senior positions across corporates including FMCG (Shield Corporation Ltd), Pharmaceuticals (PharmEvo Pvt Limited), Polymer Process Industry (Novatex Limited) & Building Design Consultancy (Fahim, Nanji & deSouza Engineering Co.).

Mr. Ilyas is a PEC Registered Professional Electrical Engineer having MBA, LLB, MA (Eco), PGD (NILAT) degrees /diplomas and has specialization in Operations Management from LUMS / McGill. He has been instrumental in bringing about organizational and cultural changes in the organizations he has served. He is also serving as a Board member in a leading NGO (HANDS) and has also served as Founder Chairman PQATI (BQATI), Vice Chairman LATI, Chairman EFP-NICC

Forum, Managing Trustee of MPF Educational Trust and Secretary General of Memon Professional Forum.

He during his academics received President Talent Farming Scholarship and IAESTE Student Exchange Trainings in Central Asian States. He has professional hands on experience and trainings in Canada, Japan, Germany, China and Middle East.

#### Corporate Responsibilities

##### As Director

Easy Health Tech Int'l (Private) Limited  
Magna Engineering (Private) Limited  
Fahim, Nanji & Desouza (Private) Limited  
Parents Pakistan (SMC - Private) Limited  
Institute of Holistic Rehabilitation & Inclusion (IHRI)

## MS. TAYYABA RASHEED

### INDEPENDENT DIRECTOR

Ms. Tayyaba Rasheed CFA, FRM is Head of Investment Banking Group at a Faysal Bank Limited. She is highly qualified with more than 19 years of diversified corporate and investment banking experience, a proven successful career in Investment Banking, Corporate Banking and Corporate Finance with profound skills in Structured Financing, Infrastructure Advisory, Infrastructure financing, Capital Markets and Islamic Finance. She has worked in senior position at CIBG NBP and Bank Alfalah where she started her career as Management Trainee Officer.

She holds an MBA degree from IBA and is a CFA and FRM charter holder. She holds JAIBP to her credit

from Institute of Bankers Pakistan. She successfully completed NIBAF certification and underwent a thorough Islamic Finance training programme. She is a certified Independent Director. She is currently serving as member Board of Director on the boards of following companies in Pakistan.

#### Corporate Responsibilities

##### As Director

Aisha Steel Mills Limited  
Unity Foods Limited  
United Brands Limited  
Naymat Collateral Management Company Limited

## MR. ABDUS SAMAD A. HABIB

### NON-EXECUTIVE DIRECTOR

Starting off with a career at Arif Habib Corporation Limited; Samad built up his experience in sales, marketing and corporate activities working his way up through various executive positions. Joining Arif Habib Limited in 2004, he led the company as Chairman and Chief Executive playing a key role in the strategic direction of the company where he specialized in capital market operations and corporate finance building achieving a range of significant IPOs and private placements.

In 2011 he moved to Javedan Corporation Limited as a part of the driving force behind the transformation of the dilapidated cement plant to a living community. At Naya Nazimabad, Samad Habib has contributed to making a positive impact on society providing a quality lifestyle to the middle class of the city. His dedication and optimism is set to further transform the area with the largest commercial precinct development in the city presently under planning.

#### Corporate Responsibilities

Javedan Corporation Limited (Chief Executive)

##### As Director

Arif Habib Corporation Limited  
Power Cement Limited  
Safemix Concrete Limited  
Arif Habib Equity (Private) Limited  
Arif Habib Foundation  
Arif Habib Real Estate Services (Private) Limited  
Black Gold Power Limited  
Nooriabad Spinning Mills (Private) Limited  
Pakarab Fertilizer Limited  
Pakistan Opportunities Limited  
Rotocast Engineering Company (Private) Limited  
Sukh Chayn Gardens (Private) Limited  
Essa Textile and Commodities (Private) Limited  
Parkview Corporation (Private) Limited  
NN Maintenance Company (Private) Limited

## MR. FAISAL NADEEM

### NON-EXECUTIVE DIRECTOR

Mr. Faisal is a director at the Dolmen Group, one of Pakistan's leading real estate organizations. He has been involved in the development, marketing and management of prime commercial and retail real estate projects including Dolmen Mall Clifton.

Mr. Faisal started career as Manager Special Projects associated with the development of Dolmen Mall Tariq Road, Dolmen Mall Hyderi, Dolmen Food Courts, The Harbour Front Office Tower and Dolmen Mall Clifton.

He later served in the capacity of Director Leasing, for the Dolmen property portfolio. He is currently serving as the Chief Operating Officer at Dolmen Real Estate Management (Pvt.) Limited, which manages over 2

million square feet of prime retail and commercial space.

#### Corporate Responsibilities

Dolmen Real Estate Management (Private) Limited  
(Chief Operating Officer)

#### As Director

International Complex Projects Limited  
Sindbad Wonderland (Private) Limited  
Grove (Private) Limited  
Retail Avenue (Private) Limited  
DHA Dolmen Lahore (Private) Limited  
Dolmen Project Management (Private) Limited  
Salfo Pakistan (Private) Limited

## MR. SAJIDULLAH SHEIKH

### NON-EXECUTIVE DIRECTOR

Mr. Sajid Ullah Sheikh is a Fellow member of Institute of Chartered Accountants of Pakistan. His association with Dolmen Group started spans over 9 years and is currently the Group CFO at the Dolmen Group. He started his career with KPMG Taseer Hadi and Co. later joining Avery Dennison Pakistan before associating with Dolmen Group.

#### Corporate Responsibilities

Group CFO - Dolmen Group

#### As Director

Grove (Private) Limited  
DHA Dolmen Lahore (Private) Limited

## MR. MUHAMMAD EJAZ

### CHIEF EXECUTIVE

Muhammad Ejaz is the founding Chief Executive of Arif Habib Dolmen REIT Management Limited, which has successfully launched South Asia's first listed REIT fund. He has been associated with Arif Habib Group since August 2008 and sits on the board of several group companies. He has spear headed several group projects when these were at a critical stage during their execution.

Prior to joining Arif Habib Group, Ejaz has served at senior positions with both local and international banks. He was the Treasurer of Emirates NBD bank in Pakistan and served Faysal Bank Pakistan as Regional Head of Corporate Banking group. He also served Saudi-Pak bank (now Silkbank) as Head of Corporate and Investment Banking. He also had short stints at Engro Chemical and American Express bank.

Mr. Ejaz did his graduation in Computer Science from FAST, ICS and did MBA in Banking and Finance from

IBA, Karachi where he is a regular visiting faculty member. He has also conducted programs at NIBAF-SBP and IBP. He is a Certified Director and also a Certified Financial Risk Manager.

He actively participates in the group's CSR initiatives especially those which render services in the fields of health and education with emphasis on female literacy.

#### Corporate Responsibilities

#### As Director

Arif Habib Corporation Limited  
Arif Habib Real Estate Services (Private) Limited  
Javedan Corporation Limited  
REMMCO Builders & Developers Limited  
Sachal Energy Development (Private) Limited





**BUILDING  
TOMORROW  
TOGETHER**

# CHAIRMAN'S REVIEW



# CHAIRMAN'S REVIEW

## Dear Unitholders of Dolmen City REIT

The Board of Directors Arif Habib Dolmen REIT Management Limited, the REIT Management Company (RMC), have issued a separate report on the performance and the future outlook of Dolmen City REIT (DCR).

The Board is responsible overseeing the Management of the REIT and in turn the Unitholders' best interest. I, in my capacity of Chairman of the Board, am issuing this report on my assessment of the performance of the Board.

It gives me great satisfaction to report that the Board has been meeting regularly and maintained continuous oversight and while being cognizant of its role and responsibilities, which it has carried out diligently in order to uphold the best interest of the Unit holders of DCR.

The Board's composition has a balance of executive, non-executive and independent directors and the Board, as a whole, has the core competencies, diversity, requisite skills, knowledge and experience necessary in the context of the DCR's operations. The Board composition also fulfils the minimum requirement of female members.

The Board has formed Audit, as well as Human Resource and Remuneration Committees. It has approved the Committees' Terms of Reference (TORs) and ensured that the respective members of the Committees are equipped with the necessary resources required by them to carry out assigned roles and responsibilities.

Throughout the year, the Management continued to bring all significant issues before the Board and its Committees to ensure robustness of the decision making process; in particular, all the related party transactions entered into, were brought to the Board's attention and were reviewed in detail by the Audit committee and thereafter, the Board.

The Board has developed and has been ensuring the implementation of a Code of Conduct covering professional standards, ethical practices and corporate values, that have been adhered to in the Management Company's conduct, as well as in managing DCR by the Management with respect to the day-to-day operational activities.

The Board carried out an evaluation of the Board's own performance and that of its Committees, as well as that of individual Directors. The Board is extremely satisfied with the result of its self-assessment.

All meetings of the Board, as well as those of its Committees were held with the requisite quorum and all the decisions were taken through Board resolutions. The minutes of the Board meetings, as well as that of its Committees were accurately recorded and circulated amongst the Members with regularity and timeliness. The Board and the Audit Committee have reviewed and are satisfied that there are adequate systems of internal control in place and that these were regularly assessed for implementation and adequacy.

All the key executives of the Management Company, who are committed to serve the best interest of the Unitholders of DCR, were evaluated and appropriate compensation was given so as to ensure that they perform their respective functions diligently. The key executives included the Chief Executive, the Chief Financial Officer, the Company Secretary and the Head of Internal Audit.

The Board has prepared and approved the Directors Report and has ensured that the Directors Report is published with the Quarterly and Annual Financial Statement of the Scheme and the contents of the Directors Report are in accordance with the requirement of applicable laws and regulation



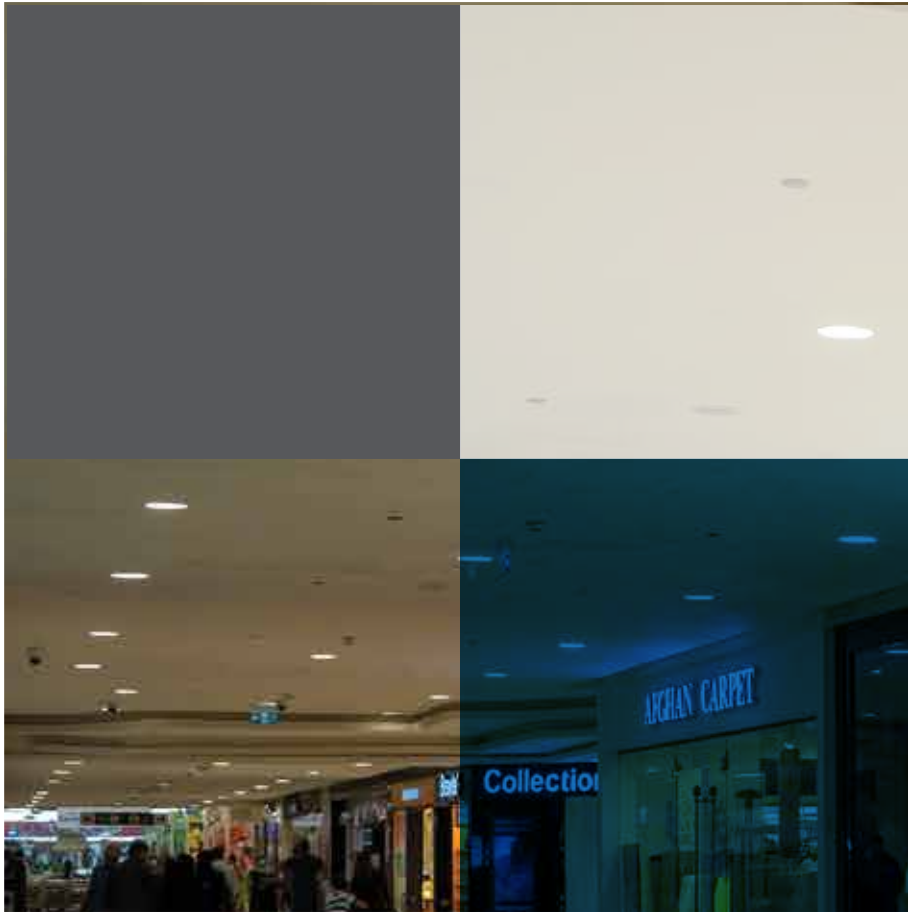
The Board exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on DCR and it has ensured compliance with all the applicable laws and regulation while exercising their powers and making decisions.

The evaluation of the Boards performance is assessed based on those key areas where the Board requires clarity in order to provide high level oversight, including strategic planning, key business drivers and performance milestones, the economic environment in which the Scheme operates, the risks faced by Scheme Business, Board Dynamics, Capability and information flows. Based on the aforementioned, it can be reasonably be stated the Board of Dolmen City REIT has played an important role in ensuring that Scheme objectives are achieved through a joint effort with the management team and guidance and oversight by the Board and its members.



Nasim Beg  
**Chairman**

September 30, 2021



**BUILDING  
RESILIENCE  
DEVELOPING  
OPPORTUNITIES**

# DIRECTORS' REPORT





## DIRECTORS' REPORT

Dear Unitholders of Dolmen City REIT

On behalf of the Board of Directors of Arif Habib Dolmen REIT Management Limited, we are pleased to present the Annual Report of Dolmen City REIT ("DCR" or "the Scheme") and the audited financial statements for the financial year ended June 30 2021, together with auditors' report and other statutory reports.

### Overview

FY2021 has been a challenging year for both the global economy and consumer sentiment owing to the ongoing COVID-19 pandemic. By implementing prudent and effective control measures, Pakistan has effectively controlled infection cases and robust measures are being implemented to catalyze economic recovery. However, the fourth wave of the virus is stronger and continued caution is touted to be critical for mitigating the spread.

Despite the challenges faced during the year, DCR continues to lead the capital markets in Pakistan as the only Listed REIT continuing to deliver strong results. DCR's performance, property management and close relationship with tenants is evident through maintenance of AAA (rr) – rating (highest investment quality and highest degree of stability in NAV) by the Rating agency and Shariah compliance certification by the Shariah advisor. Amidst economic and business challenges in the country, Dolmen Mall remains the destination of choice for shoppers and businesses alike. The Harbour Front similarly remained a benchmark for top quality office space in the country. In addition through tax reforms by the government tax over dividend income from REITs was reduced from 25% to 15% further increasing returns for unitholders.

### Response to the Outbreak of COVID-19

Due to pandemic spread of Coronavirus across the globe caused disruptions to all businesses and economic activity. Lockdowns were imposed on the retail-business activity by the government whereby, limited operating hours, only outdoor food were allowed along with safe days to curb the spread of virus. The mall management responded by intensifying customer engagement through digital platforms to encourage footfall and retail sales upon reopening with the implementation of prescribed customer safety protocols.

Efforts were also intensified to strengthen our valuable, long term tenant relationships by proactively negotiating contracts to support tenant retention in

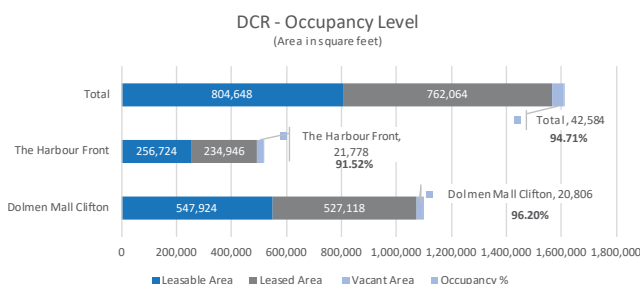
these challenging times. Tenants at both the Dolmen City Mall and the Harbour front office building were provided with rental waivers from month to month after carefully assessing the overall situation. Rental waivers provided to tenants of the Mall and Harbour Front during the year amounted to approximately PKR 622 million.

### Operational Performance

DCR's real estate has witnessed consistent occupancy levels since inception in 2015. With the management's response to the COVID-19 challenge, occupancy at the end of June 2021 was maintained above ninety percent at **94.71%** (June 30 2020: 92.78%). As a result of tight control measures, efforts to contain the spread of the virus have been successful enabling businesses to recover quickly. The mall business in Pakistan is counter-cyclical with pent up demand for consumer spending manifest as customers seek better value-for-money bargains.

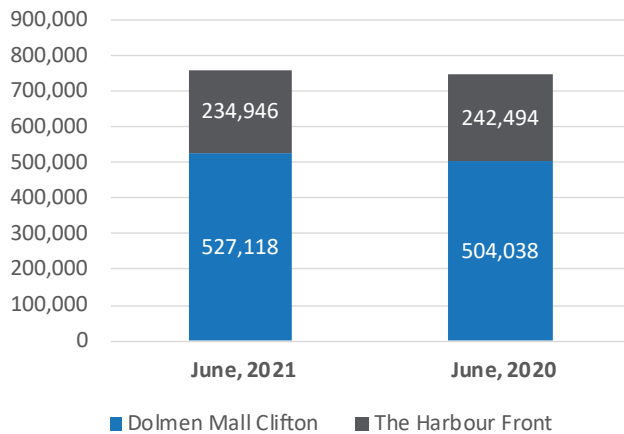
While rent waivers introduced by the management to provide relief to the tenants affected by the slowdown in economy resulted in lower rental income during the year, we view this as an investment and look forward to more robust performance in the coming quarters. The payoff of this investment in tenant retention is being proven by a reduction in the percentage of monthly rent waivers and new tenants coming in including Bank Alfalah Limited, Burger O' Clock, Broadway Pizza, Spa Celyon, unbeatable and others. Future tenancy planning is focused on encouraging footfall and retail spending through selecting tenants that help each other increase sales by creating buyer synergy resulting in higher overall sales volumes from mall operation. Space for new tenants who create value for the overall tenancy mix based on consumer goods formats has been created by outgoing large tenants including Samsonite Classic, Pie in the Sky, Zaoq Restaurant, Standard Chartered, and others.

Occupancy level at Dolmen Mall Clifton and Harbour Front at year end is as follows:



## DCR - Occupancy Variation

(Area in square feet)



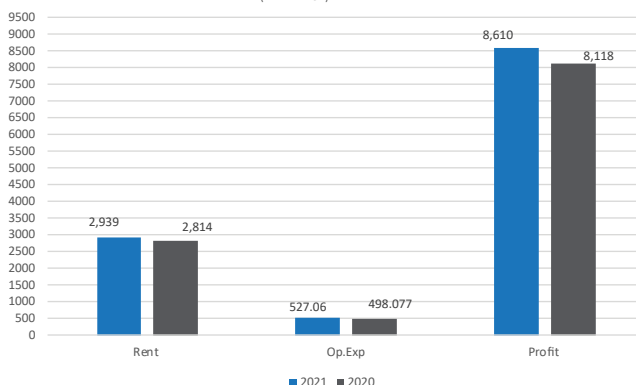
As on June 30 2021, the Weighted Average Lease Expiry 'WALE' based on the leasable area of Dolmen City Mall (68% of the total area) is around **2.7636 years** and of the Harbour Front (32% of the total area) is around **3.7138 years** (DCR's current average lease expiry is **3.2387 years**).

### Financial Performance

**DCR's fund size** as on June 30 2021 was **PKR 57.42 billion** (June 30 2020: PKR 51.28 billion) making it the biggest closed-end, Shariah compliant, listed instrument in Pakistan.

During the year under review, DCR recorded **rental income of PKR 2,938.661 million** (June 30 2020: PKR 2,813.561 million), marketing income of **PKR 147.393 million** (June 30 2020: PKR 151.40 million) and profit on Shariah compliant bank deposits of **PKR 86.611 million** (June 30 2020: PKR 191.989 million). Administrative, operating and other expenses amounted to **PKR 527.06 million** (June 30 2020: PKR 498.077 million).

Financial Performance  
(PKR 'Million)



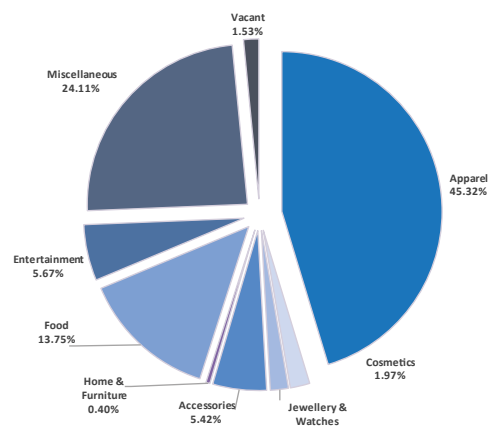
An amount of **5.921 billion** was also recorded as change in fair value of investment property as valued by Tristar International Consultant (Private) Limited, an independent valuer (Refer to note 4 to the financial statements). This translates to **Profit after tax of PKR 8.61 billion** (June 30 2020: PKR 8.12 billion) and **Earning per unit (EPU) of PKR 3.87**. The EPU comprises of distributable income of **PKR 1.21** and **PKR 2.66** being un-distributable unrealized fair value gains. The valuation opinion is a critical component for both the half-year and annual financial results. The Board has had full access to each valuation while reviewing the financial statements with the management and is satisfied that the fair valuation of the REIT properties were conducted in accordance with the rules.

### DCR Tenancy Profile

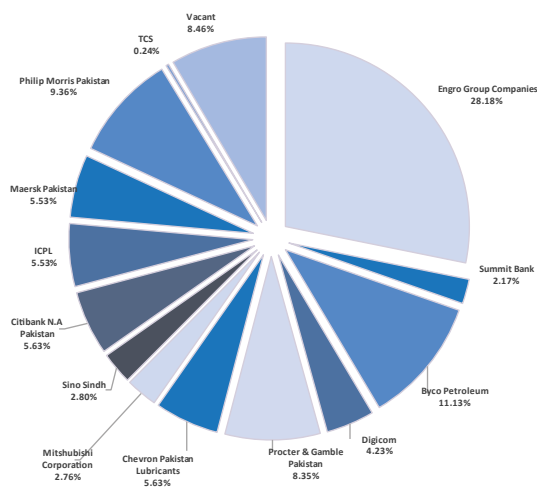
Existing occupancy of the real estate is held by credible tenants (mostly international brands and multinational corporations) with a track record of financial stability. Dolmen Mall Clifton anchored by Hyperstar and Debenhams, has a strong mix of local and international brands including Mango, Next, Nike, Aldo, Khaadi, Timberland and Charles & Keith creating a strong, steady flow of customers. The highest occupancy by tenant retail category is apparel (45%) followed by food (14%) while other categories represent an even tenancy mix. The mall provides a strong customer experience as it accommodates all top local and international brands currently operating in the city.

The current tenant portfolio of The Harbour Front boasts leading local and multinational corporations such as Engro Corp, Phillip Morris, Mitsubishi Corp. and Procter & Gamble, amongst others. There are **17** lettable floors.

MALL - TENANCY PROFILE  
(AS AT JUNE 2021)



HARBOUR FRONT - TENANCY PROFILE  
(AS AT JUNE 2021)



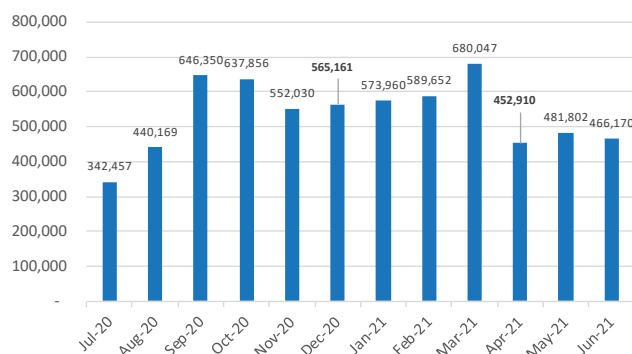
The Property Manager of DCR played an instrumental role in maintaining goodwill, tenancies and brand image enticing customers to visit, shop and be part of the Dolmen Mall experience. At the same time they kept the maintenance, health and safety of DCR assets at the highest quality standards under close monitoring by the REIT Management Company. The Property Manager's experience in devising tenancy strategies played an instrumental role in tenant retention with overall occupancy levels being maintained throughout the year.

### Footfall Drivers

Quarterly Dolmen Magazines were utilized to keep customer engagement high despite lockdowns, keeping shoppers abreast about shopping festivals, events calendar, brand advertisements and discount offerings with over 20,000 copies distributed to subscribers, PR list, tenants and in-mall distribution.

Customer centric marketing and branding activities at the Mall during the first half of the FY21 resulted in maintaining a healthy footfall. From Independence Day, New Year celebrations and Dolmen Shopping Festival every significant occasion of the season saw its festivities at the Dolmen City Mall.

Dolmen City Mall - Monthly Footfall - FY21



The outbreak of Corona virus dampened footfall this year with lockdowns and limited operational hours.

As a result, average monthly footfall was **535,714 visitors** compared with 729,018 visitors in FY20 while throughout the year, DCR welcomed around **6.43 Million** visitors during **FY21** compared to 8.7 Million visitors in FY20.

### Footfall Activators

Dolmen Mall management carefully prepares and executes a calendar of events in the form of festivals and activation to drive footfall and encourage footfall conversion to consumer spending throughout the year.

**Independence Day:** 14th August celebrations have been a signature event for Dolmen Mall since its inception. However this year, due to COVID crisis, government restrictions and ensuring all the government SOP's, we limited the event. The plan was to give a patriotic feel to our visitors while adhering the SOP's. Many families won exciting prizes through Azaadi Draws, Snap & Win activity and enjoyed perfect Independence Day with Dolmen Malls.

### Sweet Life Celebrations:

It was a successful event that happened last year and therefore we decided to continue the celebrations. The event was planned to give a warm welcome to our visitors, especially kids back to mall after the Coronavirus lockdown. The event was built around the smiley's to enhance the mood of the visitors and create a wow factor to ignite customer excitement.

**BeYOUtiful This Fall:** The beauty festival was one of the most awaited event of Dolmen Mall's calendar and this year it was celebrated with the same feel & engagements as previous years while adhering the coronavirus SOPs. The purpose of the event was to bring the best brands from the beauty & personal care industry under one roof and give customers a chance to interact with experts.

**Dolmen Wheels On Show:** The Dolmen Wheels on Show turned out to be the most interactive event of the year. Despite the COVID-19 impact on mall's footfall, the customers gave huge appreciation to event while observing the governmental SOPs.

The Idea behind 'Dolmen Auto Show' was to create an Exhibition of Cycles Cars, Bikes, Motor Vehicles throughout the Mall to invite & engage Auto Fans and enthusiastic and provide them with an opportunity to explore different car services brands, vintage cars exhibition, luxury bikes & cycles options under one roof.



**Winter Indulgence:** Due to COVID-19 impact and in the absence of Dolmen Shopping Festival, the idea behind the winter indulgence was to amplify the mall ambiance, promote winter deals of the tenants and attract more customers to shopping. The main focus was on décor and creative installations.

**Home Meets Style:** This event brought 15 brands from the home décor & Furniture industry under one roof and gave customers a chance to interact with experts and provide a chance to participate in activities to win gift hampers. The objective of the event and engagements was to enhance the customer's loyalty towards Dolmen. The mall was exquisitely decorated with banners, and an elegant welcome arch was placed to give a warm welcome to customers in the event.

Overall, the event was very successful. It saw 17% footfall growth compared to non-event weekend.

**Perfect Present:** The event was held from 8th–14th February to integrate the seasonal festivities with the internal Mall activities. The event is a perfect welcome to the new season bringing pleasure to everyone. The aim of the event was to create an engaging ambiance to enhance in Mall experience. The mall was beautifully decorated & engaging setups were placed by different event partners to add value in the overall success of the event. The main purpose of the event was to create a platform for the brands where they can offer gifting options for the loved ones.

Overall, the event was very successful. 11 brands participated in the event and it saw 1% footfall growth compared to non-event weekend.

**International Women's Day:** Women's Day commenced from 4<sup>th</sup> March to 8<sup>th</sup> March this year. The aim of the event was to give tribute to the women of our society and make them feel empowered. However due to COVID, we restricted the event to sales base activations and ambiance only. The event remain extremely successful:

- 11% footfall growth compared to non-event weekend.
- 19 Brands participated in the event overall.

**Lawn Festival:** Love of lawn was held from 10<sup>th</sup> – 14<sup>th</sup> March with the aim to promote the new lawn launches of lawn brands in Dolmen Clifton. The mall was aesthetically decorated that created a delightful ambiance for the event. Lawn Festival used to be one of the highest revenue generating event. However this year the brands did not actively participated in the event due to COVID impact.

- 8% footfall growth compared to non-event weekend.
- 5 Brands participated in the event overall.

**Pakistan Day:** This year celebrations for Pakistan Resolution Day started on 19<sup>th</sup> March and lasted till 23<sup>rd</sup> March. Event was organized with the extensive discount offerings, engagement activities, celebrity endorsements and we created an ambiance to enrich Mall's attraction with this grand celebration.

Overall, the event was very successful:

- 20% footfall growth compared to non-event weekend.
- 5 Brands participated in the event overall.

**Ramadan Kareem:** A Holy month is cherished by everyone and this is what makes the event most important for the year. The event were schedule from the mid of April lasted till May 2021. Event was decorated with Turkish Arabic themed ornaments which added a great value to the overall ambiance of the Mall. The arches & different engaging installations were placed at different locations of the mall which caught the eyes of the customers and customers were delighted to take their pictures with their favorite setups.

**Summer Souk:** Despite the pandemic and grieving times of the industry, The Dolmen has been accomplishing successful events back to back and continually on toes to provide something new and exciting for the mall visitors. The main purpose of these events is to bring and enhance new experience for customers and keep giving them a reason to revisit the mall. The events have also turned out to be a great support for the participating brands to directly interact with the customers which has been restricted since the COVID breakdown.

**Father's Day:** Father's day is beloved by the community, so for the celebrations of this day we have created a meaningful event and celebrate fatherhood at Dolmen Mall. To make this day memorable for fathers we have showcased an "instant Photo Print" activity that had never before been done on the premises. This event lasted in June 2021.

**Sweet Treat:** Sweet Treat has been a successful campaign in Dolmen for the past few years which motivated us to launch this campaign again for 2021. The purpose was to enhance the mood of the customer via refreshing & sweet treats of various brand under one roof. All these events have turned out to be successful campaigns for pulling extra footfall, enhancing customer experience and improve business for brands.

### Distribution of Dividend

During the first nine months of the year the Board of Directors had declared and distributed interim dividend of PKR 0.91 / unit i.e. 9.1% in equal proportion on quarterly basis. At year end, the board declared and distributed a final dividend of PKR 0.33 / unit i.e. 3.33%. On a cumulative basis, DCR has declared and distributed total dividend of **PKR 1.24 / unit** providing annualized dividend yield equal to **12.4%** based on par value and **11.27%** for IPO Investors at a strike price of PKR 11 per unit. The total pay-out for the year ended 30 June 2021 remained at **102.52%** of distributable income equivalent to **PKR 2,757.39 million**.

### Shariah Compliance

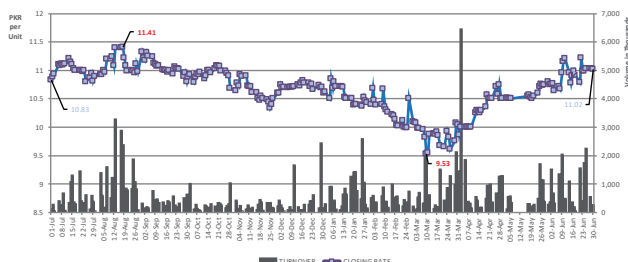
Complying with Shariah guidelines, the fund's real estate remained secure under Takaful policies by "A" rated Pakistani operators which have support from renowned international Re-Takaful syndicate. Shariah advisor, in his Annual Shariah Review Report, has confirmed compliance with Shariah principals in all aspects.

### Stocks Performance

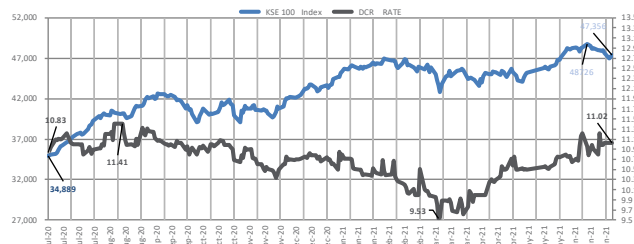
During the twelve months period under review, 'DCR' traded on the Pakistan Stock Exchange at an average unit price of **PKR 10.67** (compared with last year's average PKR 11.16) touching a high of **PKR 11.41** and a low of **PKR 9.53** per unit. During the same period **KSE100** index moved in the range from **34,889.41 to 48,726.08**. In an extremely volatile market, the stock of DCR remained fairly stable with beta of **0.26** (which means for a given 100% change in market KSE-100 Index, DCR would change only 26%, beta here represents low volatility and elasticity) and covariance with the market of 0.23 (which is a measure of the degree to which returns on two risky assets move in tandem, indicate low positive correlation of DCR stock performance with the market performance).

The Net Asset Value 'NAV' per Unit of DCR is **PKR 25.82** at the year ended on June 30, 2021 (PKR 23.06 at June 30, 2020). DCR on its closing Unit price of **PKR 11.02** on June 30, 2021 traded at a discount of **57%** to its NAV.

Stock Market performance of DCR Unit  
July 2020 to June 2021



DCR versus KSE 100 Index  
(July 2020 to June 2021)



### Business Environment

Karachi is one of the fastest growing cities in Pakistan, as such the demand for commercial space; both office and retail has generally seen an upward trend. Events over the last year however have placed real estate demand under pressure with rising cost of doing business, currency devaluation and uncertainty over real estate tax legislation. This was exacerbated by the economic slowdown caused by the onset of Coronavirus.

The supply of both office and retail space has remained slow with planned augmentation mostly stalled due to caveats introduced by Sindh High Court on land use conversion from residential designations to commercial. As such, developments are expected to proceed only on 'by birth' commercial properties. As such, we do not see competitive augmentation to supply during the upcoming fiscal year.

Financial institutions have been the major demand generators for office space and this demand has been channelled to dedicated, self-occupied developments such as HBL moving to G4 (26 floors) and Summit Bank moving to Bakht Tower (retail, office, residential). While these institutions represent a material office space occupier segment, we do not see this as having a bearing on the business performance of the DCR office component.

Retail on the other hand has not seen any space augmentation. Relevant future competition is represented almost solely by Bahria Icon Tower, a 62 storey mixed use retail, leisure, office and residential development. It's completion and hand over to tenants has however stalled on account of caveats imposed by the Sindh High Court. While the commencement of operations at Bahria Icon is viewed as healthy space addition with the potential of bringing new international brands into the country, we do not anticipate space becoming available in the next fiscal year.

With potential addition to supply stalling in the planning and construction phases, DCR office and retail components are considered to be the best managed commercial real estate in the country and demand is expected to remain steady.

## Business Risk Summary

DCR's business is sensitive to sustaining occupancy levels. Principal risks comprise: i) significant future supply of office and retail developments which try to undercut the pricing in the neighborhood. However, such developments would be bound to compromise on the facilities management in order to draw economies; whereas DCR has already set the industry benchmark in this space demonstrating its importance to the occupants. ii) Rising interest rate scenario can make the DCR yield competitive, however, in the longer run REIT units will continue to provide stable returns and consistent growth to investors as an inflation hedged instrument, iii) Default by existing tenants; the risk of which is considered to be low at Dolmen City since majority tenants of DCR are either multinationals or big franchises and DCR's Property Manager not only deploy stringent screening, profiling and tenancy sourcing policies but also monitors and maintains close liaison with every tenant.

## Taxation Reforms

During the current year, the REIT management company, jointly with other RMCs, advocated tax reforms to be incorporated in the Finance Bill 2021 for the documentation of real estate economy through proliferation of REITs. The reforms being advocated includes exemption from taxation of paper gains for all kinds of REIT Schemes on transfer of Immovable property to a REIT scheme and harmonization of dividends paid out by REITs with mutual funds at 15% (currently dividends from REITs are taxed at 25%). RMCs were successful on the subject as tax rate on dividends from REIT was reduced from 25% to 15% as well as milestone of removal of property transfer taxes has been achieved and depicted in the Finance Act 2021.

It is fundamental to the growth of REITs that the legal framework and taxation regime remain supportive and consistent in the longer term. It must be recognized that REITs are an important investment vehicle and have the potential of bringing several benefits to the economy. These range from improving documentation of real estate transactions, bringing accuracy to property valuations, enhancing government revenue and allowing small savers to take exposure in real estate thereby promoting savings. It is important that REITs are supported at all levels and benefits that are available to REITs in the province of Sindh are extended throughout the country for their proliferation.

## Outlook

As the government completes its third year, some tough economic decisions were made which subject

considerable pressure on every business segment, however we see stabilization in the commercial environment moving forward and anticipate this being translated to more demand for office space. In the shorter-term the related economics is expected to affect consumption pattern and the retail segment.

With professional property management, long lease expiries, extensive marketing activities and renowned tenants, we remain confident that Dolmen City will remain the destination of choice for shoppers, retail operators and corporations alike. This is also evident by current REIT rating of AAA (rr) which is reaffirmed by VIS Credit Rating Agency and denotes highest degree of stability in NAV. Consistently healthy footfall and tenants' contentment with the mall is the testimony of operational success for DCR. Going forward, rental escalations would be the prime revenue driver with the mall at optimal occupancy. By international standards, maximum occupancy of a mall is considered to be around 90% of the leasable area as tenancy is fluid and an element of vacancy is imperative to accommodate new tenants.

Vigilance at all levels by Trustee, RMC, Shariah Advisor and the SECP ensures compliance to REIT Regulations and other applicable laws and standards. These factors continue to provide DCR's Unit Holders with a rewarding investment.

## Corporate Governance

DCR is listed at the Pakistan Stock Exchange. The Board of the RMC and management are committed to observe the Code of Corporate Governance and are cognizant of their responsibilities to monitor operations and performance, enhance accuracy, comprehensiveness and transparency of financial and non-financial information

The Board would like to state that proper books of accounts of DCR have been maintained and appropriate accounting policies have been consistently applied in the preparation of financial statements. Accounting estimates as stated in note 2.4 of the financial statements are based on reasonable and prudent judgment. International Financial Reporting Standards, as applicable in Pakistan, are followed in the preparation of the financial statements. The system of internal controls is sound in design and has been effectively implemented and monitored. The financial statements of DCR present fairly its state of affairs, the result of its operations, cash flows and the movement in NAV. No material payment has remained outstanding on account of any taxes, duties, levies or charges.



In compliance with the Code, the Board hereby reaffirm that there is no doubt about DCR's ability to continue as a going concern and that there has been no material departure from the best practices of corporate governance.

It has always been DCR's endeavor to excel through better Corporate Governance and fair and transparent practices.

#### Trading in Scheme's Shares by Directors and Executives

A statement showing DCR's shares bought and sold

by RMC's Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor family members is annexed as Annexure - I.

#### Directors' Attendance at Board and its Committee Meeting

During the year ended 30 June 2021, Five (05) Board Meetings, Four (04) Audit Committee Meetings and one (01) Human Resource & Remuneration Committee Meeting were held. Attendance by directors was as follows

Name of Director	Board Meeting	Audit Committee	Human Resource & Remuneration Committee
Mr Nasim Beg	5	-	-
Mr Nadeem Riaz	5	-	-
Mr Naeem Ilyas	5	4	-
Mr Qamar Hussain	5	4	-
Mr Samad A. Habib	5	3	1
Mr Faisal Nadeem	5	-	1
Mr Muhammad Ejaz	5	4	1
Mr. Sajid ullah Sheikh	4	-	-
Ms. Tayyaba Rasheed	5	-	1

#### Directors' Remuneration

The Non- Executive Directors (including independent directors) but excluding those directors who are concurrently serving as Executive Directors in any of the Arif Habib Group of Companies are provided a remuneration for attending Board and its Committee Meetings as may be approved by the Board from time to time.

Further as and when the Board decides to assign any additional roles and responsibilities to any

non-executive directors, the Board shall decide the remuneration to be provided to such director which is commensurate with the roles and responsibilities so assigned.

#### Composition of the Board

The current composition of the board is as follows:-

#### Total Number of Directors:

- (a) Male: 7
- (b) Female: 1

**Composition:**

Name	Status
Mr. Nasim Beg	Chairman
Mr. Nadeem Riaz	Non-Executive Director
Mr. Qamar Hussain	Independent Director
Mr. Naeem Ilyas	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Abdus Samad A. Habib	Non-Executive Director
Mr. Faisal Nadeem	Non-Executive Director
Mr. Sajidullah Sheikh	Non-Executive Director
Mr. Muhammad Ejaz	Chief Executive Officer

**Committees of the Board:****Audit Committee**

Mr Qamar Hussain	Chairman
Mr Abdus Samad A. Habib	Member
Mr. Naeem Ilyas	Member

**Human Resource & Remuneration Committee**

Ms Tayyaba Rasheed	Chairperson
Mr Faisal Nadeem	Member
Mr Abdus Samad A. Habib	Member
Mr Muhammad Ejaz	Member

**Pattern of Unit holding**

The units of DCR are listed on Pakistan Stock Exchange. There were 4,127 unitholders of DCR as of 30 June 2021. The detailed pattern of unit holding and categories of unit holding of DCR including units held by Directors and Executives, if any, are provided as Annexure-II.

The pattern of Unit holding in DCR as at June 30, 2021 is detailed in Annexure 'II' to this report.

Categories of Unit holders	Unit Held	%
Directors	15,657,982	0.70%
Associated Companies	1,705,112,500	76.68%
Executives	-	0.00%
NIT and ICP	-	0.00%
Banks, DFIs, NBFCs,	310,034,783	13.95%
Modarabas and Mutual Funds	4,063,704	0.18%
Insurance Companies	7,538,018	0.34%
Foreign company	-	0.00%
General Public		
- Local	162,643,554	7.31%
- Foreign	1,125,509	0.05%
Others	17,523,950	0.79%
<b>Total</b>	<b>2,223,700,000</b>	<b>100%</b>

### Financial and Business Highlights

The key operating and financial data has been given in summarized form under the caption "Financial & Business Highlights" along with and graphic representation.

### Audit Committee

As required under the Code of Corporate Governance, the Audit Committee continued to perform as per its Terms of Reference duly approved by the Board.

### Auditors

The present external auditors M/s. Yousuf Adil & Co. Chartered Accountants, shall retire on completion of year 2020-21. As suggested by the Audit Committee of RMC, the Board of RMC has appointed M/s. KPMG Taseer Hadi & Co. Chartered Accountants, as auditors of DCR for the financial year ending on 30th June 2022 at a fee to be mutually agreed. The appointed external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program.

### Election of Directors

In accordance with the provisions of Section 161 of Companies 2017 (Section 180 of the repealed Companies Ordinance, 1984) the three years term of eight elected directors of RMC will be completed on 26, October 2021 and all Directors will retire. For fresh elections of Directors the number of Directors as fixed by the Board (eight in numbers).

### Post Balance Sheet Events

There have been no material changes since 30<sup>th</sup> June 2021 to the date of this report except the declaration and distribution of a final Cash Dividend @ Rs. 0.33 / unit i.e. 3.3 %. This was in addition to interim dividend declared and distributed @ Rs. 0.91 / unit i.e. 9.1%. The effect of such declaration shall be reflected in the next year's financial statements.

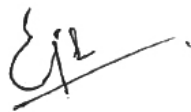
### Related Party Transactions

In order to comply with the requirements of REIT Regulations and Code of Corporate Governance, DCR presented all related party transactions before the Audit Committee and Board of RMC for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in note 20 of the annexed audited financial statements.

### Acknowledgment

We are thankful to DCR's valued investors, the Securities and Exchange Commission of Pakistan, the management of Pakistan Stock Exchange, the Trustees of DCR, the Property Manager and 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



**Nasim Beg**  
Chairman

Karachi  
September 30, 2021





## ANNEXURE 1

Statement showing units bought and sold by Directors, CEO, CFO, Company Secretary and their Spouses and Minor Children from July 1, 2020 to June 30, 2021.

Name	Designation	Units Bought	Units Sold	Remarks
Mr. Nasim Beg	Chairman	-	-	-
Mr. Naeem Ilyas	Director	-	-	-
Mr. Qamar Hussain	Director	-	-	-
Ms. Tayyaba Rasheed	Director	-	-	-
Mr. Nadeem Riaz	Director	-	-	-
Mr. Abdus Samad A Habib	Director	-	-	-
Mr. Faisal Nadeem	Director	-	-	-
Mr. Sajidullah Sheikh	Director	247,500	-	-
Mr. Muhammad Ejaz	Chief Executive	-	-	-
Mr. Razi Haider	CFO & Company Secretary	-	-	-

## ANNEXURE II - PATTERN OF UNIT HOLDING

Categories of Unit Holders as at June 30, 2021

Categories	No of Unit holders	No of Unit Held	Holding %
Directors and their spouse(s) and minor children	5	15,657,982	0.70
Executives	-	-	-
Associated Companies, undertakings and related parties	2	1,705,112,500	76.68
NIT and ICP	-	-	-
Banks Development Financial Institutions, Non-Banking Financial Institutions	12	310,034,783	13.95
Insurance Companies	11	7,538,018	0.34
Modarabas and Mutual Funds	8	4,063,704	0.18
Others	45	17,523,950	0.79
General Public			
a. Local	3970	162,643,554	7.31
b. Foreign	74	1,125,509	0.05
Foreign Companies	-	-	-
<b>Total</b>	<b>4127</b>	<b>2,223,700,000</b>	<b>100.00</b>

## PATTERN OF UNIT HOLDING

Categories of Unit Holders as at June 30, 2021

Categories	No of Unit holders	No of Unit Held	Holding %
<b>Directors and their spouse(s) and minor children</b>			
FAISAL NADEEM	2	4,207,649	0.19
NADEEM RIAZ	1	6,860,000	0.31
UZMA NADEEM	1	4,342,833	0.20
SAJID ULLAH SHEIKH	1	247,500	0.01
	<b>5</b>	<b>15,657,982</b>	<b>0.70</b>
<b>Executives</b>	-	-	-
<b>Associated Companies, undertakings and related parties</b>	<b>2</b>	<b>1,705,112,500</b>	<b>76.68</b>
<b>NIT and ICP</b>	-	-	-
<b>Banks Development Financial Institutions, Non-Banking Financial Institutions</b>	<b>12</b>	<b>310,034,783</b>	<b>13.95</b>
<b>Insurance Companies</b>	<b>11</b>	<b>7,538,018</b>	<b>0.34</b>
<b>Modarabas and Mutual Funds</b>	<b>8</b>	<b>4,063,704</b>	<b>0.18</b>
<b>Others</b>	<b>45</b>	<b>17,523,950</b>	<b>0.79</b>
<b>General Public</b>			
a. Local	<b>3970</b>	<b>162,643,554</b>	<b>7.31</b>
b. Foreign	<b>74</b>	<b>1,125,509</b>	<b>0.05</b>
<b>Foreign Companies</b>	-	-	-
<b>Total</b>	<b>4,127</b>	<b>2,223,700,000</b>	<b>100.00</b>

Unit holders holding 10% or more	Units Held	Percentage
INTERNATIONAL COMPLEX PROJECTS LIMITED.	1,667,775,000	75.00

## PATTERN OF UNIT HOLDING

As of June 30, 2021

# Of Unit Holders	Unit Holding'slab			Total Units Held
122	1	to	100	2,960
1,269	101	to	500	625,171
797	501	to	1,000	788,555
772	1,001	to	5,000	2,215,601
282	5,001	to	10,000	2,441,387
91	10,001	to	15,000	1,174,157
95	15,001	to	20,000	1,783,357
77	20,001	to	25,000	1,829,656
41	25,001	to	30,000	1,174,517
24	30,001	to	35,000	799,648
37	35,001	to	40,000	1,436,600
22	40,001	to	45,000	959,700
61	45,001	to	50,000	3,016,208
17	50,001	to	55,000	900,000
23	55,001	to	60,000	1,350,120
4	60,001	to	65,000	252,500
14	65,001	to	70,000	958,000
20	70,001	to	75,000	1,473,750
23	75,001	to	80,000	1,823,300
5	80,001	to	85,000	417,000
14	85,001	to	90,000	1,238,000
7	90,001	to	95,000	640,875
47	95,001	to	100,000	4,692,152
9	100,001	to	105,000	932,615
4	105,001	to	110,000	429,000
4	110,001	to	115,000	453,000
9	115,001	to	120,000	1,071,000
4	120,001	to	125,000	499,500
6	125,001	to	130,000	777,500
3	130,001	to	135,000	399,500
5	140,001	to	145,000	715,000
5	145,001	to	150,000	746,500
5	150,001	to	155,000	766,500
2	155,001	to	160,000	312,500
1	160,001	to	165,000	165,000
3	165,001	to	170,000	502,766
2	170,001	to	175,000	346,000
4	175,001	to	180,000	711,000
6	180,001	to	185,000	1,103,500
1	185,001	to	190,000	190,000
2	190,001	to	195,000	384,500
13	195,001	to	200,000	2,596,051
3	200,001	to	205,000	606,055
3	205,001	to	210,000	625,972
4	210,001	to	215,000	850,500
1	215,001	to	220,000	216,000



## PATTERN OF UNIT HOLDING

As of June 30, 2021

# Of Unit Holders	Unit Holding'slab			Total Units Held
3	220,001	to	225,000	673,500
1	225,001	to	230,000	229,066
2	230,001	to	235,000	466,500
1	235,001	to	240,000	240,000
1	240,001	to	245,000	245,000
7	245,001	to	250,000	1,746,000
3	255,001	to	260,000	776,000
1	260,001	to	265,000	261,000
1	265,001	to	270,000	270,000
3	270,001	to	275,000	825,000
2	275,001	to	280,000	560,000
2	280,001	to	285,000	564,500
1	285,001	to	290,000	290,000
1	290,001	to	295,000	294,500
9	295,001	to	300,000	2,695,500
1	300,001	to	305,000	302,500
1	310,001	to	315,000	311,000
1	320,001	to	325,000	325,000
1	325,001	to	330,000	329,500
1	330,001	to	335,000	335,000
1	335,001	to	340,000	337,000
1	350,001	to	355,000	353,500
3	360,001	to	365,000	1,089,000
1	365,001	to	370,000	367,000
1	370,001	to	375,000	375,000
1	375,001	to	380,000	376,500
2	385,001	to	390,000	775,000
3	395,001	to	400,000	1,200,000
1	400,001	to	405,000	400,500
1	405,001	to	410,000	409,165
2	410,001	to	415,000	825,500
2	415,001	to	420,000	838,000
3	420,001	to	425,000	1,271,500
1	430,001	to	435,000	434,700
2	435,001	to	440,000	878,500
2	440,001	to	445,000	889,450
1	445,001	to	450,000	450,000
1	455,001	to	460,000	457,500
7	495,001	to	500,000	3,500,000
1	505,001	to	510,000	505,500
1	520,001	to	525,000	525,000
2	525,001	to	530,000	1,056,000
1	530,001	to	535,000	534,700
3	545,001	to	550,000	1,647,518
1	555,001	to	560,000	560,000

## PATTERN OF UNIT HOLDING

As of June 30, 2021

# Of Unit Holders	Unit Holding'slab			Total Units Held
1	565,001	to	570,000	566,500
1	585,001	to	590,000	590,000
3	595,001	to	600,000	1,800,000
1	600,001	to	605,000	600,600
1	610,001	to	615,000	610,500
1	665,001	to	670,000	668,500
1	680,001	to	685,000	685,000
1	695,001	to	700,000	700,000
1	745,001	to	750,000	750,000
1	790,001	to	795,000	794,000
1	795,001	to	800,000	800,000
1	800,001	to	805,000	805,000
2	830,001	to	835,000	1,666,666
1	835,001	to	840,000	837,500
1	840,001	to	845,000	844,500
1	860,001	to	865,000	864,500
1	895,001	to	900,000	897,000
1	900,001	to	905,000	903,500
1	905,001	to	910,000	910,000
1	910,001	to	915,000	915,000
1	970,001	to	975,000	972,000
1	985,001	to	990,000	986,149
4	995,001	to	1,000,000	4,000,000
1	1,005,001	to	1,010,000	1,010,000
1	1,045,001	to	1,050,000	1,050,000
1	1,080,001	to	1,085,000	1,081,333
1	1,090,001	to	1,095,000	1,092,500
1	1,095,001	to	1,100,000	1,100,000
1	1,180,001	to	1,185,000	1,181,500
1	1,195,001	to	1,200,000	1,200,000
1	1,230,001	to	1,235,000	1,233,000
1	1,250,001	to	1,255,000	1,255,000
1	1,255,001	to	1,260,000	1,255,500
1	1,510,001	to	1,515,000	1,512,500
1	1,555,001	to	1,560,000	1,558,333
1	1,630,001	to	1,635,000	1,630,500
1	1,680,001	to	1,685,000	1,685,000
1	1,880,001	to	1,885,000	1,880,500
1	1,905,001	to	1,910,000	1,909,000
3	1,995,001	to	2,000,000	6,000,000
1	2,205,001	to	2,210,000	2,206,000
1	2,505,001	to	2,510,000	2,508,000
1	2,590,001	to	2,595,000	2,591,318
1	2,805,001	to	2,810,000	2,806,500
1	3,025,001	to	3,030,000	3,025,500

## PATTERN OF UNIT HOLDING

As of June 30, 2021

# Of Unit Holders	Unit Holding'slab			Total Units Held
1	3,195,001	to	3,200,000	3,200,000
1	3,205,001	to	3,210,000	3,207,649
1	3,440,001	to	3,445,000	3,444,000
1	3,715,001	to	3,720,000	3,719,000
1	3,855,001	to	3,860,000	3,858,227
1	4,340,001	to	4,345,000	4,342,833
1	4,625,001	to	4,630,000	4,626,500
2	4,995,001	to	5,000,000	10,000,000
1	6,855,001	to	6,860,000	6,860,000
1	7,480,001	to	7,485,000	7,484,400
1	8,495,001	to	8,500,000	8,500,000
1	8,995,001	to	9,000,000	9,000,000
1	13,005,001	to	13,010,000	13,008,500
1	17,910,001	to	17,915,000	17,912,437
1	30,095,001	to	30,100,000	30,100,000
1	37,335,001	to	37,340,000	37,337,500
1	41,685,001	to	41,690,000	41,690,000
1	47,465,001	to	47,470,000	47,468,500
1	50,785,001	to	50,790,000	50,790,000
1	52,750,001	to	52,755,000	52,750,950
1	53,495,001	to	53,500,000	53,496,333
1	1,667,770,001	to	1,667,775,000	1,667,775,000
<b>4127</b>				<b>2,223,700,000</b>

# FINANCIAL HIGHLIGHTS

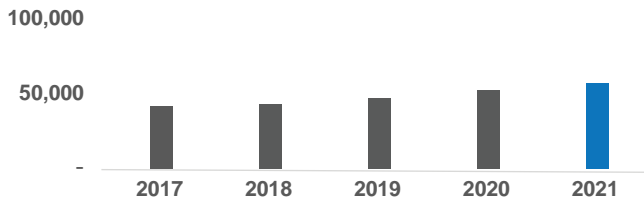
Financial Highlights	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15 (Based on one month operations)
<b>Profitability</b>							
Net Profit Margin (Annualized Return for FY 15)	86.33%	86.63%	85.45%	85.13%	85.79%	87.04%	90.69%
Return on total assets	14.82%	15.60%	14.61%	11.76%	8.93%	43.40%	8.78%
Return on Unitholders' fund	14.99%	15.83%	14.86%	11.97%	9.07%	44.07%	8.99%
<b>Liquidity</b>							
Current ratio (in times)	4.22	2.96	3.51	3.41	7.56	9.86	4.74
Cash to current liabilities	3.32	2.03	2.75	2.68	6.76	6.50	4.41
<b>Market Ratios</b>							
Dividend payout ratio	102.53%	104.54%	96.73%	96.12%	98.12%	100.00%	100.00%
Dividend Yield (at par @ Rs.10 per unit)	12.40%	12.50%	13.20%	12.00%	11.50%	10.40%	0.76%
Dividend Yield (as IPO strike @ Rs.11 per unit)	11.27%	11.36%	12.00%	10.91%	10.45%	9.45%	0.69%
P/E Ratio (in times)	2.85	2.98	3.29	5.67	6.95	1.36	144.69
<b>Valuation</b>							
Earning per unit - Basic and diluted (PKR)	3.87	3.65	3.09	2.27	1.70	7.98	0.08
Net asset value per unit (PKR)	25.82	23.06	20.79	18.99	18.77	18.11	10.20
No. of ordinary units	2,223,700,000	2,223,700,000	2,223,700,000	2,223,700,000	2,223,700,000	2,223,700,000	2,223,700,000
<b>Trends (PKR '000)</b>							
Management fee	79,931	77,054	90,415	83,194	77,459	69,575	5,300
Trustee fee	13,322	12,842	15,069	13,866	12,910	11,596	907
Net Operating Income	2,664,370	2,568,467	3,013,838	2,772,936	2,581,957	2,319,176	181,325
Profit before and after taxation	8,609,987	8,117,883	6,869,588	5,055,268	3,787,120	17,742,638	169,977
Unit Capital	22,237,000	22,237,000	22,237,000	22,237,000	22,237,000	22,237,000	22,237,000
Unitholders' fund	57,424,053	51,282,373	46,233,196	42,232,181	41,735,498	40,261,026	22,688,323
Total assets	58,084,224	52,034,420	47,022,210	42,998,020	42,399,852	40,885,917	23,218,502



## FINANCIAL HIGHLIGHTS

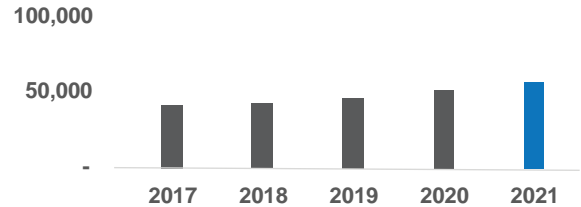
### Total Assets

Rupees in Million



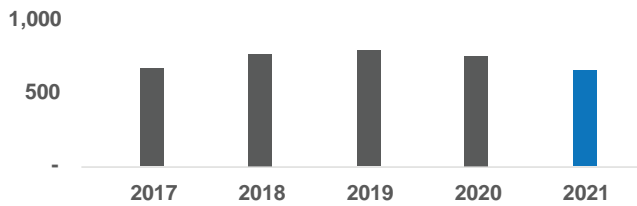
### Unit Holders' Fund

Rupees in Million



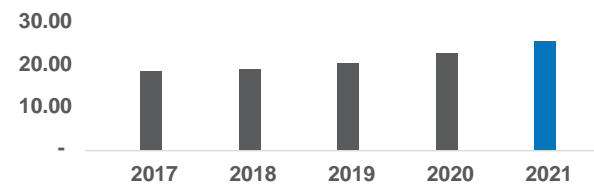
### Total Liabilities

Rupees in Million



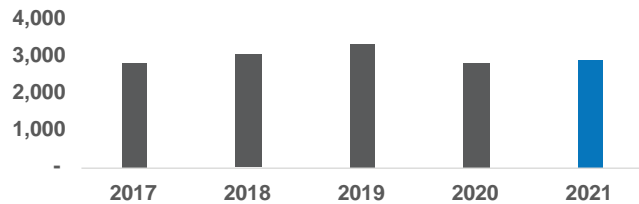
### Net Asset Value

Rupees



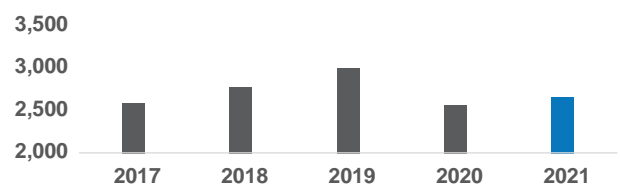
### Rental Income

Rupees in Million



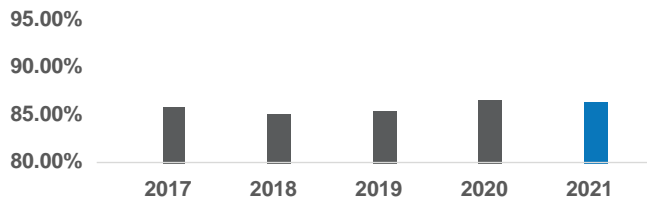
### Net Operating Income

Rupees in Million



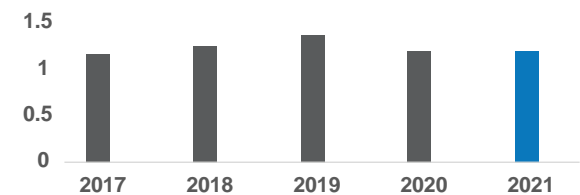
### Net Operating Margin

Percentage



### EPU-Distributable Income

Rupees



# STATUTORY REPORT



**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahr-e-Faisal  
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

URL: [www.cdcpakistan.com](http://www.cdcpakistan.com)

Email: [info@cdcpak.com](mailto:info@cdcpak.com)



**TRUSTEE REPORT TO THE UNIT HOLDERS  
DOLMEN CITY REIT**

**Report of the Trustee pursuant to Regulation 15(1)(xiv) of the Real Estate  
Investment Trust Regulations, 2015**

We Central Depository Company of Pakistan Limited, being the Trustee of Dolmen City REIT (the Fund) are of the opinion that Arif Habib Dolmen REIT Management Limited, being the Management Company of the Fund has materially complied with the Business Plan during the year ended June 30, 2021.

We would like to draw the attention of the unit holders towards the following facts:

- Delay in execution of several agreements were noted during the COVID period. However, the terms of the agreement were fully implemented and agreements were also executed subsequently.
- Gross revenue earned are lower than the revenue projections given in the business plan for the period ended June 30, 2021 due to multiple COVID discounts given by the Management Company to maintain tenant occupancy level.

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: October 25, 2021


**ALHAMD SHARIAH ADVISORY SERVICES**
**(PVT) LIMITED**

نحمده و نصلى على رسوله الكريم

## **Shariah Review Report**

*For the year ended June 2021*

Dolmen City REIT is a Shariah Compliant REIT launched in the month of June, 2015. The structure of Dolmen CITY REIT is based on *Shirkah* and *Ijarah*. According to the structure, all unit holders are co-owners of the project (The Harbor Front and Dolmen Mall Clifton) and they will receive the dividends based on the income from rentals. *Shirkah* and *Ijarah* both are Shariah compliant products.

The year under review is the seventh year of the said REIT. In the capacity of Shariah Advisor, we reviewed the transactions conducted during the year. We found all the investment and rental-related matters Shariah-compliant.

In our opinion the business affairs of the said REIT have been generally carried out in accordance with rules and regulations of Shariah, therefore we confirm that the income generated under this REIT for the unit holders is HALAL and SHARIAH COMPLIANT.

We are thankful to the Directors and management of Arif Habib Dolmen REIT Management Company, the trustee, property manager, and other stakeholders in providing full support and cooperation to make it Shariah-compliant and our special thanks to all unit holders who invested in this REIT and showed full trust in this project.

May Allah grant the management of REIT best reward for their services, and may give in their mission more blessings and sincerity. Ameen

**Mufti Muhammad Ibrahim Essa**

*C.E.O. & Director*

Alhamd Shariah Advisory Services (Pvt.) Limited  
20<sup>th</sup> September, 2021

**Mufti Ubaid ur Rahman Zubairi**

*Director*

Alhamd Shariah Advisory Services (Pvt.) Limited







## ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

نحمدہ و نصلی علیٰ رسولہ الکریم

### شریعیہ ریویورپورٹ

جون ۲۰۲۱

ڈولمین سٹی REIT ایک شریعیہ کمپلائنٹ REIT ہے، جو جون 2015 میں شروع ہوئی۔ ڈولمین REIT کی بنیاد شرکت اور اجارہ پر ہے، جس کے مطابق، تمام یونٹ ہولڈرز، پراجیکٹ (ہاربر فرنٹ اور ڈولمین مال، کلغٹن) کے شرکاء ہیں اور حاصل ہونے والا کرایہ ان شرکاء کے درمیان تقسیم کیا جاتا ہے۔ شرکت اور اجارہ دونوں عقود شریعت کے مطابق ہیں۔

ہم نے ڈولمین سٹی REIT کے ساتویں سال کے اختتام پر، معاملات کا شرعی نقطہ نگاہ سے جائزہ لیا، REIT کی آمدنی کا بنیادی ذریعہ کرایہ ہے، جو مختلف کرایہ داروں سے حاصل ہوتا ہے۔

ہماری رائے میں، ڈولمین سٹی REIT کے کاروباری معاملات مجموعی طور پر شرعی قواعد و ضوابط کے مطابق انجام دیے گئے ہیں، لہذا ہم اس بات کی تصدیق کرتے ہیں کہ اس REIT کی آمدنی حلال اور شریعت کے مطابق ہے۔

ہم ان تمام معاملات کو شریعت کے مطابق رکھنے میں، عارف حبیب ڈولمین REIT مینجمنٹ کمپنی، ٹرسٹی، پراپرٹی مینیجر اور دیگر تمام حصہ داروں کی حمایت اور تعاون کا شکریہ ادا کرتے ہیں، ساتھ ہی ساتھ اُن یونٹ ہولڈرز کے بھی شکر گزار ہیں جنہوں نے اس REIT پر اعتماد کیا اور اس میں سرمایہ کاری کی۔

آخر میں ہم ڈولمین سٹی REIT کی مزید ترقی اور خوشحالی کے لئے اپنی نیک خواہشات کا اظہار کرتے ہیں۔

الرحمۃ

مفتی عبید الرحمن زبیری

ڈائریکٹر

الحمد شریعیہ ایڈوائزری سروسز (پرائیوٹ) لمیٹڈ

محمد ابراہیم عیسیٰ

مفتی محمد ابراہیم عیسیٰ

سی، ای، او، - ڈائریکٹر

الحمد شریعیہ ایڈوائزری سروسز (پرائیوٹ) لمیٹڈ

۲۰، ستمبر ۲۰۲۱





*Tristar International Consultant (Pvt) Ltd.*

**VALUATION REPORT OF COMMERCIAL PROPERTY**  
**(DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

Date: September 20, 2021

Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021

**EXECUTIVE SUMMARY**

The purpose of this full-scope valuation report is to present and appraise the Commercial property comprising of the whole immovable property of Dolmen City REIT (DCR) i.e. **"DOLMEN MALL CLIFTON & HARBOUR FRONT"** Constructed on Plot No. HC-3, Clifton Block No.4, Karachi, on the request of DCR's REIT management company, **ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED**. Within the context of this assignment, **TRISTAR INTERNATIONAL CONSULTANTS (PVT) LTD.**, has acted for the client as in the capacity of an external valuator.

The valuation is to be undertaken on the basis of Market Value and inspirations for the standards to be followed, are in accordance with the guidelines mentioned in the International Valuation Standards Council.

Based on our complete valuation, we have developed an Estimated Market Value of the property as of (June 30, 2021):

**Summary of Estimated Market Value**

Descriptions		Value (Rs.)	Discount Factor (%)	Forced Sale Value (Rs.)
Cost Approach		33,201,737,332		
Sales Comparison		70,951,198,878	20%	56,760,959,102
Income Capitalization Approach	i) Property Value based on estimated income capitalization value	57,168,542,848		
	ii) Property Value based on DCR's (Projected Net Operating Income based on existing rental agreements and expected rent for the vacant area capitalization value)	56,334,197,200		

The above cost estimates are based on approximate values, which have been calculated and evaluated to the best of our professional knowledge and belief, present market knowledge, information furnished by real estate industry, prevailing condition of the property/assets, location and/or sources of market information from the different resources, within the same vicinity and the relevant factors affecting the salability of the subject assets. Photocopies of the property documents seen and this report consist of '35" pages with photographs.



*Tristar International Consultant (Pvt) Ltd.*

**VALUATION REPORT OF COMMERCIAL PROPERTY**  
**(DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

Date: September 20, 2021

Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021

**Evaluation Report**

Date Job Assigned	11-8-2021
Date Site Surveyed	18-8-2021
Account /Client Name	DOLMEN CITY REIT
Appraised By	Mr. Amin Mustafa & Mr. Musab Fayyaz
Address & Location of Property	"Dolmen Mall Clifton & Harbour Front" constructed on Plot No. HC-3, situated at Clifton, Block No. 4, Karachi.
Total Area (Entire Plot)	37,666.65 Sq. Yds. (As per documents)
Shared Land Area of REIT	15,201.68 Sq. Yds. (As per documents)
Occupancy Status	Rented
Category	Shopping Mall & High-rise Office Building
Type of Property	Commercial (Land & Building)
Name of Ownership	Dolmen City REIT

**Cost Approach Value: PKR. 33,201,737,332.00**

**Sales Comparison Approach: PKR. 70,951,198,878.00**

**Estimated Income Capitalization Approach: PKR. 57,168,542,848.00**

**Revenue Income Capitalization Value PKR. 56,334,197,200.00**





## *Tristar International Consultant (Pvt.) Ltd.*

### **VALUATION REPORT OF COMMERCIAL PROPERTY (DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

Date: September 20, 2021

Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021

### **ABOUT THE PROJECT**

Arif Habib Dolmen REIT Management Limited (being a REIT management company) launched and listed Pakistan's first Real Estate Investment Trust (REIT) - Dolmen City REIT 'DCR' in June 2015. DCR is a perpetual rated, closed-end, shariah compliant, rental REIT Scheme which is listed on the Pakistan Stock Exchange. Its real estate comprises of two components of the Dolmen City-Project, situated on the Arabian Sea-front at Clifton, Karachi, and is one of the largest and most prestigious mixed-use developments in Pakistan. It is built to serve commercial and corporate clients in an ultra-modern business environment.

The two components are:

#### **DOLMEN MALL CLIFTON:**

The Dolmen Mall Clifton has a built-up area of approximately one million square feet boasts shopping and entertainment facilities as well as a food court.

#### **THE HARBOUR FRONT:**

Pakistan's premier corporate address, "The Harbour Front" is located on the scenic coastline of Karachi, soaring 19 levels above the Arabian Sea. This modern triangular tower is home to the leading local and multinational corporations. With an area of over 270,270.67 square feet of office space spread over 17 levels, The Harbour Front provides a spacious and inspirational environment to conduct their everyday business. The current tenant portfolio of "The Harbour Front" comprises of leading corporations such as Byco, Engro Corporation, Phillip Morris, Procter & Gamble, Mitsubishi Corporation & Citibank Pakistan.

#### **Tristar International Consultant (Pvt.) Ltd.**

Tristar is a multi-dimensional, innovative business venture providing valuation services to the financial sector for the past two decades. We provide valuation services, local / international credit reports, credit support services, consultation on strategic banking matters, customs clearing and forwarding services. We are a well-regarded business partner with the banking industry in Pakistan and are enlisted with a host of professional bodies which include "The Pakistan Bank's Association" and "Pakistan Engineering Council".

We have a workforce of about one hundred full-time employees comprising of Engineers, MBAs, Chartered Accountants and Bankers having years of experience behind them. We have a pan Pakistan network of offices located in all major cities, equipped with necessary infrastructure and sophisticated communication systems. Over the past few years, we have evaluated companies working in the power sector, bulk oil terminals, cement factories, chemical and fertilizer plants, composite textile units, pharmaceuticals, iron and steel mills, feed mills, sugar mills, etc. We are extremely proud to have carried out the valuation of the Jinnah International Airport Terminal for a major Islamic bank in Pakistan.





*Tristar International Consultant (Pvt) Ltd.*

**VALUATION REPORT OF COMMERCIAL PROPERTY**  
**(DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

**Date: September 20, 2021**

**Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021**

We have been allocated the "**Any Limit**" category by PBA (Pakistan Banking Association). We have also been handling valuation of residential, commercial, agricultural and industrial properties of all descriptions. Moreover, we are enlisted on the approved panel of all major local/foreign banks.

We stand out for our unmatched value-added services through quality human resources, the use of technology and our presence in all the major financial hubs of Pakistan. The professional edge, of Tristar International is to ensure value for its customers.

Upon receiving the request, for the subject property, a team from Tristar International Consultant (Pvt.) Ltd. visited the property and started working on the report. Following are the individuals involved in report preparation:

**Appraisal Team, Market Research & Review Team**

Mr. Amin Mustafa  
 Engr. Musab Fayyaz

Mr. Arif Abbas  
 Mr. Mohsin Raza

**Additional Information**

The Dolmen Mall Clifton and Harbour Front constructed on amalgamated Plot No. HC-3, Block No.04, Scheme No: 05, Marine Drive, Clifton, Karachi measuring a total area of 37,666.65 Square Yards and REIT shared area of 15,201.68 square yards in an irregular shape. The structural foundation of this complex was designed with keeping in consideration seismic effects / loads (earthquakes) as per the highest international standards i.e. complying with "seismic zone 2B" (moderate).

The Dolmen Mall Clifton is approachable from all prominent roads including the Clifton road. The traffic flow during working hours (However smooth traffic flows are observation in rest of the time) of this location is heavy. However, the rest of the time it is smooth. The Clifton road is an important road and has become a financial and commercial hub of Karachi. Several major and prominent buildings, offices and malls are located on it.

This area is highly valuable, commercialized, and rapidly developing day by day. Infrastructure features such as roads, transportation, public amenities and daily workforce are easily available in the vicinity of the Clifton area of Karachi. Essential utility services such as water, drainage, electricity, telephone services are also available within the neighborhood areas of the Dolmen Mall Clifton and Harbour Front.

All the floors are well maintained with high standard facilities. It is centrally air-conditioned with concealed air ducts and large chiller plants placed on the roof. The flooring throughout the building complex is granite tile, porcelain tile and wood. The stairs are slip-proof and there are fast and efficient elevators servicing all floors. A well-designed and maintained mosque and well-managed executive cafeteria are also present in the building.



*Tristar International Consultant (Pvt) Ltd.*

**VALUATION REPORT OF COMMERCIAL PROPERTY**  
**(DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

Date: September 20, 2021

Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021

The Dolmen Mall Clifton and Harbour Front are covered by perimeter walls around all sides with many entrance gates. The designated car parking space is provided in the lower and upper basement for sufficient vehicles. These complexes are designed with very good and high-quality sound-proofing insulation. Furthermore, a high-quality firefighting system is also installed in the building to face an emergency of any such conditions to incur a minimum loss.

Electrical and mechanical heavy equipment like generators, HVAC, and other allied accessories are installed at properly designed places along with a modern control room to operate, control, and monitor these facilities. Plumbing and supply lines are laid using high-quality pipes in this project.

The approaches of the valuation in the case of article Rental REIT scheme shall be determined using all of the following three approaches:

- 1- Cost Approach
- 2- Sales Comparison Approach
- 3- Income Capitalization Approach

**VALUATION REPORT**

Building Exterior Features

Property Utilization:	<input checked="" type="checkbox"/> Residential	<input type="checkbox"/> Commercial	
Approach:	<input type="checkbox"/> Main Road	<input checked="" type="checkbox"/> Side Road	
Status of Occupation:	<input checked="" type="checkbox"/> Vacant	<input checked="" type="checkbox"/> Owner Occupied	<input type="checkbox"/> Leased
Land Control Violations	<input checked="" type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor	<input type="checkbox"/> None
Building Control Violations	<input checked="" type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor	<input type="checkbox"/> None
Significant Problems:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

If yes, explain in detail:



*Tristar International Consultant (Pvt) Ltd.*

**VALUATION REPORT OF COMMERCIAL PROPERTY**  
**(DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

Date: September 20, 2021

Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021

Total Area of land	:	37,666.65 Sq. Yds.
REIT Shared Area	:	15,201.68 Sq. Yds.
Dimension (Front & Depth)	:	Irregular piece of Land
Width of Front Road	:	50' Wide Sea View Road
Status	:	Fully Built
Condition of Property	:	Excellent
Number of Stories	:	Basement, Mezzanine and Ground Plus Nineteen Upper Floors
Class of Construction	:	The quality of its construction is of 'A' class with decorative /elegant fittings & fixtures and imported tiles and sanitary items
Bounded By:	:	North: 50' Wide Road South: 30' Wide Walkway East: 50' Wide Road West: Public Parking

**"Building Interior Features"**

**Description & Specification**

The Dolmen Mall Clifton and Harbour Front is considered the skyline of Karachi and represents an engineering state-of-the-art landmark structure with a lower and upper basement, ground, mezzanine, and two upper floors. The vertically skywards triangular complex Harbour Front (Offices) comprises of three to nineteen floors. This complex serves corporate clients with an ultra-modern and futuristic office space. The triangular floor plates provide all tenants with panoramic views of the Arabian Sea and the central core allows for enhanced floor security. A meticulously designed elegant lobby further adds to the grandeur of the complex.

The structural planning and design of the complex were designed to utilize and accommodate all management requirements to their maximum. For safety and security, a multi-tiered physical, human and electrical security system is placed at all entry points/entrance and inside the premises. Activities around the complex (inside/outside premises) are well monitored through a state-of-the-art centralized closed-circuit television (CCTV) system.

The mall is centrally air-conditioned with modern lighting arrangement and in case of Electricity supply failure standby power generation of adequate capacity is available to avoid any interruption in commercial activity of the complex.





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1	Front Facing/Façade	Elegant & Iconic
2	Type of Elevation	Commercial
3	Boundary Walls	RCC Plastered & Painted
4	Exterior Flooring	Paved Road, Tough Tiles, Marble
5	Parking	Available (Basement)
6	Generators	Available
7	UG & OH Water Tank	Available
8	General Condition of property	Good
9	Negative Elements	None
10	Any Other facility	The car parking space is provided in the lower and upper basement for sufficient vehicles with occupancy detecting indicators. In addition, high-quality fire-fighting system is also installed in the building for fire prevention, fire separation and emergency evocation / response thus, preventing any untoward situation.

**PROS AND CONS OF THESE APPROACHES TO DETERMINE TRUE VALUE:**

The approaches described below are best to evaluate a comparable deal that gives an idea of what market paying or have paid for similar assets. This will prevent a buyer from underbidding or overpaying and similarly ensure that a seller is not selling at a low value or expecting a very high price. Also to measure Company's true worth, constantly monitoring market evaluation and valuation from experts or valuers are essential.

Similarly, following approaches also assist the management to evaluate the growth of rental income.

**A. Cost Approach:**

This approach provides the basis for determining the replacement value of the asset or property or any other fixed item or utility service in the premises. Indeed, for consideration in such approach, the final shape of the project should have similarity along with similar utilities/facilities in construction. However, it does not take into account the loss of income during construction until the completion of the project achieves desired occupancy. Only then we can depict true picture of the Cost Approach.



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**B. Sales Comparison Approach:**

This approach is commonly used in the real estate comparison or appraisals for similar types of property. True sales comparison approach is depicted when similar process of sale/purchase has taken place in the near past. But in this scenario no similar building is present in the vicinity, therefore, deal or transaction of similar size project or property in Karachi for comparison with Dolmen City project could be referred.



**C. Income Capitalization Approach:**

This approach allows investors to estimate the value of a property based on the net operating income (generated by the real estate) using a capitalization rate. This is the most commonly used approach to determine the value of the income-generating real estate and the most appropriate one as compared to the other two approaches since the said approach is based upon the principle that reflects the value of the property based on the income generated from it. In case of income-generating real estate business, the main purpose of the real estate is to accrue the benefit of the income generated through it to the investors over a long period of time.







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#### **Part-1 Cost Approach**

The "Cost Approach" is a real estate valuation method in which a buyer should pay for a property that should equal the cost to build an equivalent property. In cost approach appraisal, the market price for the property is equal to the cost of land plus cost of construction and services therein such as generator, power plant, chiller plant, and other services for the multistory building.

#### **Basic Calculation of Land:**

The Sea View Road is fast becoming the business hub of Karachi and it is almost impossible to find a plot on the main road or the seaside.

To assess the value of the land in this area, a survey of estate agents/property dealers was carried out.

At present, the cost of land on the seaside and around this area has become very attractive and observed an increasing trend in the cost between the range of PKR. 825,000 to PKR. 827,820 Per Square Yard depending upon the location and size of the plot. Therefore, we are taking the value PKR. 827,820 Per Square Yard on similar parameters as under:

<b>Total Area of Entire Plot:</b>	<b>37,666.65 Sq. Yd.</b>
<b>Assessed Market Value of the land:</b>	<b>PKR: 827,820.00 per Sq. Yd.</b>
<b>Total Assessment of Land:</b>	<b>PKR. 3,181,206,203 .00</b>
<b>Shared Land Area of REIT:</b>	<b>15,201.68 Sq. Yd. (As per document)</b>
<b>Assessed Market Value of the Land:</b>	<b>PKR. 827,820.00 Per Sq. Yd.</b>
<b>Total Assessed Market Value of the Land: (REIT)</b>	<b>PKR. 12,584,254,738.00</b>
<b>(Rupees Twelve billion five hundred eighty four million two hundred fifty four thousand seven hundred thirty eight only)</b>	



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**Calculation of Structure of Dolmen Mall Clifton:**

The Dolmen Mall Clifton comprises of lower and upper basement, ground, mezzanine and the three upper floors

S. No.	Floor	Area (Sq. Ft.)	Rate (Per Sq. Ft.)	Assessed Value (PKR)
1	Lower Ground (basement)	186,153	15,306.40	2,849,332,279
2	Upper Ground (basement)	274,285	10,865.00	2,980,106,525
3	Ground	241,052	17,649.00	4,254,326,748
4	Mezzanine	19,879	11,607.00	230,735,553
5	First	275,399	17,649.00	4,860,516,951
6	Second	272,972	17,649.00	4,817,682,828
7	Third	27,667	11,607.00	321,130,869
	<b>Total value of structure of Dolmen Mall Clifton</b>	<b>1,297,407</b>		<b>20,313,831,753</b>

**Calculation of structure of Harbour Front:**

The vertically skywards triangular complex Harbour Front comprises of upper three to nineteen floors

S. No.	Floor	Area (Sq. Ft.)	Rate (Per Sq. Ft.)	Assessed Value (PKR)
1	Third	14,797.25	15,476	229,002,241
2	Fourth	15,549.16	15,476	240,638,800
3	Fifth	15,549.16	15,476	240,638,800
4	Sixth	15,497.52	15,476	239,839,620
5	Seventh	15,497.52	15,476	239,839,620
6	Eighth	15,497.52	15,476	239,839,620
7	Ninth	15,438.55	15,476	238,927,000
8	Tenth	15,438.55	15,476	238,927,000
9	Eleventh	15,438.55	15,476	238,927,000
10	Twelfth	15,578.65	15,476	241,095,187
11	Thirteenth	15,578.65	15,476	241,095,187
12	Fourteen	15,578.65	15,476	241,095,187
13	Fifteenth	15,451.46	15,476	239,126,795
14	Sixteenth	15,451.46	15,476	239,126,795
15	Seventeenth	15,451.46	15,476	239,126,795
16	Eighteenth	15,341.71	15,476	237,428,304
17	Nineteenth	15,447.27	15,476	239,061,951
18	Twentieth	7,687.58	11,607	89,229,741
	<b>Total value of structure of Harbour Front multistorey building</b>	<b>270,270.67</b>		<b>4,152,965,642</b>



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**Total value of structure before depreciation:** **PKR. 24,466,797,395.00**  
(i.e. Structure Value of Dolmen Mall Clifton + Structure value of Harbour Front)

**Less Depreciation (9 Years):** **PKR. 3,849,314,801.00**  
(Diminishing method of depreciation is being applied on structure @ 1.884% per annum)

**Total Value of Structure After Depreciation:** **PKR. 20,617,482,594.00**

**Lump sum Value:** **PKR. 20,617,482,594.00**  
(Rupees Twenty billion six hundred seventeen million four hundred eighty-two thousand five hundred ninety-four Only)

**Part-1 Cost Approach (Land & Building Structure)**

**Total Assessment of Land:** **PKR. 12, 584,254,738.00**

**Total Assessment of Structure:** **PKR. 20,617,482,594.00**

**Land + Structure:** **PKR. 33,201,737,332.00**  
(i.e. Total Assessment of Land + Total Assessment of Structure)

(Rupees Thirty-three billion two hundred one million seven hundred thirty-seven thousand three hundred thirty-two Only)

All possible factors have been taken critically into consideration to evaluate and determine the value of the REIT Properties "Dolmen Mall Clifton & Harbour Front" including the natural and physical condition of the plot area, type of building design and structure, type of construction, age of construction, state of infrastructure in the area, location, and availability of utility connections in the premises. Further, the Government's future development measures to boost the commercial activities and reliability in return on investments in short term or long-term plan basis have also been taken into account:

- Law and order situation of the area
- Prevailing market conditions for real estate
- Property buying and selling activities in the city
- The availability of prospective buyers
- Current economic situation of the country
- Present government policies and political environment





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**Part -2: Sales Comparison Approach**

This approach compares the subject property's characteristics with those of comparable properties that have recently been sold to determine the value of subject real estate. The process adjusts the prices of comparable transactions according to the presence, absence, or degree of characteristics, which influence value.

According to our market survey, no standard comparable building / project is available in the vicinity of the "Dolmen Mall Clifton and Harbour Front" Clifton for sale comparison, so we cannot compare it for sales comparison approach. Whereas, at some distance from "Dolmen City Mall and Harbour Front", some other projects are having the same facilities, fittings and fixtures such as "The Centre Point", "Ocean Tower" and "Park Tower" which have almost similar rates as in our report. The Below valuation chart for sales comparison approach value is based on leasable area:

**Structure Calculation for Dolmen City Mall:**

S. No.	Floor	Area (Sq. Ft.)	Rate (Per Sq. Ft.)	Assessed Value (PKR)
1	Lower Ground (basement)			
2	Upper Ground (basement)	5,285	78,982.05	417,420,134.25
3	Ground	187,347	117,405.75	21,995,615,045.02
4	Mezzanine			
5	First	181,342	112,069.13	20,322,840,172.40
6	Second	173,335	106,732.50	18,500,477,887.50
7	Third			
	<b>Total value of Dolmen</b>	<b>547,309</b>		<b>61,236,353,239</b>

**Structure Calculation for Harbour Front Multi-story Building:**

S. No.	Floor	Area (Sq. Ft.)	Rate (Per Sq. Ft.)	Assessed Value (PKR)
1	Ground	5,581	34,688.06	193,594,062.86
2	Third	10,878	34,688.06	377,336,716.88
3	Fourth	14,578	34,688.06	505,682,538.68
4	Fifth	14,578	34,688.06	505,682,538.68
5	Sixth	14,578	34,688.06	505,682,538.68
6	Seventh	14,578	34,688.06	505,682,538.68
7	Eighth	14,578	34,688.06	505,682,538.68
8	Ninth	14,321	34,688.06	496,767,707.26
9	Tenth	14,321	40,024.69	573,193,585.49



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10	Eleventh	14,358	40,024.69	574,674,499.02
11	Twelfth	14,319	40,024.69	573,113,536.11
12	Thirteenth	14,500	40,024.69	580,358,005.00
13	Fourteenth	14,293	40,024.69	572,072,894.17
14	Fifteenth	14,500	40,024.69	580,358,005.00
15	Sixteenth	14,230	40,024.69	569,551,338.07
16	Seventeenth	14,219	40,024.69	569,111,067.11
17	Eighteenth	15,223	40,024.69	609,295,855.87
18	Nineteenth	15,223	40,024.69	609,295,855.87
19	Twentieth	7,688	40,024.69	307,709,816.72
	<b>Total value of Harbour Front multistory building</b>	<b>256,544</b>		<b>9,714,845,639</b>

**Part-2: Sales Comparison Approach**

**Total Value of Property:**

**PKR. 70,951,198,878/-**

(i.e. Total Value of Dolmen Mall Clifton + Total Value of Harbour Front)

Rupees seventy billion nine hundred fifty-one million one hundred ninety-eight thousand eight hundred seventy-eight only.

**Determination of Forced Sale Value:**

In order to determine the Forced Sale Value of the REIT Properties i.e., "Dolmen Mall Clifton and Harbour Front", all the factors including the natural and physical condition of the plot area, type of building design and structure, type of construction, age of construction, state of infrastructure in the area, location, availability of utility connections in the premises have been considered. Further, the Government's future development measures to boost the commercial activities, reliability in return on investment in short term or long-term plan basis are also taken into consideration to determine the Forced Sale Value (FSV).

- Law and order situation of the area.
- Low mark up and tax relief package.
- Availability of potential buyers.
- Less impact on the country's economic conditions as compared to the international economic condition due to COVID-19.
- Prime Minister Special package for Builders & Developers.





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When it comes to the disposal of real estate assets in a very short span, the most common hypothetical conditions and extraordinary assumptions arises, from the requirement that the property is sold within an unusually short period, resulting limiting reasonable market exposure and recognizing the specific need of buyer. In these circumstances, proper marketing may not be possible therefore, less 20% is the usual percentage to be considered to sell the property in such circumstances.

<b>Grand Total Value of Property (As per Sales Comparison Approach)</b>	<b>PKR. 70,951,198,878</b>
<b>Forced Sale Value (Less 20%):</b>	<b>PKR. 14,190,239,776</b>
<b>Forced Sale Value:</b>	<b>PKR. 56,760,959,102</b>

**Part -3: Income Capitalization Approach**

The income capitalization approach is a real estate appraisal method that allows investors to estimate the value of a property by taking the net operating income of the rent collected and dividing it by the capitalization rate (usually appears in percentage)

A method that appraising real estate income and then converts this income into an estimate of its value. Appraisers generally use this method for commercial buildings such as shopping centers, office buildings, and large apartment buildings.

The basic formula for this approach is commonly referred as (IRV). Breaking it up:

Net Operating Income (I) /Capitalization Rate (R) = Value (V)

The following are the three steps to arrive at the value according to the formula:

- 1. Estimating the net operating income.**
- 2. Determining the Capitalization Rate.**
- 3. Applying the IRV formula.**

**Determination of Capitalization Rate**

Capitalization Rate (Cap Rate) is commonly used in real estate and refers to the rate of return on a property based on the net operating income (NOI) that the property generates.

**Capitalization rate Formula**

The formula for Capitalization Rate (referred to as a percentage) is equal to Net Operating Income (NOI) divided by the current market value of the asset. NOI is the annual income generated by the property after deducting all expenses that were incurred from operations including managing the property and paying taxes and after taking into account rental waivers. The Projected net operating income for the year 2021-2022 seems reasonable especially when the businesses have been allowed to open subject to the strict SOPs to lessen the economic burden on the population to the maximum extent possible.



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The current market value of Dolmen Mall Clifton and Harbour Front has been determined using the forced sales value (FSV) from the sales comparison approach. The use of FSV here relates to the sale ability of the project under current dampened market dynamics. The following numbers show that the capitalization rate is 6% in the short term, however, we will keep assessing the market in all our subsequent valuations of the subject property.

Capitalization Rate = 6%

**I) Property value based on estimated income capitalization value**

**Rental Value Calculation of Dolmen City Mall:**

S. No.	Floor	Area (Sq. Ft.)	Rental (Per Sq. Ft.)	Assessed Value (PKR)
1	Lower Ground (basement)			
2	Upper Ground (basement)	5,285	410	2,166,850
3	Ground	187,347	524	98,169,828
4	Mezzanine			
5	First	181,342	510.40	92,556,957
6	Second	173,335	485	84,067,475
	Total rental value of Dolmen shopping mall per month			276,961,110
	Total rental value of Dolmen shopping mall per annum	547,309		3,323,533,318



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**Rental Value calculation of Harbour Front:**

S. No.	Floor	Area (Sq. Ft.)	Rate (Per Sq. Ft.)	Assessed Value (PKR)
1	Ground	5,581.00	287.25	1,603,142.25
2	Third	10,878.00	287.25	3,124,705.50
3	Fourth	14,578.00	287.25	4,187,530.50
4	Fifth	14,578.00	287.25	4,187,530.50
5	Sixth	14,578.00	287.25	4,187,530.50
6	Seventh	14,578.00	287.25	4,187,530.50
7	Eighth	14,578.00	287.25	4,187,530.50
8	Ninth	14,321.00	287.25	4,113,707.25
9	Tenth	14,321.00	330.75	4,736,670.75
10	Eleventh	14,358.00	330.75	4,748,908.50
11	Twelfth	14,319.00	330.75	4,736,009.25
12	Thirteenth	14,500.00	330.75	4,795,875.00
13	Fourteenth	14,293.00	330.75	4,727,409.75
14	Fifteenth	14,500.00	330.75	4,795,875.00
15	Sixteenth	14,230.00	330.75	4,706,572.50
16	Seventeenth	14,219.00	330.75	4,702,934.25
17	Eighteenth	15,223.00	330.75	5,035,007.25
18	Nineteenth	15,223.00	330.75	5,035,007.25
19	Twentieth	7,688.00	330.75	2,542,806.00
	<b>Total Rental Value of Harbour Front Multistory building per month</b>	<b>256,544.00</b>		<b>80,342,283.00</b>
	<b>Total Rental Value of Harbour Front Multistory building per Annum</b>			<b>964,107,396.00</b>





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#### **Dolmen Mall Clifton**

Per Annum Rental Value of Dolmen Mall Clifton: **PKR. 3,323,533,318.00**  
(Rupees Three billion three hundred twenty-three million five hundred thirty-three thousand three hundred eighteen only)

The projected rate for the next three years may be forecasted with an annual increment of the 10% of the current market rate. The projected rent is given below:

First Year	<b>PKR. 3,323,533,318.00</b>
Second Year (10% Increase)	<b>PKR. 3,655,886,649.00</b>
Third Year (10% Increase)	<b>PKR. 4,021,475,314.00</b>

#### **HARBOUR FRONT MULTI-STORY BUILDING:**

Total Rental Value of Harbour Front per Annum **PKR. 964,107,396.00**  
(Rupees Nine Hundred Sixty-Four Million One Hundred Seven Thousand Three Hundred Ninety-Six Only)

The projected rate for the next three years may be forecasted with an annual increment of 5% of the current market rate. The projected rent is given below:

First Year	<b>PKR. 964,107,396.00</b>
Second Year (5% Increase)	<b>PKR. 1,012,312,765.80</b>
Third Year (5% Increase)	<b>PKR. 1,062,928,404.09</b>

Total Yearly Rental Income	<b>PKR. 4,287,640,714.00</b>
Less: Operating Cost (Assuming 20% of yearly rental income)	<b>PKR. 857,528,142.72</b>
First year Income	<b>PKR. 3,430,112,570.88</b>
(Total Rental income - Less operating Cost)	
Capitalization Rate	<b>6%</b>

#### **PROPERTY VALUE BASED ON VALUER'S ESTIMATE**

**INCOME CAPITALIZATION VALUE:** **PKR. 57,168,542,848**  
Fifty-seven billion one hundred sixty-eight million five hundred forty-two thousand eight hundred forty-eight only.



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**II) Property value Based on DCR (Projected NOI BASED on Rental Agreement Capitalization Value)**

<b>Revenue: -</b>		30-June-21
- Gross Rental Revenue		3,817,851,038
- Ancillary Income		151,946,410
<b>Sub-Total (A)</b>		<b>3,969,797,448</b>

<b>Less: Operating Cost</b>		
Operating cost: -		
SECP Monitoring fees	0.1% of fund size (PKR 22,237,000,000)	22,237,000
Property Management Fee		258,850,300
Ancillary Income collection charges		25,754,916
Insurance Expense		27,311,000
Property Tax		16,796,000
Renovation expense		146,519,400
Legal & Professional		6,248,000
Other Recurring Expenses		14,822,000
Marketing Expenses		71,207,000
<b>Sub-Total (B)</b>		<b>589,745,616</b>

<b>Net Operating Income (Sub Total A - Sub Total B)</b>		<b>3,380,051,832</b>
Capitalization Rate	6%	56,334,197,200

PROPERTY VALUE BASED ON VALUER'S ESTIMATED

INCOME CAPITALIZATION VALUE:

**PKR.56,334,197,200.**

(Rupees Fifty six billion three hundred thirty-four million one hundred ninety-seven thousand two hundred Only)





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**CONCLUSION:**

We have carried out a detailed evaluation and inspection of the REIT Properties i.e., Dolmen Mall Clifton and the Harbour Front constructed on Plot No. HC-3, Block-04, Scheme No. 05, Marine Drive, Clifton, Karachi. Following is the summary of our valuation exercise:

Valuation Approach	Value in PKR	Value in words
Cost Approach	33,201,737,332	Rupees Thirty-three billion two hundred one million seven hundred thirty-seven thousand three hundred thirty-two Only
Sales Comparison Approach	70,951,198,878	Rupees seventy billion nine hundred fifty-one million one hundred ninety-eight thousand eight hundred seventy-eight only
Income Capitalization Approach		
i. Property value based on valuer estimated income	57,168,542,848	Rupees Fifty-seven billion one hundred sixty-eight million five hundred forty-two thousand eight hundred forty-eight only
ii. Property Value based on DCR's (projected NOI based on existing rental agreements and expected rent for the vacant area)	56,334,197,200	Rupees Fifty six billion three hundred thirty four million one hundred ninety-seven thousand two hundred only)

This report is an evaluation or appraisal report designed to give a conclusion of assets value and not to be considered as an accounting report. In this report, a fair market valuation has been determined carefully for the properties of M/s. Dolmen City REIT, constructed on amalgamated Plot No. HC-3, Block-04, Scheme No. 05, Marine Drive, Clifton, Karachi to the best of our ability and knowledge.

Therefore, the evaluation report reflects our findings at the place & time of inspection. Our assessment is based on the assumption of market values which influenced the value. Our physical appraisal is based on the information and data provided by the officials of the REIT Management Company - M/s. Arif Habib Dolmen REIT Management Limited for REIT. We have carried out the exercise of valuation with due care and diligence and according to the REIT Regulations-2015 and Amendment-2018.

  
ARIF ABBAS  
Resident Director

  
AMIN MUSTAFA  
General Manager

  
Syed Mohsin Raza  
Senior Manager

  
MUSAB FAYYAZ  
Project Engineer



*Tristar International Consultant (Pvt) Ltd.*

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**VALUER'S DECLARATION UNDER REIT REGULATIONS-2015 (Updated as on June 07, 2021)**

**DECLARATION:**

I, Engr. Musab Fayyaz, Manager of Tristar International Consultant (Pvt.) Ltd., carried out a valuation of "Dolmen Mall Clifton and Harbour Front" at Plot No. HC-3, Block No:4, KDA Scheme No:05, Marine Drive, Clifton, Karachi for the projected period of Jan 2021 to June-2021 (7th valuation Report of M/s. Arif Habib Dolmen REIT properties), to the best of my knowledge and belief, I declare:

1. That after an inspection of the real estate and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, the market value of the subject Real Estate as at June 30 ,2021 are as follows: -

Valuation Approach	Value in PKR	Value in words
Cost Approach	33,201,737,332	Rupees Thirty-three billion two hundred one million seven hundred thirty-seven thousand three hundred thirty-two Only
Sales Comparison Approach	70,951,198,878	Rupees seventy billion nine hundred fifty-one million one hundred ninety-eight thousand eight hundred seventy-eight only



*Tristar International Consultant (Pvt) Ltd.*

**VALUATION REPORT OF COMMERCIAL PROPERTY  
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)**

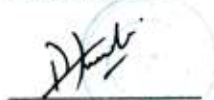
Date: September 20, 2021

Valuation Report No: TSI/VAL/KHI/REIT/12418 /2021


Income Capitalization Approach		
I. Property Value Based on Valuer estimated Income	57,168,542,848	Rupees Fifty-seven billion one hundred sixty-eight million five hundred forty-two thousand eight hundred forty-eight only Bottom of Form
ii. Property Value based on DCR's projected NOI (based on existing rental agreements and expected rent for the vacant area)	56,334,197,200	Rupees Fifty-six billion three hundred thirty-four million one hundred ninety-seven thousand two hundred only

- That the statements of fact contained in this report are true and correct.
- That I have not withheld any information.
- That I have no interest in the Real Estate, and I have no personal interest or bias with respect to the parties involved.
- That I have not been instructed either by my company or the client to report a predetermined value for the subject Real Estate.
- That I am neither a director nor an employee of the RMC and do not have any financial interest, (direct or indirect), in the RMC.
- That I have personally inspected the real estate that is the subject of this report.

Declared By:

  
Engr. Musab Fayyaz

Witnessed By:

  
Amin Mustafa  
General Manager

*Tristar International Consultant (Pvt) Ltd.*



**Banks Valuers, Inspectors, Muccadams & Custom Clearing, Forwarding Agents & Freight Forwarders**

Date: September 20, 2021

Mr. Zohaib Yaqoob  
CFO & Company Secretary  
Arif Habib Dolmen REIT Management Limited  
Arif Habib Centre  
23, M.T. Khan Road  
Karachi,

Subject: CONSULTANCY SERVICES FOR VALUATION OF DOLMEN CITY REIT SCHEME, KARACHI.

**CONFIDENTIALITY UNDERTAKING**

**(Under Schedule V (F) of the REIT Regulation 2015)**

We, M/s Tristar International Consultants Private Limited as the valuer of Dolmen City REIT, hereby undertake that we shall maintain the secrecy and confidentiality of the documents and information of clients that we shall have access to, from any intentional or inadvertent disclosure to any unauthorized person(s).

Undertaken By


**Mr. Mohsin Raza**  
Senior Manager  
Business & Financial Advisory Services



# Tristar International Consultant (Pvt) Ltd.



**Banks Valuers, Inspectors, Muccadams & Custom Clearing, Forwarding Agents & Freight Forwarders**

## (VALUER DECLARATION UNDER AMMEDED REIT REGULATIONS & AMMENDMENT-2018)

Date: September 20, 2021

### DECLARATION

I, Engr. Musab Fayyaz, of Tristar International Consultants (Pvt.) Limited carried out a valuation of "Dolmen City Mall and Harbour Front" Constructed on Plot No. HC-3, Situated at Block No: 04, Scheme No: 05, Marine Drive, Clifton, Karachi for the period of July 2020 to June-2021 Valuation Report of M/s Arif Habib Dolmen REIT properties, and ensure that:

1. The valuation methodology adopted by it is in line with best practices prevalent in the real estate industry;
2. The valuation is carried objectively and independent of its business or commercial relationships;
3. We remained impartial while rendering professional services;
4. We performed the obligations with competence, integrity and professionalism;
5. We conform to the valuation standards prescribed by International valuation Standards Council (IVSe) to the extent possible and certify the same in the valuation report and any departure from said standards is fully explained in the valuation report.

DECLARED BY:

Engr. Musab Fayyaz

WITNESSED BY:

Mr. Arif Abbas

Resident Director

Date: September 20, 2021

HEAD OFFICE : Room # 17, 3rd Floor, Davis Hytes, Davis Road, Lahore. Phone : 042-3630587, 363038883 Fax : 042-36314055  
Cell: 0322-5300000, 0322-5480000 Email : ibrahimamin@live.com

KARACHI OFFICE : Room # 100, 3rd Floor, Wazir Mension, Aiwan-e-Tijarat Road, Karachi. Phone : 021-32421577

HYDERABAD OFFICE : Off. # 01, G.G. Gight Main Sadar Cantt. Dr. Line Hycerabad,

SUKKUR OFFICE : C/2, Mnazi Gah Road, Near Tameer-no High School, Sukkur.

MULTAN OFFICE : Room No. 208, 2nd Floor Mall Plaza, Multan Cantt. Cell: 0300-5558762

FAISALABAD OFFICE : Room No. 4, 5th Floor, Rizwan Plaza Opp. Account Office, Circular Road, Faisalabad. Ph : 041-2601415

GUJRANWALA OFFICE : Room No. 1, Mini Market, Madina Road, Near GPO People Colony, Gujranwala.

RAWALPINDI OFFICE : Off. # 6, Block F, Fuji Colony, Qasim Market, Rawalpindi. Ph : 051-2547790

ABBOTTABAD OFFICE : Noor Mang Dakhana Khas Tehsil District Abbottabad.

QUETTA OFFICE : Room # 1, First Floor, Kasi Plaza, Zargoan Road, Quetta.





Yousuf Adil  
Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
KCHSU, Shahrah-e-Faisal  
Karachi-75350  
Pakistan

Tel: +92 (0) 21 3454 6494-7  
Fax: +92 (0) 21-3454 1314  
www.yousufadil.com

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE UNIT HOLDERS' OF DOLMEN CITY REIT

**Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Arif Habib Dolmen REIT Management Limited** (the REIT Management Company or RMC) for and on behalf of Dolmen City REIT (the Scheme) for the year ended June 30, 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the RMC of the Scheme. Our responsibility is to review whether the Statement of Compliance reflects the status of the Scheme's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the RMC's personnel and review of various documents prepared by the RMC to comply with the Regulations.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the RMC's corporate governance procedures and risks.

The Regulations requires the RMC to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Scheme's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the RMC for the year ended June 30, 2021.

  
Chartered Accountants

Place: Karachi  
Date: October 22, 2021

## Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 for the year ended June 30 2021.

Name of Company: Arif Habib Dolmen REIT Management Limited (the REIT Management Company or RMC)  
 For and on behalf of: Dolmen City REIT (the Scheme)  
 Year ended: June 30, 2021

The RMC has complied with the requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) for and on behalf of the Scheme in the following manner:

1. The total number of directors are 9 (nine) comprising of eight elected directors and one deemed director composition is as follows:
  - a) Male: 8
  - b) Female: 1
2. The composition of the Board is as follows:

Category	Names
Non-Executive Director	Mr. Nasim Beg – Chairman Mr. Nadeem Riaz Mr. Abdus Samad A. Habib Mr. Faisal Nadeem Mr. Sajidullah Sheikh
Independent Director	Mr. Qamar Hussain Mr. Naeem Ilyas
Female Director (Independent Director)	Ms. Tayyaba Rasheed
Chief Executive (Deemed Director)	Mr. Muhammad Ejaz

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The RMC has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the RMC along with its supporting policies and procedures;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the RMC. The Board has ensured that a complete record of particulars of significant policies along with the dates of approval or updating is maintained by the RMC;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / Management Company as empowered by the relevant provisions of the Companies Act 2017, REIT Regulations, 2015 and the Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and the Regulations;
9. Seven directors have a certification under Directors' Training Program, one director of the RMC is exempt from the requirement of Director's Training Program.
10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations, however, no such new appointment has been made during the year;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

**a) Audit Committee**

Mr. Qamar Hussain	Chairman
Mr. Abdus Samad A. Habib	Member
Mr. Naeem Ilyas	Member

**b) Human Resource & Remuneration Committee**

Ms. Tayyaba Rasheed	Chairperson
Mr. Abdus Samad A. Habib	Member
Mr. Faisal Nadeem	Member
Mr. Muhammad Ejaz	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly / half yearly / yearly) of the committees were as per following:
  - a) Audit Committee: 4 meetings
  - b) Human Resource & Remuneration Committee: 1 meeting
15. The Board has outsourced the internal audit function to M/s Junaidy Shoaib Asad & Co, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the RMC;
16. The statutory auditors of the Scheme have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the RMC;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with;
19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below (if applicable):

S.No	Requirement	Explanation for not meeting non - mandatory requirements	Regulation No.
1.	Same person shall not simultaneously hold office of chief financial officer and the company secretary of a listed company.	This matter is explained in point number 20 (see below) of this statement.	24

20. We confirm that all other requirements of the Regulations have been complied with except for the requirement that the same person shall not simultaneously hold office of chief financial officer and the company secretary of a listed Company. As the Regulations allow the Companies to either comply or explain the reason otherwise, therefore, the RMC has adopted explanation approach as the management is of the view, that the current chief financial officer and Company Secretary is suitably qualified and professionally capable to act and fulfill the duties and responsibilities of both roles. In addition, it is also a cost effective measure that is in the better interest of the shareholders of the RMC, therefore, hiring a separate person for both position is not feasible.

For and behalf of the board.



**MUHAMMAD EJAZ**  
Chief Executive



**NASIM BEG**  
Chairman

September 30, 2021





Yousuf Adil  
Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
KCHSU, Shahrah-e-Faisal  
Karachi-75350  
Pakistan

Tel: +92 (0) 21 3454 6494-7  
Fax: +92 (0) 21-3454 1314  
www.yousufadil.com

## INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF DOLMEN CITY REIT

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Dolmen City REIT** (the Scheme), which comprise the statement of financial position as at June 30, 2021, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in unit holders' fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Scheme as at June 30, 2021, and of its financial performance, cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Scheme and REIT Management Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

Key audit matter	How the matter was addressed in our audit
<p><b>Valuation of investment property</b></p> <p>(Refer notes 3.1 and 4 to the annexed financial statements)</p> <p>Investment property amounted to Rs. 56,334.197 million as at June 30, 2021.</p> <p>Investment property is the most significant account balance on the statement of financial position. The Scheme's investment property comprise of the Dolmen City Mall and the Harbor Front (the properties) in Karachi, Sindh.</p>	<p>Our key audit procedures included the following:</p> <p>Valuation was assessed by:</p> <ul style="list-style-type: none"> <li>evaluating the design and implementation of key controls around hiring of management's expert and also for review of work performed by valuer;</li> <li>evaluating the competence, capabilities and objectivity of the management expert;</li> <li>assessing the accuracy and completeness of the source data provided to the management's expert, and ensuring its completeness and accuracy;</li> </ul>

## YOUSUF ADIL

Yousuf Adil  
Chartered Accountants

Key audit matter	How the matter was addressed in our audit
<p>The Scheme's investment property is stated at fair value based on valuations carried out by independent qualified professional valuer (the "management expert") with the changes in fair value recognised in the statement of profit or loss.</p> <p>The management expert under REIT regulations, 2015 is required to carry out valuation on three approaches and explicitly state the approach that is most appropriate for the Scheme. The management expert has stated "Income Capitalisation Approach – on projected Net Operating Income (NOI) based on existing rental agreements and expected rent for the vacant area" is the most appropriate approach used for valuation.</p> <p>The valuation is dependent on significant unobservable inputs that involve management's significant judgment. Details of the valuation techniques and significant unobservable inputs used in the valuations are disclosed in Note 4 to the financial statements.</p>	<ul style="list-style-type: none"> <li>obtaining the valuation report and employing the services of auditor's expert for assessing the reasonableness of the significant unobservable inputs and estimates used by the management's expert and desktop review of the valuation report of management's expert assessing whether the valuation approach recommended by management's expert represents the most appropriate approach;</li> <li>obtaining the approval of Those Charged with Governance of the REIT Management Company on the significant unobservable inputs and estimates used by the management's expert for the investment property's valuation; and</li> <li>considering the adequacy of disclosures and amounts recognised in respect of investment property in the financial statements.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report of the Scheme for the year ended June 30, 2021, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management Company and Those Charged with Governance for the Financial Statements

Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Company is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management Company either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance of the Management Company are responsible for overseeing the Scheme's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with



## YOUSUF ADIL

Yousuf Adil  
Chartered Accountants

ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Company.
- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

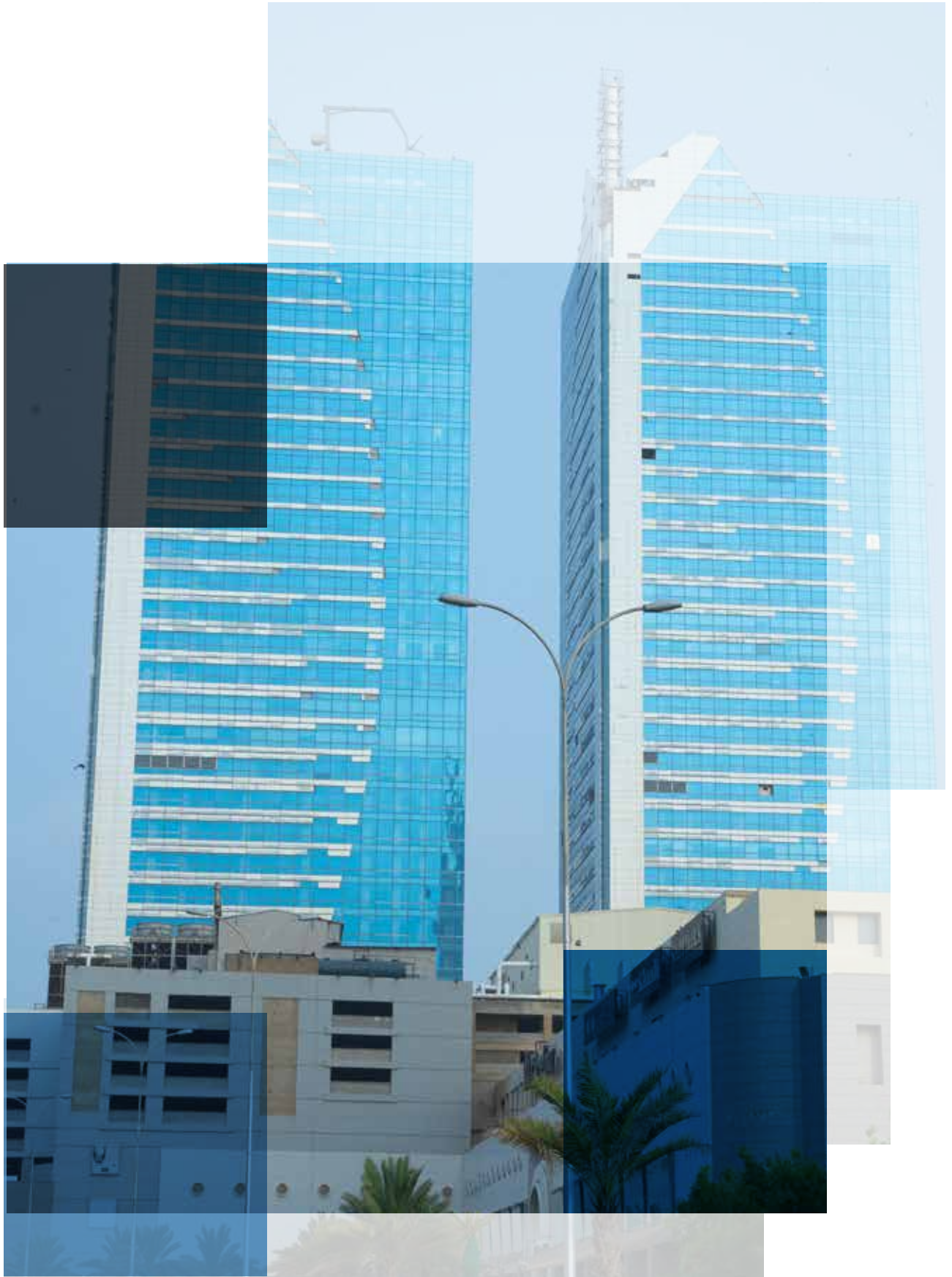
The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.

*Yousuf Adil*

Chartered Accountants

Place: Karachi

Date: October 22, 2021







# **FINANCIAL** **STATEMENTS**



# STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Note	2021 ----- (Rupees in '000) -----	2020
<b>ASSETS</b>			
<b>Non-current asset</b>			
Investment property	4	56,334,197	50,413,476
<b>Current assets</b>			
Rent receivables	5	160,917	213,987
Short term deposits, prepayments and other assets	6	206,607	282,859
Profit accrued		7,489	10,736
Short-term investments	7	640,729	766,000
Bank balances	8	734,285	347,362
<b>Total current assets</b>		<b>1,750,027</b>	<b>1,620,944</b>
<b>TOTAL ASSETS</b>		<b>58,084,224</b>	<b>52,034,420</b>
<b>REPRESENTED BY:</b>			
<b>Unit holders' fund</b>			
Issued, subscribed and paid up units 2,223,700,000 units of Rs. 10 each	9	22,237,000	22,237,000
<b>Reserves</b>		<b>35,187,053</b>	<b>29,045,373</b>
<b>Total unit holders fund</b>		<b>57,424,053</b>	<b>51,282,373</b>
<b>Non-current liabilities</b>			
Security deposits	11	245,671	204,398
<b>Current liabilities</b>			
Payable to REIT Management Company	12	25,113	8,339
Security deposits	11	160,312	198,348
Accrued expenses and other liabilities	13	217,275	325,759
Unclaimed dividend		11,800	15,203
<b>Total current liabilities</b>		<b>414,500</b>	<b>547,649</b>
<b>TOTAL UNIT HOLDERS' FUND AND LIABILITIES</b>		<b>58,084,224</b>	<b>52,034,420</b>
<b>NET ASSETS VALUE PER UNIT</b>			
		<b>25.82</b>	23.06

## CONTINGENCIES AND COMMITMENTS

14

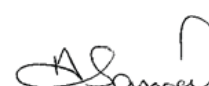
The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

## STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- (Rupees in '000) -----	2020
Rental income		2,938,661	2,813,561
Revenue from marketing activities	15	147,393	151,400
		<b>3,086,054</b>	2,964,961
Administrative and operating expenses	16	(421,684)	(396,494)
Net operating income		<b>2,664,370</b>	2,568,467
Other income	17	130,272	191,989
		<b>2,794,642</b>	2,760,456
Management fee	12.1	(79,931)	(77,054)
Sindh sales tax on management fee	12.1	(10,391)	(10,017)
Trustee remuneration	13.1	(13,322)	(12,842)
Sindh sales tax on trustee remuneration	13.1	(1,732)	(1,670)
		<b>(105,376)</b>	(101,583)
<b>Profit before change in fair value of Investment property</b>		<b>2,689,266</b>	2,658,873
Unrealised gain on remeasurement of fair value of investment property	4	5,920,721	5,459,010
Profit before taxation		<b>8,609,987</b>	8,117,883
Taxation	18	-	-
<b>Profit after taxation</b>		<b>8,609,987</b>	8,117,883
----- (Rupees) -----			
Earnings per unit - Distributable income		1.21	1.20
Earnings per unit - Undistributable income / Unrealised fair value gains		2.66	2.45
<b>Earnings per unit - Basic and diluted</b>	21	<b>3.87</b>	3.65

The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director



## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	2021 ----- (Rupees in '000) -----	2020 -----
<b>Profit after taxation</b>	<b>8,609,987</b>	8,117,883
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>8,609,987</b>	8,117,883


The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- (Rupees in '000) -----	2020 -----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		8,609,987	8,117,883
<b>Adjustments for non cash items:</b>			
Unrealised gain on remeasurement of fair value of investment property	4	(5,920,721)	(5,459,010)
Reversal of accruals - expenses no more payable	17	(43,661)	-
Profit on deposits	17	(86,611)	(191,989)
Provision against rent receivables	5.2	-	8,522
		2,558,994	2,475,406
<b>Working capital changes</b>			
<b>Decrease / (increase) in current assets</b>			
Rent receivables		53,070	(72,338)
Short term deposits, prepayments and other assets		13,946	-
<b>Increase / (decrease) in current liabilities</b>			
Payable to the REIT Management Company		16,774	(18,821)
Security deposit received - net		3,237	66,978
Accrued expenses and other liabilities		(64,823)	(34,600)
Cash generated from operations		2,581,198	2,416,625
Tax refund net		62,306	2,268
Formation costs paid		-	(50,339)
<b>Net cash generated from operating activities</b>		<b>2,643,504</b>	<b>2,368,554</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Profit on deposits received		89,858	194,344
Short-term investments		(40,729)	-
<b>Net cash generated from investing activities</b>		<b>49,129</b>	<b>194,344</b>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>			
Dividend paid		(2,471,710)	(3,068,891)
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>220,923</b>	<b>(505,993)</b>
Cash and cash equivalents at beginning of the year	25	1,113,362	1,619,355
<b>Cash and cash equivalents at end of the year</b>	<b>25</b>	<b>1,334,285</b>	<b>1,113,362</b>

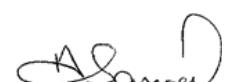
The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

## STATEMENT OF CHANGES IN UNIT HOLDERS' FUND

### FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid up units	Reserves			Unit holders' fund	
		Capital reserves		Revenue reserve		Total reserves
		Premium on issue of units - net Note 10	Fair Value Reserve Note 21.1.1	Unappropriated profit		
		----- (Rupees in '000) -----				
Balance as at June 30, 2019	22,237,000	281,346	22,717,466	997,384	23,996,196	46,233,196
Transactions with owners						
Cash dividend for the year ended June 30, 2019 Re. 0.33 per unit	-	-	-	(733,821)	(733,821)	(733,821)
Cash dividend for the period ended September 30, 2019 Re. 0.35 per unit	-	-	-	(778,295)	(778,295)	(778,295)
Cash dividend for the period ended December 31, 2019 Re. 0.35 per unit	-	-	-	(778,295)	(778,295)	(778,295)
Cash dividend for the period ended March 31, 2020 Re. 0.35 per unit	-	-	-	(778,295)	(778,295)	(778,295)
	-	-	-	(3,068,706)	(3,068,706)	(3,068,706)
Total comprehensive income for the year	-	-	5,459,010	2,658,873	8,117,883	8,117,883
Balance as at June 30, 2020	22,237,000	281,346	28,176,476	587,551	29,045,373	51,282,373
Transactions with owners						
Cash dividend for the year ended June 30, 2020 Re. 0.20 per unit	-	-	-	(444,740)	(444,740)	(444,740)
Cash dividend for the period ended September 30, 2020 Re. 0.25 per unit	-	-	-	(555,925)	(555,925)	(555,925)
Cash dividend for the period ended December 31, 2020 Re. 0.33 per unit	-	-	-	(733,821)	(733,821)	(733,821)
Cash dividend for the period ended March 31, 2021 Re. 0.33 per unit	-	-	-	(733,821)	(733,821)	(733,821)
	-	-	-	(2,468,307)	(2,468,307)	(2,468,307)
Total comprehensive income for the year	-	-	5,920,721	2,689,266	8,609,987	8,609,987
Balance as at June 30, 2021	22,237,000	281,346	34,097,197	808,510	35,187,053	57,424,053

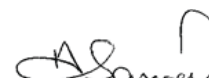
The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

#### 1. STATUS AND NATURE OF BUSINESS

- 1.1** Dolmen City REIT (the Scheme) was established under Trust Deed, dated January 20, 2015, executed between Arif Habib Dolmen REIT Management Limited (AHDRML), as the REIT Management Company (RMC) and Central Depository Company of Pakistan Limited (CDCPL), as the Trustee and is governed under the Real Estate Investment Trust Regulations, 2015 (REIT Regulations, 2015), promulgated and amended from time to time by the Securities and Exchange Commission of Pakistan (SECP).

The Trust Deed of the Scheme was registered on January 20, 2015 whereas approval of the registration of the REIT Scheme granted by the SECP on May 29, 2015. The Scheme is a Perpetual, Closed-end and Shariah Compliant Rental REIT. The Scheme is listed on Pakistan Stock Exchange. The Scheme is rated "AAA(rr)" by VIS Credit Rating Company Limited on September 22, 2021.

The registered office of the REIT Management Company is situated at Arif Habib Center, 23 M.T. Khan Road, Karachi. All of the activities undertaken by the Scheme including but not limited to deposits and placements with banks, rental and marketing income earned were all in accordance with principle of Shariah.

- 1.2** The Scheme started its commercial activities on June 01, 2015. The Scheme is the subsidiary of International Complex Projects Limited (ICPL), as at June 30, 2021, ICPL directly holds 75 percent units of the Scheme. The Board of Directors of the ICPL in its meeting held on March 02, 2021 has approved the reorganization / re-arrangement of the Dolmen Group comprising restructuring of ICPL. The arrangement shall become effective on July 01, 2021 or any other date approved by the Court as per order passed by the High Court of Sindh. The Court order is pending to date and when the arrangement is effective, the units held by ICPL shall be transferred to its associated undertakings as envisaged in the said Scheme.

#### 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 comprise of:

- International Financial Reporting Standards (IFRS standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 and Part VIII A of the repealed Companies Ordinance, 1984; and
- The Real Estate Investment Trust Regulations, 2015 (the REIT Regulations) and requirements of the Trust Deed.

Where the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations and requirements of the Trust Deed differ from the IFRS standards, the provisions of and directives issued under Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the REIT Regulations and requirements of the Trust Deed have been followed.

##### 2.2 Basis of measurement

These financial statements have been prepared on the basis of 'historical cost convention' except as otherwise stated.

##### 2.3 Functional and presentation currency

These financial statements have been presented in Pakistani Rupees which is the Scheme's functional and presentation currency. The amounts are rounded off to the nearest thousand except as otherwise stated.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

### 2.4 Critical accounting estimates and judgments

In preparing these financial statements, management has made judgement, estimates and assumptions that affect the application of the Scheme's accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognised in the financial statements and the assumptions and estimation uncertainties that have a risk of resulting in a material adjustment in the subsequent years related to:

- Valuation of investment property (note 3.1 and note 4) - the valuation involves management's assumptions regarding unobservable inputs which depend on future business and economic conditions and other assumptions, such as rental rates, future rental waivers / discounts, realisability of contractual escalations in the rent, expected rent of vacant area, expected operating and administrative expenses, Government policy rates, Government regulations, levies and taxes, inflation, exchange rates etc.
- Impairment of rent receivables (note 3.3 and note 5) - when measuring Expected Credit Loss (ECL) for rent receivables, the Scheme uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive taking into account cash flows from collateral and integral credit enhancements.

### 2.5 Amendments to accounting standards that are effective for the year ended June 30, 2021

The following amendments to accounting standards are effective for the year ended June 30, 2021. These amendments are either not relevant to the Scheme's operations or are not expected to have significant impact on the Scheme's financial statements other than certain additional disclosures.

	<b>Effective from accounting period beginning on or after</b>
- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions	June 01, 2020
- Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	January 01, 2020
- Amendments to IFRS 3 'Business Combinations' - definition of a business	January 01, 2020
- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - definition of material	January 01, 2020
- Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform	January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

### 2.6 Amendments to accounting and reporting standards that are not effective for the year ended June 30, 2021

The following amendments are only effective for accounting period, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Scheme's operations or are not expected to have significant impact on the Scheme's financial statements other than certain additional disclosures.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

#### Effective from accounting period beginning on or after

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021
- Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
- Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
- Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	January 01, 2022
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
- Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
- Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

### 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below, which have been consistently applied to all the periods presented.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

#### 3.1 Investment property

Investment property is the property which is held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at purchase cost on initial recognition including cost directly attributable to the acquisition of the investment property and subsequently at fair value with any change therein recognised in statement of profit or loss.

The Scheme determines the fair value of its investment property after every six months through an independent qualified valuer fulfilling the minimum criteria stated by the REIT Regulations, 2015. The valuer under REIT Regulations, 2015 is required to carry out valuation on three approaches and explicitly state the approach that is most appropriate for the Scheme. The valuer has stated that Income Capitalisation Approach - "Projected Net Operating Income (NOI) based on existing rental agreements and expected rent for the vacant area" is the most appropriate / relevant approach used for income producing properties i.e. rental properties.

Subsequent costs are included in the carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the Scheme and the cost of the item can be measured reliably. Maintenance and normal repairs are charged to statement of profit or loss in the period in which they are incurred.

#### 3.2 Financial instruments

##### 3.2.1 Financial assets

##### 3.2.1.1 Recognition and initial measurement of financial assets

Financial assets are recognised in the Scheme's statement of financial position when the Scheme becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in statement of profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### 3.2.1.2 Subsequent measurement of financial assets

##### Financial assets at amortised cost (AC)

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

##### Financial assets at fair value through other comprehensive income (FVTOCI)

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income (OCI).

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

For debt instruments classified as financial assets at FVTOCI, the amounts already recognised in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVTOCI, where there is no reclassification on derecognition.

#### **Financial assets at fair value through profit or loss (FVTPL)**

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the statement of profit or loss.

#### **3.2.1.3 Derecognition of financial assets**

The Scheme derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Scheme neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Scheme recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Scheme retains substantially all the risks and rewards of ownership of a transferred financial asset, the Scheme continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

#### **3.2.2 Financial liabilities**

The financial liabilities are recognised in the Scheme's statement of financial position when the Scheme becomes a party to the contractual provisions of the instrument. These include security deposits, trade payables, accrued and other liabilities and are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

#### **3.2.2.1 Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss.

#### **3.2.3 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to off set the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### **3.3 Impairment**

#### **Financial assets**

The Scheme recognises a loss allowance for expected credit loss (ECL) on rent receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.



## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

The Scheme always recognises lifetime ECL for rent receivable. The ECL on these financial assets are estimated using a provision matrix based on the Scheme's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Scheme recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Scheme measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

#### Non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 3.4 Provisions

Provisions are recognised when the Scheme has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

#### 3.5 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of balances with banks and term deposit receipts having maturity of not more than three months.

#### 3.6 Revenue recognition

Rental income from investment property is recognised as revenue on a straight line basis over the non-cancellable period of the lease, unless another systematic basis is more representative of the time pattern in which use / benefit derived from the investment property is diminished.

Revenue from marketing activities is recognised when the event is performed.

Profit on bank deposits is recognised on a time proportionate basis using effective yield method.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

### 3.7 Taxation

Income of the Scheme is exempt from income tax under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in cash amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Scheme is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Scheme provides for deferred taxation using the statement of financial position liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Scheme also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised.

### 3.8 Net assets value per unit

The net assets value (NAV) per unit as disclosed on the statement of financial position is calculated by dividing the net assets of the Scheme by the number of units outstanding at the year end.

### 3.9 Earnings per unit

Earnings per unit (EPU) is calculated by dividing the profit or loss attributable to unit holders of the Scheme by the weighted average number of units outstanding during the year.

### 3.10 Proposed distribution

Distributions are recognised in the period in which such distributions are declared / approved.

	Note	2021 ----- (Rupees in '000) -----	2020
<b>4. INVESTMENT PROPERTY</b>			
Carrying amount at beginning of the year	4.1	50,413,476	44,954,466
Add: Unrealised gain on remeasurement of fair value of investment property		5,920,721	5,459,010
Carrying amount at end of the year		56,334,197	50,413,476

- 4.1** The Investment property comprises of the buildings named as the "DOLMEN CITY MALL" and the "HARBOUR FRONT", comprising of two Basements (460,438 square feet), Ground floor (241,052 square feet), Mezzanine Floor (19,879 square feet), First floor (275,399 square feet), Second floor (272,972 square feet), Plant and Transformer Rooms (27,667 square feet), Third to Nineteenth floors (270,271 square feet) having a total covered area of 1,567,678 square feet with 15,201.68 square yards undivided share in the Plot bearing No. HC-3, Block 4, KDA, Scheme 5, Marine Drive, Karachi.

The investment property has been valued by Tristar International Consultant (Private) Limited ('the Valuer') as at June 30, 2021 and June 30, 2020. The Valuer used all prescribed approaches to value the investment property as per the clause 7 (a) of Schedule VI to the REIT Regulations, 2015. The valuations are summarised below:

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
<b>Cost approach</b>	<b>33,165,329</b>	29,952,927
<b>Sales comparison approach</b>	<b>70,951,198</b>	63,151,934
<b>Income capitalisation approach - using capitalisation rate of 6% (2020: 6%)</b>		
(a) Valuer's assessment of rental income	<b>57,168,543</b>	53,719,118
(b) On projected Net Operating Income (NOI) based on existing rental agreements and expected rent for the vacant area	<b>56,334,197</b>	50,413,476

The clause 7 (c) of Schedule VI to the REIT Regulations, 2015, states that the Valuer shall provide an explanation of the relative strengths and weakness of various approaches and explicitly state the approach that is most appropriate for the REIT Scheme. The valuer in its valuation report has stated that out of three approaches identified in REIT Regulations, 2015 "income capitalisation approach" is the most appropriate approach used for income producing properties i.e. rental properties. The valuer has determined two values under income capitalisation approach as stated above, however recommended that the valuation on the projected NOI based on existing rental agreements and expected rent for the vacant area is most appropriate for the Scheme. Accordingly, investment property has been valued in these financial statements under income capitalisation approach using 6% capitalisation rate on projected NOI based on the existing rental agreements and expected rent for the vacant area.

The forced sales value of the investment property is assessed to be Rs. 56,760.959 million (2020: Rs. 50,521.547 million).

The fair value measurement for the investment property has been categorised within Level 3 fair value hierarchy (note 24). The fair value has been carried out taken following inputs

	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
Projected net operating income	<b>3,380,052</b>	3,024,808
Capitalisation rate	<b>6%</b>	6%
Fair value	<b>56,334,197</b>	50,413,475

### Sensitivity analysis

Change in each of the below significant unobservable input would have effect on fair value of investment property as shown below. The analysis assumes that all other variables remain constant and is performed on the same basis as for 2020.

	2021 Change in input	Effect on fair value (Rupees in '000)
- Projected income (based on existing leasing contracts)	+5%	3,308,165
- Projected income (based on existing leasing contracts)	-5%	(3,308,165)
- Projected operating costs	+5%	(491,455)
- Projected operating costs	-5%	491,455
- Capitalisation rate	+1%	(8,047,742)
- Capitalisation rate	-1%	11,266,839

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

	2020	
	Change in input	Effect on fair value (Rupees in '000)
- Projected income (based on existing leasing contracts)	+5%	2,954,691
- Projected income (based on existing leasing contracts)	-5%	(2,954,691)
- Projected operating costs	+5%	(434,017)
- Projected operating costs	-5%	434,017
- Capitalisation rate	+1%	(7,201,925)
- Capitalisation rate	-1%	10,082,695

	Note	2021 (Rupees in '000)	2020
<b>5. RENT RECEIVABLES</b>			
Rent receivables	5.3	202,072	255,142
Loss allowance	5.2	(41,155)	(41,155)
	5.1	160,917	213,987
<b>5.1 The ageing of rent receivables is as follows:</b>			
Upto 6 months		92,897	110,096
More than 6 months	5.1.2	68,020	103,891
	5.1.1	160,917	213,987

**5.1.1** This includes Rs. 89.395 million (2020: Rs. 109. 146 million) which is past due as at June 30, 2021.

#### Past due and impaired

Rent receivables	41,155	41,155
Less: loss allowance	(41,155)	(41,155)
	-	-

**5.1.2** More than six months balances includes sales tax amounting to Rs. 33.761 million (2020 Rs. 33.761 million) which have not been paid by the tenants due to stay order granted by Honourable High Court of Sindh (SHC). The SHC in its judgment dated August 18, 2017 disposed-off the petitions in the favour of petitioners and struck down the levy on renting of immovable property services. However, Sindh Revenue Board (SRB) has challenged the decision of the (SHC) in the Supreme Court of Pakistan (SCP) which is pending adjudication. Subsequently, through the Sindh Sales Tax on Services (Amendment) Act, 2018 has amended the definition of economic activity by inclusion of "supply of provision of immovable property by way of lease rent, license or other similar arrangement" under the purview of economic activity as defined under Sindh Sales Tax Act, 2011 (SSTA Act, 2011) and has also amended section 84 of the SSTA Act, 2011 to retrospectively apply the aforesaid amendment brought through the Amendment Act, 2018 to provide legal cover to all the notices and proceedings issued or initiated by SRB. The management of RMC based on opinion from tax advisors believe that the Amendment Act, 2018 does not address the aspect whether or not renting of immovable property is a 'service' which has been held as 'not a service' by SHC in its decision. Based on above, the management is not charging the SST on invoices to their customers. If such decision of SHC is reversed by SCP then due SST will be recovered accordingly unless directed otherwise by SCP in its order, and the same fact has also been mentioned on the rent invoices. If the matter is decided in favour of the SRB, the total exposure in respect of sales tax is Rs. 519 million as at June 30, 2021 (Rs. 342.23 million as at June 30, 2020).



## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

5.2 The following table shows movement in loss allowance for rent receivables:

	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
Balance as at July 01,	41,155	32,633
Provision for the year	-	8,522
Balance as at June 30,	41,155	41,155

Expected lifetime credit losses for rent receivables are recognised using the simplified approach. This is based on loss rates calculated from historical and forward-looking data, taking into account the business model, the respective customer and the economic environment of the geographical region. The loss allowance has been determined considering both collectively and individually assessed rent receivables.

The Scheme writes off rent receivables when there is information indicating that the tenant is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the tenant has been placed under liquidation or has entered into bankruptcy proceedings.

5.3 The balance include receivables of Rs. 6.436 million (2020: Rs. 1.064 million) which represents maximum aggregate amount outstanding at any time during the year from associated companies namely International Complex Projects Limited, Retail Avenue (Private) Limited, Sindbad Wonderland (Private) Limited and Dolmen (Private) Limited.

5.4 The aging of related party rent receivable at the reporting date is as follows:

#### Past due but not impaired

	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
Past due 1 - 90 days	1,563	361
Past due 91 days and above	702	702
	2,265	1,064

## 6. SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER ASSETS

#### Considered good - Unsecured

Security deposits	959	959
Prepayments and advances	1,517	15,463
Advance tax	204,131	266,437
	206,607	282,859

#### Considered doubtful - Unsecured

	4,728	4,728
	211,335	287,587
Less: provision for doubtful recoveries	(4,728)	(4,728)
	206,607	282,859

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- (Rupees in '000) -----	2020 -----
<b>7. SHORT-TERM INVESTMENTS</b>			
<b>At amortised cost</b>			
Term deposit receipt having maturity			
-within three months		600,000	-
-after three months		40,729	766,000
	7.1	<u>640,729</u>	<u>766,000</u>

- 7.1** These represent term deposit receipts (TDRs) with Islamic banks and carry expected profit rates of 6.75% and 7.30% (2020: 8.10%) per annum with maturity of three to six months. These also include security deposits received by the Scheme from tenants which are kept in a separate bank account. (note 11).

	Note	2021 ----- (Rupees in '000) -----	2020 -----
<b>8. BANK BALANCES</b>			
Saving accounts	8.1	<u>734,285</u>	<u>347,362</u>

- 8.1** This represents deposits held in riba free saving accounts carrying expected profit rates ranging from 2.52% to 6.9% (2020: 2.85% to 7.58%) per annum.

## 9. UNIT HOLDERS' FUND

### 9.1 Issued, subscribed and paid up units

2021 -----Number of units-----	2020	2021 ----- (Rupees in '000) -----	2020
1,667,775,000	1,667,775,000	16,677,750	16,677,750
555,925,000	555,925,000	5,559,250	5,559,250
<u>2,223,700,000</u>	<u>2,223,700,000</u>	<u>22,237,000</u>	<u>22,237,000</u>

Ordinary units of Rs.10 each  
fully paid in kind  
fully paid in cash

### 9.2 Pattern of unit holding

	2021 Percentage Units held	2020 Percentage Units held
International Complex Projects Limited (ICPL)	75% 1,667,775,000	75% 1,667,775,000
General public / others	25% 555,925,000	25% 555,925,000
	<u>100% 2,223,700,000</u>	<u>100% 2,223,700,000</u>

## 10. PREMIUM ON ISSUE OF UNITS - NET

This represents premium received amounted to Rs. 555.925 million against units issued to the general public / others at strike price of Rs. 11 per unit, which had been adjusted with formation costs of Rs. 274.579 million during the year ended June 30, 2015 as permitted by section 81 of the Companies Act, 2017.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
<b>11. SECURITY DEPOSITS</b>			
Security deposits	11.1	405,983	402,746
Less: current portion		(160,312)	(198,348)
		<u>245,671</u>	<u>204,398</u>

- 11.1** This represents amounts received from tenants of the investment property as security deposit under tenancy agreements. These are maintained in a separate bank account and invested in term deposit receipts (note 7).

	Note	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
<b>12. PAYABLE TO REIT MANAGEMENT COMPANY</b>			
Management fee		20,731	5,887
Sindh sales tax		4,382	2,452
	12.1	<u>25,113</u>	<u>8,339</u>

- 12.1** Under the provisions of the REIT Regulations, 2015, RMC is entitled to an annual management fee not exceeding 3% of Net Operating Income (NOI) of the Scheme. The management fee is payable on quarterly basis in arrears. The Sindh Government has levied Sindh Sales Tax on the remuneration of RMC through Sindh Sales Tax on Services Act 2011, effective from 01 July 2014. The current applicable tax rate is 13% being effective from July 01, 2016.

	Note	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
<b>13. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Trustee remuneration	13.1	15,054	14,512
Provision for government levies		-	2,265
Monitoring fee payable to SECP	16.1	22,237	22,237
Payable to associated undertakings	13.2	22,444	30,401
Unearned rental income		75,038	93,948
Sales tax and withholding income tax		45,093	44,265
Federal Excise Duty	13.3	11,980	11,980
Accrued expenses		16,134	97,455
Takaful fee		1,781	-
Shariah advisory fee		124	124
Other liabilities		7,390	8,572
		<u>217,275</u>	<u>325,759</u>

- 13.1** The Trustee is entitled to an annual remuneration for services rendered upto 0.6% of the annual NOI under the provisions of the REIT Regulations, 2015. However, the Trustee charged annual remuneration at a rate of 0.5% of the annual NOI. The Sindh Government has levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act 2011, effective from July 01, 2015. The current applicable rate is 13% being effective from July 01, 2016.

	Note	2021 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----
<b>13.2 Payable to Associated undertakings</b>			
- International Complex Projects Limited		1,819	1,819
- Dolmen Real Estate Management (Private) Limited (Property Manager)		20,625	28,582
		<u>22,444</u>	<u>30,401</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

- 13.3** As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the RMC has been applied. The RMC is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

The SHC through its order dated June 02, 2016, in CPD-3184 of 2014 (and others) filed by various taxpayers, has inter alia declared that Federal Excise Act, 2005 (FED Act) on services, other than shipping agents and related services, is ultra vires to the Constitution from July 01, 2011. However, the declaration made by the SHC, as directed, will have effect in the manner prescribed in the judgment. Subsequently, the SHC in its decision dated June 30, 2016 on CP No. D-3547 of 2013 in respect of constitutional petition filed by management companies of mutual funds maintained the aforesaid order on the FED.

The Sindh Revenue Board (SRB) and the Federal Board of Revenue (FBR) have filed appeals before Supreme Court of Pakistan (SCP) against the SHC's decision dated June 02, 2016, which is pending for decision. With effect from July 01, 2016, FED on services provided or rendered by Non-Banking Financial Institutions dealing in services which are subject to provincial sales tax has been withdrawn by Finance Act, 2016. Therefore, the Scheme has discontinued making the provision in this regard. As a matter of abundant caution, without prejudice to the above, an accumulated provision of Rs. 11.980 million (2020: Rs. 11.980 million) has been maintained in the Scheme's financial statements.

## 14. CONTINGENCIES AND COMMITMENTS

### Contingency

During the year ended June 30, 2021, the Federal Board of Revenue (FBR) issued orders dated June 28, 2021 under Section 122(5A) of Income Tax Ordinance, 2001 (the Ordinance) in respect of tax years 2015 and 2016 respectively stating that Dolmen City REIT (the Scheme) has not distributed up to 90% accounting income in respect of both of aforesaid years and raise the demand of Rs. 32.2 million and 355.9 million for the tax years 2015 and 2016 respectively.

Subsequently, on July 23, 2021, the Scheme through its tax advisor, filed appeal against the order with Commissioner Appeals and simultaneously apply for a stay order from the honourable High Court of Sindh (SHC) through the company's legal counsel till the matter is concluded.

On July 26, 2021, the SHC, has passed in constitutional petitions No. D-4578 and No. D-4579 of 2021 for tax years 2015 and 2016 respectively and has granted stay against recovery of demand and restrained the Respondents Department from taking any coercive action against the Scheme for recovery of the income tax demand till the appeal is finally decided by the Commissioner Appeals.

The management, in consultation with its tax advisor, is confident that the matter will eventually be decided in favour of the Scheme, therefore, no provision has been made in these financial statements.

### Commitment

There are no commitments as at June 30, 2021 and June 30, 2020.

- 15.** Sales tax on revenue from marketing activities amounted to Rs. 6.374 million (2020: Rs. 5.728 million).

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
	Note	(Rupees in '000)	(Rupees in '000)
<b>16. ADMINISTRATIVE AND OPERATING EXPENSES</b>			
SECP monitoring fee	16.1	22,237	22,237
Property management fee	16.2	200,939	185,053
Ancillary income collection fee	16.2	25,816	26,236
Common area maintenance charges		48,125	36,435
Legal and professional charges		15,206	6,615
Shariah advisory fee		249	249
Utility expenses		1,276	1,192
Marketing expenses		30,170	37,157
Takaful fee		17,244	17,000
Property and advertisement taxes		12,374	17,927
Auditor's remuneration	16.3	2,336	2,122
Renovation expense		34,619	30,286
Provision against rent receivables	5.2	-	8,522
Others		11,093	5,463
		<b>421,684</b>	<b>396,494</b>
<b>16.1</b>	Under the provisions of the REIT Regulations, 2015, the scheme is required to pay an annual fee to SECP equal to 0.10% of initial REIT Fund.		
<b>16.2</b>	Property management fee and ancillary income collection fee are charged by Dolmen Real Estate Management (Private) Limited as a Property Manager.		
<b>16.3 Auditor's remuneration</b>			
Fee for annual audit		1,200	1,200
For the review of condensed interim financial statements		500	500
Fee for review of code of corporate governance		100	75
Certifications / others		175	40
Out of pocket expenses		188	150
		<b>2,163</b>	<b>1,965</b>
Sindh sales tax		173	157
		<b>2,336</b>	<b>2,122</b>
<b>17. OTHER INCOME</b>			
Profit on bank deposit		86,611	191,989
Reversal of accruals - expenses no more payable		43,661	-
		<b>130,272</b>	<b>191,989</b>
<b>18. TAXATION</b>			
The Scheme's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.			



## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

The Board of Directors of the RMC have distributed more than 90% of the Scheme's accounting income for the year as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash to avail the exemption through distribution of interim dividends during the year and declaration and distribution of final dividend subsequent to year end (refer note 28). Accordingly, no tax provision has been made in these financial statements for the year ended June 30, 2021.

#### 19. CHANGES ARISING FROM FINANCING ACTIVITIES

The table below states changes in the Scheme's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	July 01, 2020	Cash flows		Non-cash flows	June 30, 2021
		Obtained	Repaid	Transferred	
	----- (Rupees in 000) -----				
Dividend payable	-	-	(2,468,307)	2,468,307	-

		Cash flows		Non-cash flows	
	July 01, 2019	Obtained	Repaid	Transferred	June 30, 2020
		----- (Rupees in 000) -----			
Dividend payable	-	-	(3,068,706)	3,068,706	-

#### 20. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include Arif Habib Dolmen REIT Management Limited being the Management Company, Central Depository Company of Pakistan Limited, being the Trustee to the Scheme, Tristar International Consultant (Private) Limited being Valuer, International Complex Projects Limited being the Holding Company, Dolmen Real Estate Management (Private) Limited, being Property Manager for rent collection, ancillary income collection and common area maintenance charges, connected person, associated companies, directors and key executives of the RMC, trustee, valuer and promoter of RMC.

The services provided under REIT Regulations, 2015 or the trust deed or offering document, by the RMC, Trustee, Valuer, Property Manager shall not be deemed related party transaction.

Transactions with related parties are in the normal course of business, at contracted rates and terms determined in accordance with commercial rates.

There are no potential conflicts of interest of the related party with respect to the Scheme.

Details of the transactions with related parties and balances with them, if not disclosed elsewhere in these financial statements are as follows:

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

#### 20.1 TRANSACTION WITH RELATED PARTIES

##### International Complex Projects Limited (ICPL) - Holding Company

	2021	2020
	(Rupees in '000)	
- Rental income	48,416	44,759
- Payment against purchase of equipment for maintenance	-	1,194
- Reversal of accrual	-	1,205
- Dividend paid	1,851,230	2,301,530

##### Dolmen Real Estate Management (Private) Limited - Associate due to common directorship

- Common area maintenance charges	48,125	36,435
- Common area maintenance paid	63,385	22,719
- Expenses incurred on behalf of the Scheme	1,017	2,696
- Expenses paid on behalf of the Scheme	884	2,258
- Reversal of accrual	10	415
- Reimbursement of expenses incurred on behalf of the Scheme	874	1,843

##### Retail Avenue (Private) Limited - Associate due to common directorship

- Rental income	8,672	7,588
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##### Dolmen (Private) Limited Associate due to common directorship

- Marketing income	468	1,050
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##### Sindbad Wonderland (Private) Limited - Associate due to common directorship

- Rental income	18,496	54,194
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## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- (Rupees in '000) -----	2020
<b>20.2 BALANCES WITH RELATED PARTIES</b>			
<b>International Complex Projects Limited</b>			
- Rent receivable		171	171
- Net payable in respect of purchase consideration of investment property		1,819	1,819
- Payable against purchase of equipment for maintenance		80	80
<b>Dolmen Real Estate Management (Private) Limited - Property Manager</b>			
- Common area maintenance charges		2,088	17,348
- Expenses payable incurred on behalf of Scheme		1,782	1,649
- Payable of withheld security deposit of tenants		458	514
<b>Retail Avenue (Private) Limited</b>			
- Rent receivable		66	427
<b>Sindbad Wonderland (Private) Limited</b>			
- Rent receivable		2,028	466
<b>21. EARNINGS PER UNIT - BASIC AND DILUTED</b>			
Profit after taxation for year (Rs. in '000)		8,609,987	8,117,883
Weighted average number of ordinary units during the year		2,223,700,000	2,223,700,000
Earnings per unit - basic and diluted (Rs.)	21.1	3.87	3.65
<b>21.1 Earnings per unit comprises as follows:</b>			
Distributable income - earnings per unit		1.21	1.20
Undistributable unrealised fair value gains - earnings per unit	21.1.1	2.66	2.45
		3.87	3.65
<b>21.1.1</b> Under the provision of Trust Deed, the amount available for distribution shall be total of income and realised gain net off expenses. Accordingly, unrealised fair value gain is not distributable.			

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	(Rupees in '000)	
<b>22. FINANCIAL INSTRUMENT BY CATEGORY</b>		
<b>FINANCIAL ASSETS</b>		
<b>At amortised cost</b>		
Rent receivables	160,917	213,987
Security deposit	959	959
Profit accrued	7,489	10,736
Short-term investments	640,729	766,000
Bank balances	734,285	347,362
	<b>1,544,379</b>	<b>1,339,044</b>
<b>FINANCIAL LIABILITIES</b>		
<b>At amortised cost</b>		
Security deposits	405,983	402,746
Payable to REIT Management Company	25,113	8,339
Accrued expenses and other liabilities	85,164	175,566
Unclaimed dividend	11,800	15,203
	<b>528,060</b>	<b>601,854</b>

## 23. FINANCIAL RISK MANAGEMENT

### Risk management framework

The Scheme's activities exposes it to varying degrees of risks.

Risk is inherent in the Scheme's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established in the Scheme's constitutive documents and REIT Regulations, 2015 and directives of the SECP. The Board of Directors of the RMC supervises the overall risk management approach within the Scheme.

The Scheme has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### 23.1 Credit risk

Credit risk is the risk of a financial loss resulting from the failure of a tenant or counterparty to settle its financial and contractual obligations to the Scheme, as and when they fall due.

The maximum exposure to credit risk before considering any related collateral as at June 30, 2021 is the carrying amount of the financial assets. None of these are impaired.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	(Rupees in '000)	
Rent receivables	160,917	213,987
Security deposit	959	959
Profit accrued	7,489	10,736
Short-term investment	640,729	766,000
Bank balances	734,285	347,362
	<b>1,544,379</b>	<b>1,339,044</b>

The RMC and property manager monitors tenants' balances on an ongoing basis. Credit evaluations are performed by the property manager before lease agreements are entered into with tenants.

Bank balances and term deposits are held with Islamic banking branches of the reputable banks having high quality external credit ratings as follows:

Bank	Rating by	Rating	
		Short term	Long term
Habib Bank Limited	VIS	A-1+	AAA
Meezan Bank Limited	VIS	A-1+	AAA
Faysal Bank Limited	VIS	A-1+	AA
UBL Ameen Islamic Bank Limited	VIS	A-1+	AAA
Bank Al Falah Limited	PACRA	A1+	AA+
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
Askari Bank Limited	PACRA	A1+	AA+
Allied Bank Limited	PACRA	A1+	AAA
Bank Al-Habib Limited	PACRA	A1+	AAA
Dubai Islamic Bank	VIS	A-1+	AA
National Bank of Pakistan	VIS	A-1+	AAA

#### 23.2 Liquidity risk

Liquidity risk is the risk that the Scheme will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset.

RMC closely monitors the Scheme's liquidity and cash flow position and it ensures that sufficient level of cash and cash equivalents are maintained by the Scheme to meet its liabilities, as and when they fall due.

#### Maturity analysis for financial liabilities

The table below analyses the Scheme's financial liabilities into relevant maturity groupings based on remaining period at reporting date to the contractual maturity date.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

	2021			
	Carrying amount	Contractual Cash flows	up to one year	Two to five year
	----- (Rupees in '000) -----			
Payable to REIT management Company	25,113	25,113	25,113	-
Security deposits	405,983	405,983	160,312	245,671
Accrued expenses and other liabilities	85,164	85,164	85,164	-
Unclaimed dividend	11,800	11,800	11,800	-
	<b>528,060</b>	<b>528,060</b>	<b>282,389</b>	<b>245,671</b>

	2020			
	Carrying amount	Contractual Cash flows	up to one year	Two to five year
	----- (Rupees in '000) -----			
Payable to REIT management Company	8,339	8,339	8,339	-
Security deposits	402,746	402,746	198,348	204,398
Accrued expenses and other liabilities	173,301	173,301	173,301	-
Unclaimed dividend	15,203	15,203	15,203	-
	<b>599,589</b>	<b>599,589</b>	<b>395,191</b>	<b>204,398</b>

### 23.3 Market risk

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk, currency risk, profit rate risk and other price risk.

#### 23.3.1 Currency risk

Currency risk is a risk that fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Scheme is not exposed to currency risk as of the reporting date. There are no foreign currency denominated financial instruments held by the Scheme.

#### 23.3.2 Profit rate risk

Profit rate risk is the risk that fair value or future cash flows of the financial instrument will fluctuate because of change in market profit rates. The scheme does not have any fixed rate financial instrument at fair value through profit or loss, therefore, the scheme is not exposed to fair value changes for fixed rate instruments. However the bank and term deposit at variable rates expose the Scheme to fluctuations in cash flow due to change in market profit rates. The cash flow sensitivity analysis for variable rate of instrument is depicted below:

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

#### Cash flow Sensitivity Analysis for variable rate instruments

The following figures demonstrate the sensitivity to a reasonably possible change in profit rates, with all other variables remaining constant, on the Scheme's profit before taxation:

	Increase / decrease in basis points	Effect on profit before taxation (Rupees in '000)
June 30, 2021	+100	13,750
	-100	(13,750)
June 30, 2020	+100	11,134
	-100	(11,134)

#### 23.3.3 Other price risk

Other price risk includes all other risk other than the profit rate risk and currency risk affecting the fair value or future cash flows of financial instrument because of change in market prices. The Scheme is not exposed to any significant other price risk as of the reporting date.

#### 23.4 Unit holders' capital risk management

Management's objective when managing unit holders' funds is to safeguard the Scheme's ability to continue as a going concern so that it can continue to provide optimum returns based on income earned and realised gains as per trust deed to its unit holders and to ensure reasonable safety of unit holders' funds.

The Scheme manages its investment property and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in market's conditions. The Scheme is not exposed to externally imposed minimum unit holders' maintenance requirement.

### 24. FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Scheme is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

**Level 1 :** Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

**Level 2 :** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3 :** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair values of all the financial assets and liabilities at the reporting date approximate to their carrying value. There are no changes between levels during the year.

Fair value of the investment property is classified under level 3 as shown under note 4.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

### 25 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following items included in the statement of financial position:

	Note	2021 ----- (Rupees in '000) -----	2020
Short-term investments	7	600,000	766,000
Bank balances	8	734,285	347,362
		<b>1,334,285</b>	<b>1,113,362</b>

### 26. IMPACT OF COVID-19 ON THE SCHEME'S OPERATIONS

In Pakistan, the businesses in general and retail sector in particular is facing an unprecedented challenge arising out of situation due to COVID-19. Initially, it was expected to be a short term aberration. However, the situation has not only persisted for far longer than anticipated but also the associated uncertainties continue unabated. The businesses, while complying with the Government's directives, have lost their entire revenue stream from the retail outlets. Similarly, amidst this pandemic, a number of office-building tenants are promoting the culture of work-from-home and considering it unsafe to return to office premises as per their health and safety standards. Even when the Malls were allowed to reopen, tenants were not able to restore their businesses fully and their sales were significantly impacted due to curbs and SOP's placed by the provincial government.

The mall management responded by intensifying customer engagement through digital platforms to encourage footfall and retail sales upon reopening with the implementation of prescribed customer safety protocols. Efforts were also intensified to strengthen the valuable, long term tenant relationships by proactive negotiations to support tenant retention in these challenging times. Tenants at both the Dolmen City Mall and the Harbour Front office building were provided with rental waivers from month to month after carefully assessing the overall situation. Consequently, the Scheme has continued to provide waivers to its tenants which resulted in decrease of rental income approximately by Rs. 622.885 million during the year ended June 30, 2021 (Rs. 608.152 million during the year ended June 30, 2020).

As a result of tight control measures, efforts to curtail the spread of virus have been successful enabling businesses to recover and with professional property management, extensive marketing activities and renowned tenants, Scheme remains confident that Dolmen City Mall and the Harbour Front will remain the destination of choice for shoppers, retail operators and corporations alike.

### 27. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified for the purpose of better presentation and comparison, wherever necessary.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2021

#### 28. NON ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors of the RMC in their meeting held on July 16, 2021 have declared and approved a final cash dividend for the year ended June 30, 2021 of Re. 0.33 per unit amounting to Rs. 733.82 million. These financial statements do not include the effect of above announcement which will be accounted for in the period in which it is approved.

#### 29. DATE OF AUTHORISATION FOR ISSUE

The financial statements was authorised for issue by the Board of Directors of the Arif Habib Dolmen REIT Management Limited (RMC) on September 30, 2021.



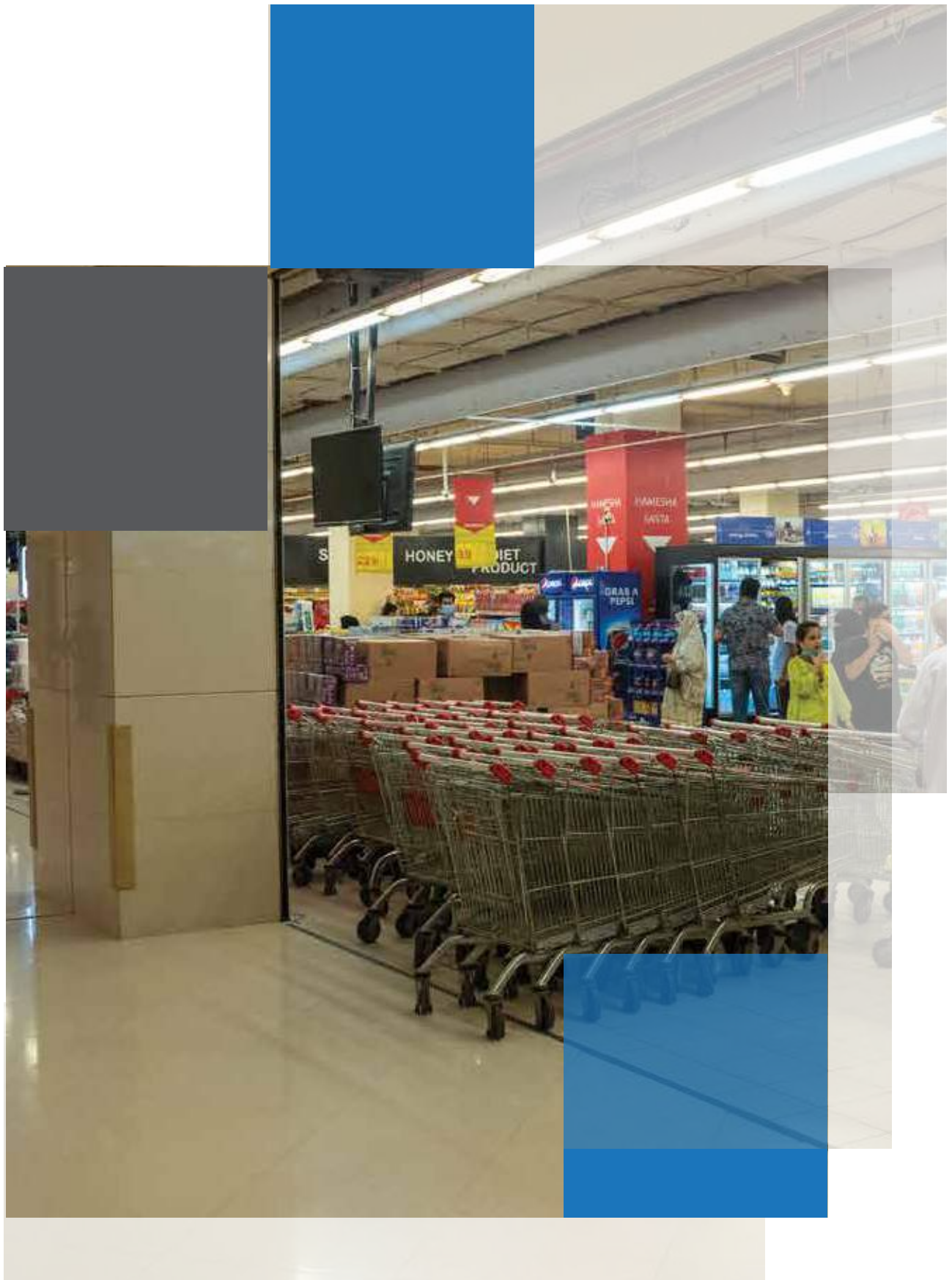
Chief Financial Officer



Chief Executive Officer



Director





## اعتراف

ہم DCR کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج کی انتظامیہ، DCR کے ٹرسٹیوں، پراپرٹی مینیجر اور کاروباری شراکت داروں کے مسلسل تعاون اور مدد پران کے مشکور ہیں۔ ہم انتظامی ٹیم کی کوششوں کا اعتراف کرتے ہیں۔

برائے و مخائب



نسیم بیگ

چیرمین



محمد اعجاز

چیف ایگزیکٹو

کراچی

۳۰ ستمبر ۲۰۲۱

## مالیاتی اور کاروباری جھلکیاں

اہم کاروباری اور مالیاتی اعداد و شمار مختصراً ”مالیاتی اور کاروباری جھلکیوں“ کی سرخی کے تحت مختلف خاکوں کے ساتھ پیش کئے گئے ہیں۔

## آڈٹ کمیٹی

ادارتی نظم و ضبط کے تحت آڈٹ کمیٹی نے بورڈ کی تعین کردہ ذمہ داریوں کے تحت اپنے فرائض انجام دیئے۔

## آڈیٹرز

موجودہ بیرونی آڈیٹرز میسرز یوسف عادل اینڈ کوپارٹرز ڈاکاؤٹنٹنس سال 2020-2021 مکمل ہونے پر سبکدوش ہو جائیں گے۔ RMC کی آڈٹ کمیٹی کی تجویز پر RMC کے بورڈ نے میسرز کے پی ایم جی تاثیر حادی اینڈ کوپارٹرز ڈاکاؤٹنٹنس کی DCR کے آڈیٹرز کی حیثیت سے مالیاتی سال 30 جون 2022 کے لئے باہمی طے شدہ فیس پر تقرری کی ہے۔ تقرری شدہ بیرونی آڈیٹرز کوانٹینیوٹ آف چارٹرز ڈاکاؤٹنٹنس آف پاکستان (ICAP) کے کوائٹ کنٹرول ریویو پروگرام کے تحت تسلی بخش ریٹنگ حاصل ہے۔

## ڈائریکٹران کے انتخابات

کمپنیز ایکٹ 2017 کی دفعہ 161 (منسوخ شد کمپنیز ایکٹ 1984 کی دفعہ 180) کی شقوں کے مطابق اکتوبر 2018 میں RMC کے 8 منتخب ڈائریکٹران کے عہدے کی مدت 26 اکتوبر 2021 کو مکمل ہو جائے گی اور تمام ڈائریکٹران سبکدوش ہو جائیں گے۔ ڈائریکٹران کے نئے انتخابات کے لئے بورڈ کی جانب سے ڈائریکٹران کی طے کردہ تعداد (8 ڈائریکٹران) ہے۔

## میزانے کے بعد کے واقعات

30 جون 2021 سے لے کر اس رپورٹ کی تاریخ تک کوئی اہم تبدیلیاں رونما نہیں ہوئی سوائے حتمی منافع منقسمہ کے اعلان کے جسے 0.33 روپے فی یونٹ یعنی 3.3 فیصد کے حساب سے تقسیم کیا گیا تھا۔ اس کے علاوہ عبوری منافع منقسمہ 0.91 روپے فی یونٹ یعنی 9.1 فیصد کے حساب سے اعلان اور تقسیم کیا گیا۔ اس کے اثرات کی عکاسی اگلے سال کے مالیاتی گوشواروں میں ہوگی۔

## مالحقہ پارٹیوں کے سودے

REIT کے ضوابط اور ادارتی نظم و ضبط کی ضروریات کی پاسداری کرتے ہوئے DCR نے مالحقہ پارٹیوں کے ساتھ تمام سودے RMC کی آڈٹ کمیٹی اور بورڈ کے جائزہ کے لئے ان کے روبرو پیش کئے۔ ان سودوں کو آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے اپنے متعلقہ اجلاسوں میں منظور کیا۔ مالحقہ پارٹیوں کے ساتھ سودوں کو آڈٹ شدہ مالیاتی گوشواروں کے نوٹ 20 میں منکشف کیا گیا ہے۔

## یونٹ ہولڈنگ کی ساخت

DCR کے یونٹس پاکستان اسٹاک ایکسچینج میں لسٹڈ ہیں۔ 30 جون 2021 کو DCR کے 4127 یونٹ ہولڈرز تھے۔ یونٹ ہولڈنگ کی تفصیلی ساخت اور DCR کی یونٹ ہولڈنگ کی اقسام بشمول ڈائریکٹران اور ایگزیکٹو اگریکٹو ہوں تو بطور منسلکہ III شامل کی گئی ہیں۔

30 جون 2021 کو DCR کی یونٹ داری کی ساخت اس رپورٹ کے منسلکہ II میں موجود ہے۔

یونٹ ہولڈرز کی اقسام	یونٹوں کی تعداد	%
ڈائریکٹران	15,657,982	0.70%
ملحقہ کمپنیاں	1,705,112,500	76.68%
ایگزیکٹو	-	0.00%
ICP اور NIT	-	0.00%
بینک، NBFCs، DFIs	310,034,783	13.95%
مضاربہ اور میوچل فنڈز	4,063,704	0.18%
انشورنس کمپنیاں	7,538,018	0.34%
غیر ملکی کمپنیاں	-	0.00%
عام عوام		
- مقامی	162,643,554	7.31%
- غیر ملکی	1,125,509	0.05%
دیگر	17,523,950	0.79%
کل	2,223,700,000	100%

نام	عہدہ
جناب نسیم بیگ	چیئر مین
جناب عبدالصمد اے حبیب	نان ایگزیکٹو ڈائریکٹر
جناب ندیم ریاض	نان ایگزیکٹو ڈائریکٹر
جناب ساجد شیخ	نان ایگزیکٹو ڈائریکٹر
جناب فیصل ندیم	نان ایگزیکٹو ڈائریکٹر
جناب قمر حسین	آزاد ڈائریکٹر
محترمہ طیبہ رشید	آزاد ڈائریکٹر
جناب نعیم الیاس	آزاد ڈائریکٹر
جناب محمد اعجاز	چیف ایگزیکٹو آفیسر

### بورڈ کی کمیٹیاں

#### آڈٹ کمیٹی

جناب قمر حسین	چیئر مین
جناب صمد اے حبیب	ممبر
جناب نعیم الیاس	ممبر

#### انسانی وسائل اور معاوضہ کمیٹی

محترمہ طیبہ رشید	چیئر مین
جناب فیصل ندیم	ممبر
جناب صمد اے حبیب	ممبر
جناب محمد اعجاز	ممبر

ڈائریکٹر کا نام	بورڈ کے اجلاس	آڈٹ کمیٹی	انسانی وسائل اور معاوضہ کمیٹی
جناب نسیم بیگ	5	-	-
جناب ندیم ریاض	5	-	-
جناب نعیم الیاس	5	4	-
جناب قمر حسین	5	4	-
جناب صدائے حبیب	5	3	1
جناب فیصل ندیم	5	-	1
جناب محمد اعجاز	5	4	1
جناب ساجد شیخ	4	-	-
محترمہ طیبہ رشید	5	-	1

### ڈائریکٹر ان کا معاوضہ

نان ایگزیکٹو ڈائریکٹر ان (بشمول آزاد ڈائریکٹر ان) سوائے ان ڈائریکٹر ان کے جو عارف حبیب گروپ کی دیگر کمپنیوں میں بطور ایگزیکٹو ڈائریکٹر ان کام کر رہے ہیں، انہیں بورڈ اور کمیٹی کے اجلاس میں حاضر ہونے کا معاوضہ دیا جاتا ہے جو بورڈ وقتاً فوقتاً منظور کرتا ہے۔

مزید جب اور جیسے بورڈ کسی نان ایگزیکٹو ڈائریکٹر کو کوئی اضافی کردار اور ذمہ داریاں سونپتا ہے تو بورڈ اس کی سوچنی گئی ذمہ داریوں اور کردار کے مطابق اس کا معاوضہ تعین کرتا ہے۔

### بورڈ کی تشکیل بندی

بورڈ کی موجودہ تشکیل بندی درج ذیل ہیں:

(a) مرد 7

(b) خواتین 1



ٹرسٹی، RMC، شریعہ مشیر اور SECP کی ہر سطح پر نگرانی REIT ضوابط اور دیگر لاگو قوانین اور معیارات کی پاسداری کو یقینی بناتی ہے۔ ان عناصر کی وجہ سے DCR کے یونٹ ہولڈرز کو تسلسل کے ساتھ بہتر منفعت حاصل ہوتی رہے گی۔

### ادارتی نظم و ضبط

DCR پاکستان اسٹاک ایکسچینج میں لسٹڈ ہے۔ RMC کا بورڈ اور انتظامیہ ادارتی نظم و ضبط پر عملدرآمد کے لئے کوشاں ہیں اور اپنی ذمہ داریوں جیسے آپریشنز اور کارکردگی کی نگرانی، مالیاتی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت سے مکمل طور پر آگاہ ہیں۔

بورڈ اقرار کرتا ہے کہ DCR کی حسابات کی کتابیں درست انداز میں تیار کی گئی ہیں اور مناسب حساباتی پالیسیوں کو اختیار کیا گیا ہے اور مالیاتی گوشواروں کی تیاری میں تسلسل کے ساتھ انہیں ملحوظ خاطر رکھا گیا ہے سوائے ان تبدیلیوں کے جنہیں مالیاتی گوشواروں کے نوٹ 2.4 میں بتایا گیا ہے اور حساباتی تخمینوں کی بنیاد معقول اور مضبوط فیصلوں پر ہے۔ مالیاتی گوشواروں کی تیاری کے دوران عالمی مالیاتی رپورٹنگ معیارات، جو پاکستان میں لاگو ہیں کو ملحوظ خاطر رکھا گیا ہے۔ اندرونی گرفت کے نظام کی شکل مضبوط ہے اور موثر انداز میں نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔ DCR کے تیار کردہ مالیاتی گوشوارے کمپنی کے معاملات، اس کے کاروباری نتائج، نقدی کے بہاؤ اور NAV میں تبدیلیوں کو شفافیت کے ساتھ پیش کرتے ہیں۔ ٹیکسوں، ڈیوٹیوں، محصولات یا دیگر کی مد میں کوئی قابل ذکر رقم واجب الادا نہیں ہے۔

ضابطہ کی پاسداری کے تحت بورڈ اس بات کا اعادہ کرتا ہے کہ DCR کے چلتے ہوئے ادارے کی صلاحیت میں کوئی قابل ذکر شک و شبہ نہیں ہے اور ادارتی نظم و ضبط کے بہترین طور طریقوں سے کوئی قابل ذکر انحراف نہیں ہوا۔

DCR کی ہمیشہ کوشش رہی ہے کہ بہتر ادارتی نظم و ضبط کے لئے شفاف اور درست طور طریقے اختیار کرے۔

### ڈائریکٹران اور اعلیٰ انتظامی عہدیداران کی اسکیم کے حصص میں خرید و فروخت

DCR کے حصص میں RMC کے ڈائریکٹران، چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر، کمپنی سیکریٹری اور ان کے شریک حیات اور کم عمر فیملی ممبران نے خرید و فروخت کی ہے اسے منسلکہ 1 کے تحت شامل کیا گیا ہے۔

### بورڈ اور اس کی کمیٹیوں کے اجلاس میں ڈائریکٹران کی حاضری

سال مختتمہ 30 جون 2021 کے دوران بورڈ کے پانچ (05) اجلاس، آڈٹ کمیٹی کے چار (04) اجلاس اور انسانی وسائل اور معاوضہ کمیٹی کا ایک (01) اجلاس منعقد ہوا۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل رہی:

## کاروباری خطرات کا اختصار یہ

DCR کا کاروبار پائیدار رہائشی سطح کے لحاظ سے حساس ہے۔ بنیادی خطرات میں (i) دفاتر اور خوردہ فروشی کی سپلائی میں قابل ذکر اضافہ جس کے تحت علاقہ میں رہائشی قیمتوں میں کمی آسکتی ہے۔ تاہم ایسی پیشقدمیوں میں سہولیات پر تصفیہ کرنا پڑے گا تا کہ سستے یونٹ فراہم کئے جاسکیں جبکہ DCR اس صنعت میں جگہ کے لئے پہلے ہی رہائشیوں کی اہمیت سے آگاہ ہے (ii) بڑھتی ہوئی شرح سود کے منظر نامہ سے DCR کے منفعت میں مسابقت پیدا ہوگی تاہم طویل مدت میں REIT کے یونٹ مستحکم منفعت فراہم کریں گے اور افراط زر کی تلافی کرتے ہوئے سرمایہ کاروں کی منفعت میں مسلسل اضافہ ہوگا۔ (iii) موجودہ کرایہ داروں کی نادرہنگی کو ڈالمین سٹی میں بہت معمولی خطرہ تصور کیا جاتا ہے کیونکہ بڑے کرایہ داروں میں زیادہ تر یا تو کثیر القومی کمپنیاں ہیں یا بڑے فریجائز ہیں اور DCR کا پراپرٹی مینیجر نہ صرف سخت چھان بین، پروفائلنگ اور کرایہ جاتی پالیسیاں اختیار کرتا ہے بلکہ ہر کرایہ دار کے ساتھ خوشگوار تعلقات قائم رکھتا ہے اور ان کی نگرانی کرتا ہے۔

## ٹیکس اصلاحات

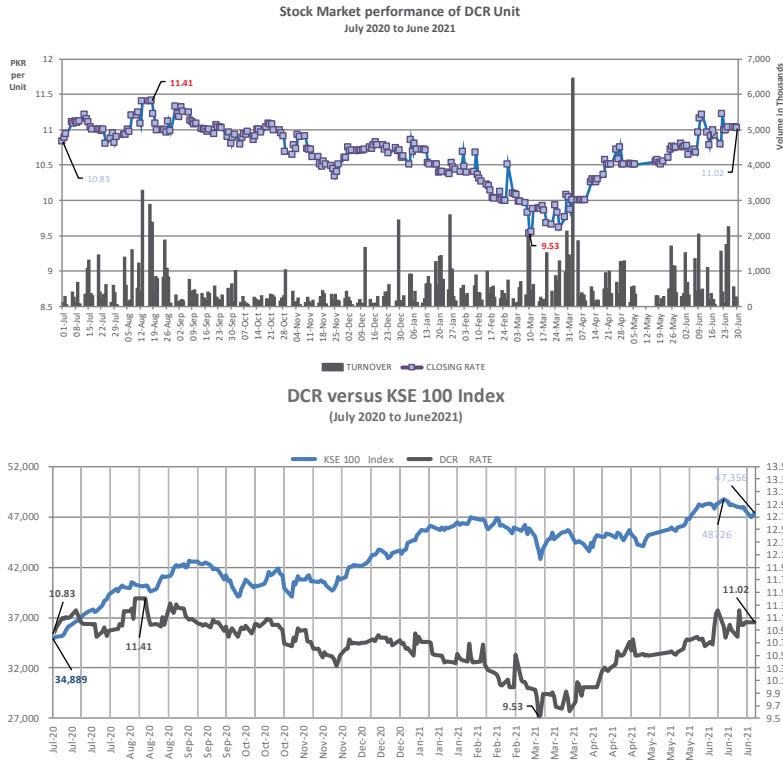
سال کے دوران REIT کی منتظم کمپنی نے دیگر RMCs کے ساتھ مل کر فنانس بل 2021 میں شامل ہونے والی ٹیکس اصلاحات کی حمایت کی جس کے REITs کے پھیلاؤ میں کاروباری جائیداد کو دستاویزی شکل دینا تھی۔ جن اصلاحات کی حمایت کی گئی تھی ان میں غیر منقولہ جائیداد کی REIT کو منتقلی پر ہر قسم کی REIT اسکیموں کی کاغذی منافع پر ٹیکس استثناء کو شامل کیا جائے اور REITs کی جانب سے میوچل فنڈز کو منافع منقسمہ کی ادائیگیوں کی ہم آہنگ کرتے ہوئے 15 فیصد کیا جائے۔ REITs کے منافع منقسمہ سے مذکورہ بالا ٹیکس نرخ کو 25 فیصد سے 15 فیصد کرانے میں RMCs کا میاب رہنے کے ساتھ ساتھ جائیداد کی منتقلی پر ٹیکسوں کے خاتمے کے سنگ میل حاصل ہوا اور اس کی عکاسی فنانس ایکٹ 2021 میں ہوئی۔

یہ بات REITs کی ترقی کے لئے بنیادی حیثیت رکھتی ہے کہ طویل مدت تک ان کا قانونی نظام اور طرز ٹیکس معاون اور اس میں تسلسل رہے۔ یہ بات بھی تسلیم کرنی چاہئے کہ REITs ایک انتہائی اہم سرمایہ کاری سواری ہے اور اس میں معیشت کے لئے بہت زیادہ امکانی فوائد ہیں۔ جن میں جائیداد کے کاروباری سود کو دستاویزی شکل دینا، جائیداد کی مالیت کی بالکل درست تشخیص، سرکاری محصولات میں اضافہ اور چھوٹے سرمایہ کاروں کو جائیداد کے کاروبار کی طرف مائل کرتے ہوئے بچت کو پروان چڑھانے کے مواقع فراہم کرنا شامل ہیں۔ یہ بات بھی اہم ہے کہ REITs کو جس طرح صوبہ سندھ میں تعاون اور مراعات فراہم کی گئی ہیں اس طرح ملک بھر میں انہیں فراہم کی جائیں۔

## مستقبل کی پیش بینی

نئی حکومت نے اپنا تیسرا سال مکمل کر لیا ہے، اس دوران کچھ سخت معاشی فیصلے کئے گئے جس کی وجہ سے ہر کاروباری شعبے پر قابل ذکر دباؤ رہا، تاہم آگے کی جانب ہم تجارتی ماحول میں استحکام دیکھ رہے ہیں اور توقع کرتے ہیں کہ اس کی عکاسی دفاتر کے لئے دستیاب جگہوں کی طلب میں اضافے سے ہوگی۔ قلیل مدت میں متعلقہ معاشی اشاریوں سے اندازہ ہے کہ صارفین کی ساخت اور خوردہ فروشی کے شعبہ کو متاثر کرے گی۔

جائیداد کے پیشہ ورانہ انتظام، لیز کا طویل دورانیہ، وسیع مارکیٹنگ سرگرمیاں اور مشہور زمانہ کرایہ داروں کے ساتھ ہم پراعتماد ہیں کہ ڈالمین سٹی خریداروں، خوردہ فروشوں اور کارپوریشنز کے لئے ایک پسندیدہ جگہ رہے گی۔ اس بات کی ثبوت یہ ہے کہ REIT کی موجودہ ریٹنگ AAA(r) جسے VIS کریڈٹ ریٹنگ ایجنسی نے دہرایا ہے اور اس سے NAV کی اعلیٰ درجے کے استحکام کی عکاسی ہوتی ہے۔ مسلسل بڑی تعداد میں انسانی قدموں کی آمد اور کرایہ داروں کی طمانیت DCR کے آپریشنز کی کامیابی کا منہ بولتا ثبوت ہے۔ آگے کی جانب دیکھیں تو کرایہ جاتی اضافہ بنیادی آمدن کا ماخذ ہوگا کیونکہ مال کی تقریباً تمام جگہ گھر چکی ہے۔ عالمی معیار کے مطابق زیادہ سے زیادہ قابل لیز رہائشی رقبہ 90 فیصد خیال کیا جاتا ہے کیونکہ کرایہ داری ایک بہتا ہوا مادہ ہے اور نئے کرایہ داروں کو کھپانے کے لئے خالی جگہ کا عنصر ضروری ہے۔



### کاروباری ماحول

کراچی پاکستان سے تیزی سے بڑھتا ہوا شہر ہے، لہذا تجارتی جگہوں یعنی دفاتر اور خوردہ فروشی کے لئے جگہ کی طلب میں بھی عمومی طور پر اضافہ کارہجان دیکھا گیا ہے۔ تاہم گزشتہ سال کے عوامل جیسے جائیداد کے کاروبار کی بڑھتی ہوئی کاروباری لاگت، کرنسی کی قدر میں کمی اور جائیداد کے کاروبار پر ٹیکس سے متعلق قانونی سازی کی وجہ سے دباؤ کا شکار رہا۔ یہ صورتحال مزید خراب ہوگئی جب کورونا وائرس کی وجہ سے معاشی سست روی ہوئی۔

رہائشی پلاٹوں کی زمین کو تجارتی پلاٹوں میں تبدیل کرنے کے خلاف عدالت عالیہ سندھ کے فیصلوں کی وجہ سے دفاتر اور جائیداد کے کاروبار دونوں سست رہے جس کی وجہ سے منصوبہ شدہ اضافہ رک گیا۔ لہذا ترقیاتی کام ان تجارتی جائیداد پر متوقع ہے جو آغاز ہی سے تجارتی ہیں۔ لہذا ہم آنے والے مالیاتی سال میں سپلائی میں مسابقت میں اضافہ نہیں دیکھ رہے۔

دفاتر کی جگہ کے لئے زیادہ تر طلب مالیاتی اداروں کی طرف سے رہی اور یہ طلب خود ملکیت شدہ ترقیاتی ذرائع جیسے HBL کی G4 (26 منزلہ) اور سمٹ بینک کے بختی ٹاور (خوردہ فروشی، دفاتر، رہائشی) کی طرف منتقل ہوگئی۔ اگرچہ کہ یہ ادارے دفتری جگہ کی ملکیت کے شعبہ کے ایک بڑے حصہ کی نمائندگی کرتے ہیں، تاہم DCR کے دفاتر کے شعبہ کی کاروباری کارکردگی میں ہم کوئی کمی نہیں دیکھ رہے۔

جبکہ دوسری جانب خوردہ فروشی کو بھی جگہ میں اضافہ نظر نہیں آ رہا۔ مستقبل میں مسابقت تقریباً صرف بحریہ آئیکن ٹاور سے ہوگی جو کہ ایک 62 منزلہ عمارت ہے جس میں خوردہ فروشی، سیر و تفریح، دفاتر اور رہائشی ترقی ہے۔ یہ مکمل ہو چکا ہے اور کرایہ داروں کے حوالے کر دیا گیا ہے تاہم عدالت عالیہ سندھ کے حکم اقتناعی کی وجہ سے رکا ہوا ہے۔ بحریہ آئیکن ٹاور کے آپریشنز کے آغاز سے جگہ میں صحت مند اضافہ ہوگا جس میں نئے عالمی برانڈ ملک میں آئیں گے، تاہم یہ جگہ اگلے مالیاتی سال تک دستیاب نہ ہوگی۔

جگہ کی فراہمی میں ممکنہ اضافہ جو کہ منصوبہ بندی اور تعمیراتی مرحلے میں رک گیا ہے، کے نتیجے میں DCR کی دفتری اور خوردہ فروشی کے شعبوں کو ملک میں بہترین منتظم شدہ تجارتی جائیداد تصور کیا جاتا ہے اور یہی وجہ ہے جس کی وجہ سے توقع ہے کہ طلب مستحکم رہے گی۔

**یوم والد:** یوم والد معاشرے میں احترام کا باعث ہے، لہذا اس دن کی تقریبات کے لئے ہم نے ایک معنی خیز تقریب منائی اور ڈولمین مالز میں یوم والد کا جشن منایا۔ اس دن کو والد دادا کے لیے یادگار بنانے کے لیے ہم نے ایک "فوری فوٹو پرنٹ" سرگرمی کی نمائش کی جو اس احاطے میں پہلے کبھی نہیں کی گئی تھی۔ یہ تقریب جون 2021 میں جاری رہی۔

**سویٹ ٹریٹ:** سویٹ ٹریٹ گزشتہ چند سالوں سے ڈولمین میں ایک کامیاب مہم رہی ہے جس نے ہمیں 2021 کے لیے اس مہم کو دوبارہ شروع کرنے کی ترغیب دی۔ اس کا مقصد ایک ہی چھت کے نیچے مختلف برانڈز کی تازگی اور میٹھی ٹریٹس کے ذریعے کسٹمر کے مزاج کو خوشگوار بنانا تھا۔ ان تمام ایونٹس سے اضافی انسانی قدموں کی آمد ہوئی جس سے کسٹمر کے خریداری تجربے میں اضافہ اور برانڈز کے کاروبار کو بہتر بنانے کے لیے کامیاب ثابت ہوئی۔

### منافع منقسمہ کی تقسیم

بورڈ آف ڈائریکٹرز نے سال کے پہلے نو ماہ میں 0.91 روپے فی یونٹ یعنی 9.1 فیصد کے حساب سے ہر سہ ماہی میں برابری کے تناسب سے منافع منقسمہ کا اعلان اور اسے تقسیم کیا۔ سال کے اختتام پر بورڈ نے 0.33 روپے فی یونٹ یعنی 3.33 فیصد کے حتمی منافع منقسمہ کا اعلان کیا اور اسے تقسیم کیا۔ اس طرح مجموعی طور پر DCR نے کل منافع منقسمہ 1.24 روپے فی یونٹ کا اعلان کیا اور تقسیم کیا جس کی بنیاد مساواتی قدر تھی اور IPO سرمایہ کاروں کو 11 روپے کی اسٹرانک پرائس پر 11.27 فیصد منافع منقسمہ ادا کیا گیا۔ سال ختمہ 30 جون 2021 میں کل ادا شدہ منافع منقسمہ قابل تقسیم آمدنی 2,757.39 ملین روپے کا 102.52 فیصد رہا۔

### شریعت کی پاسداری

شریعت کے رہنما اصولوں کی پاسداری کے تحت فنڈ کے جائیداد کے کاروبار کو عالمی اور مشہور زمانہ ریتھنڈ کیٹ سے الحاق شدہ "A" رینٹنگ کی حامل پاکستانی کمپنیوں کی تکافل پالیسیوں کے ذریعے تحفظ فراہم کیا گیا۔ شریعہ مشیر نے اپنی سالانہ شریعہ جائزہ رپورٹ میں تمام پہلوؤں سے شریعت کے اصولوں کی پاسداری کی تصدیق کی ہے۔

### حصص کی کارکردگی

جائزہ سال کے بارہ ماہ کے دوران 'DCR' کی پاکستان اسٹاک ایکسچینج میں کی اوسطاً یونٹ پرائس 10.67 روپے پر خرید و فروخت ہوئی (جو کہ گزشتہ سال اوسطاً 11.16 روپے تھی) اور بلند ترین 11.41 روپے اور کم ترین 9.53 روپے فی یونٹ رہی۔ اسی مدت کے دوران KSE 100 انڈیکس 34,889.41 سے 48,726.08 کی حدود کے درمیان رہا۔ شدید اتار چڑھاؤ کی حامل مارکیٹ میں DCR کا یونٹ 0.26 بیٹا کے ساتھ واضح طور پر مستحکم رہا (جس سے مراد یہ ہے کہ اگر KSE-100 انڈیکس میں 100 فیصد تبدیلی ہوئی ہے تو DCR میں صرف 26 فیصد تبدیلی رہی، بیٹا سے یہاں پر کم اتار چڑھاؤ اور پک پذیری کی عکاسی ہوتی ہے) اور جس کا ہم تغیر مارکیٹ میں صرف 0.23 رہا (جو کہ پرخطر اثاثوں پر منفعت کی پیمائش ہے جس میں DCR کے اسٹاک کی کارکردگی کی مارکیٹ کی کارکردگی سے ہم رابطہ کم مثبت کی نشاندہی ہوتی ہے)

سال ختمہ 30 جون 2021 میں DCR کے فی یونٹ کی خالص اثاثاتی قدر (NAV) 25.82 روپے (30 جون 2020 کو 23.06 روپے تھی) رہی۔ سال کے اختتام پر 30 جون 2020 کو یونٹ کی قیمت 11.02 روپے رہی جس میں خرید و فروخت اپنے NAV کے 57 فیصد رعایتی نرخ پر رہی۔

**عالمی یوم خواتین:** یوم خواتین کا آغاز اس سال 4 مارچ سے 8 مارچ تک رہا۔ تقریب کا مقصد ہمارے معاشرے کی خواتین کو خراج تحسین پیش کرنا اور انہیں بااختیار بننے کا احساس دلانا تھا۔ تاہم کوویڈ کی وجہ سے، ہم نے تقریب کو صرف سیلز بیس ایکٹویشنز اور ایمینٹس تک محدود کر دیا۔ ایونٹ انتہائی کامیاب رہا۔

ایونٹ کے علاوہ ہفتے کے اختتامی یوم کی بہ نسبت اس میں 11 فیصد زائد انسانی قدموں کی آمد رہی۔

19 برانڈز نے ایونٹ میں مجموعی طور پر حصہ لیا۔

**لان فیسٹیول:** 10 سے 14 مارچ تک ”لان سے الفت“ ایونٹ کا انعقاد کیا گیا جس کا مقصد ڈالین کلفٹن میں لان برانڈز کے نئی لان مصنوعات کو فروغ دینا تھا۔ مال کو خوبصورتی سے سجایا گیا تھا جس نے ایونٹ کے لئے خوشگوار ماحول پیدا کیا۔ لان فیسٹیول سب سے زیادہ آمدنی پیدا کرنے والے ایونٹ میں سے ایک تھا۔ تاہم اس سال برانڈز نے COVID کے اثرات کی وجہ سے ایونٹ میں فعال طور پر حصہ نہیں لیا۔

ایونٹ کے علاوہ ہفتے کے اختتامی یوم کی بہ نسبت اس میں 8 فیصد زائد انسانی قدموں کی آمد رہی۔

5 برانڈز نے ایونٹ میں مجموعی طور پر حصہ لیا۔

**یوم پاکستان:** اس سال یوم پاکستان کی تقریبات 19 مارچ کو شروع ہوئیں اور 23 مارچ تک جاری رہیں۔ ایونٹ کا انعقاد وسیع رعایتی پیشکشوں، مصروفیت کی سرگرمیوں، مشہور شخصیات کی توثیق کے ساتھ کیا گیا تھا اور ہم نے اس عظیم الشان جشن کے ساتھ مال کی توجہ کو مزید تقویت بخش بنانے کا ماحول بنایا۔

مجموعی طور پر ایونٹ بہت کامیاب رہا۔

ایونٹ کے علاوہ ہفتے کے اختتامی یوم کی بہ نسبت اس میں 20 فیصد زائد انسانی قدموں کی آمد رہی۔

5 برانڈز نے اس ایونٹ میں حصہ لیا۔

**رمضان کریم:** ایک مقدس مہینہ جسے پاناہر کوئی پسند کرتا ہے اور یہی وہ ایونٹ ہے جو سال میں سب سے اہم ہوتا ہے۔ ایونٹ کا جدول اپریل کے وسط سے مئی 2021 تک جاری رہا۔ ایونٹ کو ترکی، عربی زیورات سے سجایا گیا جس نے مال کے مجموعی ماحول میں بہت قدر پیدا کی۔ مال کے مختلف مقامات پر محرابیں اور مختلف پرکشش تنصیبات رکھی گئی تھیں جو گاہکوں کی آنکھوں کو اپنی طرف کش کرتی تھیں اور گاہک اپنے پسندیدہ سیٹ اپ کے ساتھ اپنی تصاویر کھینچ کر محفوظ ہوتے رہے۔

**سمر سوک:** صنعت کے لئے وبائی امراض اور مشکل اوقات کے باوجود ڈالین مال کے ملاقاتیوں کے لئے مسلسل اینٹس کا انعقاد کرتا رہا ہے اور کچھ نیا اور دلچسپ فراہم کرنے کے لئے اینٹس منعقد کئے گئے۔ ان تقریبات کا بنیادی مقصد گاہکوں کے لئے خریداری کے نئے تجربات فراہم کرنا اور اضافہ کرنا ہے اور انہیں مال پر دوبارہ آنے کا ایک عنصر بنانا ہے۔ یہ اینٹس شرکت کرنے والے برانڈز کو گاہکوں کے ساتھ براہ راست بات چیت جو کووڈ کے پھیلاؤ کی وجہ سے محدود ہو گئی تھی، میں اضافہ کرنے کے لئے بہترین ثابت ہوئے ہیں۔



**میلنی زندگی کی تقریبات:** یہ ایک کامیاب ایونٹ تھا جو پچھلے سال منعقد ہوا تھا اور اسی لئے ہم نے ان تقریبات کو اس سال بھی جاری رکھنے کا فیصلہ کیا۔ یہ پروگرام ہمارے ملاقاتیوں خاص طور پر بچوں کو کورونا وائرس لاک ڈاؤن کے بعد مال میں واپس آنے پر خوش آمدید کہنے کے لئے ترتیب دیا گیا تھا۔ ایونٹ مسکراہٹوں کے نزدیک منایا گیا تھا تاکہ ملاقاتیوں کا مزاج بہتر بنایا جاسکے اور گاہکوں کے جوش و خروش کو ابھارنے کا عنصر بن سکے۔

**اس موسم خزاں میں تو انار ہیں:** اس موسم خزاں میں خوبصورتی کا میلہ ڈولمین مال کے کیلنڈر کے سب سے زیادہ منتظر ایونٹس میں سے ایک تھا اور اس سال یہ اسی احساس اور مصروفیات کے ساتھ منایا گیا جیسا کہ گزشتہ سالوں میں کورونا وائرس ایس اوپیز پر عمل کرتے ہوئے منایا گیا تھا۔ ایونٹ کا مقصد خوبصورتی اور ذاتی نگہداشت کی صنعت سے بہترین برانڈز کو ایک چھت کے نیچے لانا اور صارفین کو ماہرین کے ساتھ بات چیت کا موقع فراہم کرنا تھا۔

**ڈولمین وہیلز آن شو:** ڈولمین وہیلز آن شو سال کی سب سے زیادہ باہمی تفاعل پر مبنی تقریب ثابت ہوئی۔ کوویڈ 19 کے مال میں انسانی قدموں پر پڑنے والے اثرات کے باوجود، صارفین نے سرکاری ایس اوپیز پر عمل کرتے ہوئے ایونٹ کو بہت زیادہ سراہا۔

**ڈولمین آٹو شو:** آٹو شو کے پیچھے آئیڈیا یہ تھا کہ پورے مال میں سائیکل کاروں، موٹر سائیکلوں، موٹر گاڑیوں کی ایک نمائش کی جائے تاکہ آٹو کے دلدادہ اور پر جوش افراد کو مدعو کیا جاسکے اور انہیں ایک چھت کے نیچے مختلف کارسروس برانڈز، پرانی کاروں کی نمائش، بگٹری موٹر سائیکلیں اور سائیکلوں کے آپشنز فراہم کئے جاسکیں۔

**موسم سرما کی لذت:** کوویڈ 19 کے اثرات کی وجہ سے اور ڈولمین شاپنگ فیسٹیول کی عدم موجودگی میں، موسم سرما میں لطف اندوز ہونے کا خیال مال کے ماحول کو بڑھانا، کرایہ داروں کے موسم سرما کے سودوں کو فروغ دینا اور زیادہ سے زیادہ گاہکوں کو خریداری کی طرف راغب کرنا تھا۔ مرکزی توجہ نصب شدہ سجاوٹ اور تخلیق پر تھی۔

**ہوم میٹ اسٹائل:** اس ایونٹ کے تحت گھریلو سجاوٹ اور فرنیچر کی صنعت کے 15 برانڈز کو ایک چھت کے نیچے لایا گیا اور گاہکوں کو ماہرین کے ساتھ بات چیت کا موقع دیا گیا اور تحائف کے تھیلے جیتنے کے لیے سرگرمیوں میں حصہ لینے کا موقع فراہم کیا۔ ایونٹ اور مصروفیات کا مقصد ڈولمین کے لیے کسٹمر کی مصروفیات کو بڑھانا تھا۔ مال کو شاندار انداز میں بینروں سے سجایا گیا تھا اور ایونٹ میں گاہکوں کا پرتپاک استقبال کرنے کے لیے ایک خوبصورت خوش آمدیدی مخراب بنائی گئی۔

مجموعی طور پر ایونٹ بہت کامیاب رہا۔ ایونٹ کے علاوہ ہفتے کے اختتامی یوم کی بہ نسبت اس میں 17 فیصد زائد انسانی قدموں کی آمد کا مشاہدہ کیا گیا۔

**پرفیکٹ پریزنٹ:** یہ تقریب 8 سے 14 فروری تک منعقد کی گئی تاکہ موسمی تہواروں کو مال کی اندرونی سرگرمیوں کے ساتھ مربوط کیا جاسکے۔ یہ ایونٹ نئے سیزن کا بہترین استقبال ہے جو ہر ایک کے لئے خوشی کا باعث بنتا ہے۔ ایونٹ کا مقصد مال میں خریداری کے تجربے میں اضافہ کے لئے ایک پرکشش ماحول پیدا کرنا تھا۔ مال کو خوبصورتی سے سجایا گیا تھا اور ایونٹ کی مجموعی کامیابی میں قدر بڑھانے کے لئے ایونٹ کے مختلف شراکت داروں نے دلکش اسٹائل قائم کر رکھے تھے۔ ایونٹ کا بنیادی مقصد برانڈز کے لئے ایک پلیٹ فارم فراہم کرنا تھا جہاں وہ اپنے عزیزوں کے لئے بہترین تحفے منتخب کر سکیں۔

مجموعی طور پر ایونٹ بہت کامیاب رہا۔ 11 برانڈز نے ایونٹ میں حصہ لیا اور ایونٹ کے علاوہ ہفتے کے اختتامی یوم کی بہ نسبت اس میں 1 فیصد زائد انسانی قدموں کی آمد کا مشاہدہ کیا گیا۔

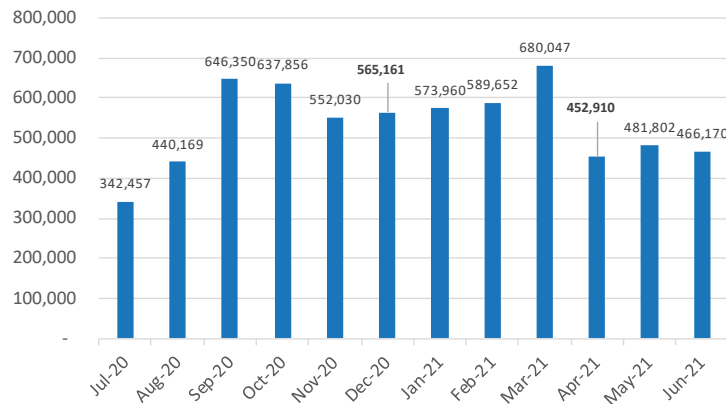
DCR کے پراپرٹی مینیجر نے جائیداد کی جگہ کی اچھی ساکھ، کرایہ داری اور برانڈ امیج کو برقرار رکھنے میں کلیدی کردار ادا کیا ہے اور متوقع کسٹمرز کے لئے ڈالمن مال آنا، خریداری کرنا اور اس کا حصہ بننے کے لئے پرکشش بنایا ہے۔ اس کے ساتھ ساتھ وہ REIT کی انتظامیہ کی باریک بین نگرانی کے تحت DCR کے اثاثوں کی اعلیٰ معیار میٹیننس، صحت اور تحفظ کرتے ہیں۔ پراپرٹی مینیجر نے کرایہ جاتی حکمت عملیوں کو وضع کرنے میں کلیدی کردار ادا کیا ہے جس کی وجہ سے کرایہ داروں کی مجموعی کرایہ داری سطح سال بھر برقرار رہی۔

### انسانی قدموں کی آمد کی کشش کے اقدامات

شدید لاک ڈاؤن کے باوجود سہ ماہی میگزینز کو کسٹمر کے ساتھ رابطہ کے لئے استعمال کیا گیا جن میں خریداروں کو شاپنگ فیسٹول، سال کے دوران تقریبات، برانڈ کے اشتہارات اور رعایتی پیشکشوں کے معلومات فراہم کی گئی جس کی 20,000 سے زائد نقول خریداروں، پی آر فہرست، کرایہ داروں اور مال کے اندر تقسیم کی گئی۔

مالیاتی سال 2021 کی پہلی ششماہی کے دوران میں کسٹمر پر مرکوز مارکیٹنگ اور برانڈنگ سرگرمیوں کے نتیجے میں بھاری تعداد میں انسانی قدموں کی آمد ہوئی۔ یوم آزادی، نئے سال کی تقریبات اور ڈالمن شاپنگ فیسٹول کے علاوہ ڈالمن سٹی مال میں مختلف موسموں میں قابل رشک تقریبات منعقد ہوئیں۔

Dolmen City Mall - Monthly Footfall - FY21



کو رونا وائرس کی وباء کے پھیلاؤ کے نتیجے میں لاک ڈاؤن اور محدود وفتری اوقات کی وجہ سے انسانی قدموں کی آمد بری طرح متاثر ہوئی۔

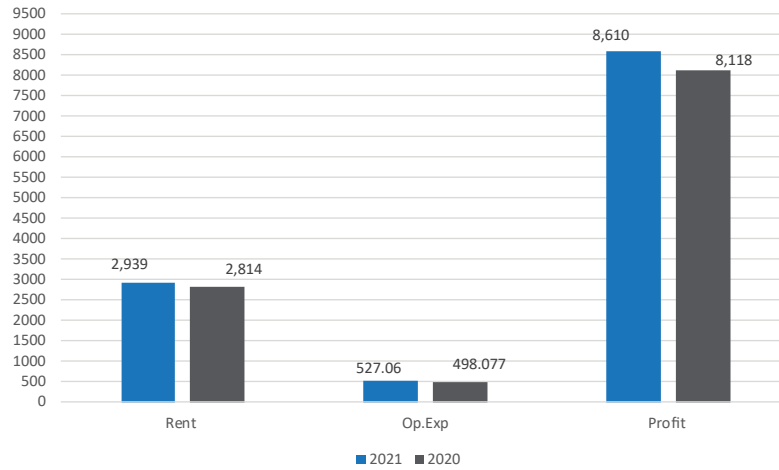
جس کے نتیجے میں اوسطاً ماہانہ انسانی قدموں کی آمد 535,714 ملاقاتی رہی جبکہ FY20 میں 729,018 ملاقاتی تھی جبکہ سال بھر DCR نے 6.43 ملین ملاقاتیوں کو FY21 کے دوران خوش آمدید کہا جبکہ FY20 میں یہ تعداد 8.7 ملین تھی۔

### انسانی قدموں کی آمد کے محرکات

ڈالمن مال کی انتظامیہ باریک بینی سے سال کے دوران تقریبات کا ایک کیلنڈر تیار کرتی ہے اور ان پر عمل کرتی ہے اور انسانی قدم کی آمد کے محرکات اور انسانی قدموں کی آمد کی حوصلہ افزائی کر کے صارفین کی خریداری میں تبدیل کرتی ہے۔

**14 اگست کی یوم آزادی کی تقریب:** 14 اگست کی یوم آزادی کی تقریبات ڈالمن مال کے آغاز سے ہی ایک علامتی تقریب رہی ہے۔ تاہم اس سال COVID بحران کی وجہ سے ہم نے تقریب کو محدود کیا۔ منصوبہ کا مقصد SOPs پر عمل کرتے ہوئے اپنے ملاقاتیوں کو حب الوطنی کا احساس دلانا تھا۔ کئی خاندانوں نے آزادی ڈراز، اسنیپ اینڈ ایکٹیوٹی میں مسکور کن انعامات جیتے اور ڈالمن مالز میں یوم آزادی سے بہترین انداز میں محظوظ ہوئے۔

### Financial Performance (PKR 'Million)



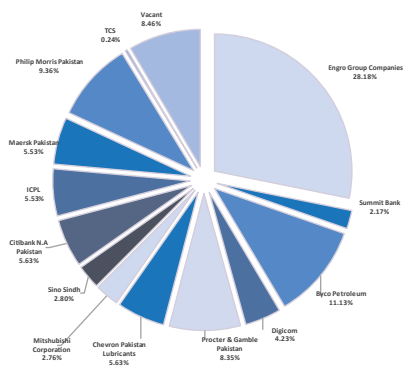
5.921 بلین روپے کی ایک رقم جائیداد میں سرمایہ کاری کی مالیت کی مساواتی قدر میں تبدیلی کی وجہ سے ریکارڈ کی گئی جس کی تشخیص مالیت ایک آزاد تشخیص کنندہ ٹرائی اسٹار کنسلٹنٹ (پرائیویٹ) لمیٹڈ نے کی تھی (بحوالہ مالیاتی گوشواروں کا نوٹ نمبر 4)۔ جس سے بعد از ٹیکس منافع 8.61 بلین (30 جون 2020 میں 8.12 بلین) روپے رہا۔ فی یونٹ آمدن (EPU) 3.87 روپے رہی۔ EPU 1.21 روپے کی قابل تقسیم آمدن پر مشتمل ہے اور 2.66 بلین روپے تشخیص مالیت پر ناقابل تقسیم منافع کے طور پر ریکارڈ کیا گیا۔ تشخیص مالیت پر رائے ششماہی اور سالانہ مالیاتی نتائج دونوں کے لئے ایک انتہائی بنیادی جز ہے۔ انتظامیہ کے ساتھ مالیاتی گوشواروں کا جائزہ لیتے وقت بورڈ کو ہر تشخیص مالیت تک مکمل رسائی حاصل تھی اور بورڈ اس بات سے مطمئن ہے کہ REIT کی جائیدادوں کی مساواتی مالیت کو ضوابط کے تحت انجام دیا گیا ہے۔

### DCR کا کرایہ جاتی پروفائل

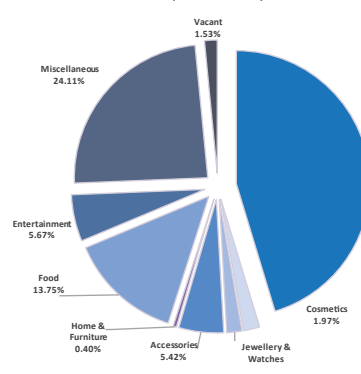
موجودہ جائیداد قابل اعتماد کرایہ داروں پر مشتمل ہے (زیادہ تر عالمی برانڈز اور کثیر القومی کارپوریشنز ہیں) جن کا سابقہ ریکارڈ مالیاتی استحکام پر مشتمل ہے۔ ڈالین مال کنفٹن میں ہائپر اسٹار اور ڈیپن ہاؤس کے ساتھ مقامی اور عالمی برانڈز کے مستحکم مرکب میں مینگو، نیکسٹ، نائیک، آئڈو، کھاڈی، ٹمبر لینڈ اور چارلس اینڈ کیتھ شامل ہیں جن کی وجہ سے گاہکوں کا مضبوط تیز ترین بہاؤ پیدا ہو رہا ہے۔ خوردہ فروشی میں سب سے زیادہ کرایہ داری ملبوسات (41 فیصد)، جس کے بعد غذائی مصنوعات (14 فیصد) دوسرے نمبر پر ہیں جبکہ دیگر اقسام میں ملی جلی کرایہ داری ہے۔ مال ایک مضبوط خریداری کا مضبوط تجربہ فراہم کرتا ہے کیونکہ اس میں شہر کے اعلیٰ ترین مقامی اور عالمی برانڈز کام کر رہے ہیں۔

ہاربر فرنٹ کے موجودہ کرایہ جاتی پورٹ فولیو میں مقامی اور کثیر القومی کارپوریشنز میں دیگر کے علاوہ اینگر وکروپ، فلپ مورس، مٹویشی کارپوریشن اور پروکٹر اینڈ گیمبل شامل ہیں۔ مال میں کرائے کے لئے 17 فلورز موجود ہیں۔

HARBOUR FRONT - TENANCY PROFILE  
(AS AT JUNE 2021)



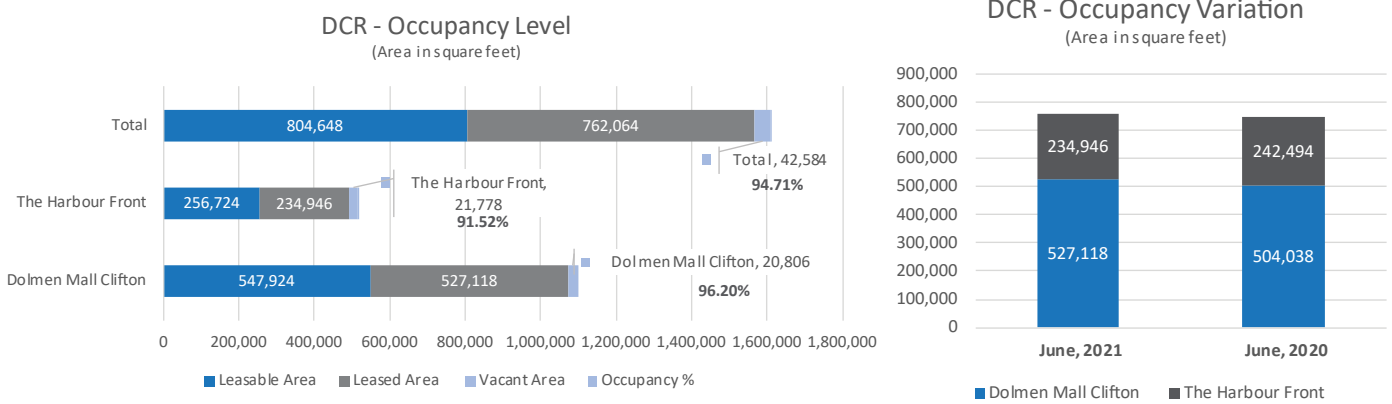
MALL - TENANCY PROFILE  
(AS AT JUNE 2021)



اگرچہ کہ انتظامیہ کی طرف سے کرائے کی معافی کے متعارف ہونے سے معاشی سست روی سے متاثرہ کرایہ داروں کو ریلیف ملا جس سے نتیجے میں سال کے دوران کرایہ جاتی آمدنی کم رہی، تاہم اس کو ہم ایک سرمایہ کاری کی نظر سے دیکھتے ہیں اور آنے والی سہ ماہیوں میں مزید بہتر کارکردگی کی توقع رکھتے ہیں۔ کرایہ داروں کو قائم رکھنے کی اس سرمایہ کاری سے ثابت ہوا ہے کہ ماہانہ کرایہ کی معافی کی شرح میں کمی آرہی ہے اور دیگر کے علاوہ نئے کرایہ دار آرہے ہیں جن میں بینک الفلاح لمیٹڈ، برگر O کلاک، براڈوے پیزا، اسپا سیلون شامل ہیں۔ مستقبل کی منصوبہ بندی کرایہ داروں کے انتخاب کے ذریعے زیادہ سے زیادہ انسانی قدموں کی آمد اور ریٹیل خریداری کی حوصلہ افزائی پر مرکوز ہے جس میں باہمی مدد سے خریداروں میں دلچسپی پیدا کرتے ہوئے مال کے آپریشن میں مجموعی فروخت کے بلند حجم حاصل ہونگے۔ صارفین کے سامان کی اشکال کی بنیاد پر مجموعی کرایہ داری مرکب سے قدر

میں اضافہ ہو گیا ہے یعنی جانے والے کرایہ داروں سیمونٹ کلاسک، پائی ان دی اسکائی، ذوق ریسٹورنٹ، اسٹینڈرڈ چارٹرڈ اور دیگر نے نئے کرایہ داروں کے لئے جگہ خالی کر دی ہے۔

ڈالمن مال کلغٹن اور ہاربر فرنٹ میں کرایہ داری کی سطح سال کے اختتام پر درج ذیل رہی:



30 جون 2021 کو ڈالمن سٹی مال کے قابل لیز رقبہ (کل رقبہ کی 68 فیصد) پر لیز کی اوسطاً اوزانی اختتامی مدت 'WALE' تقریباً 2.7636 سال رہی اور ہاربر فرنٹ (کل رقبہ کی 32 فیصد) کی 3.7138 سال رہی (DCR کی موجودہ لیز کی اوسطاً اختتامی مدت 3.2387 سال ہے)۔

## مالیاتی کارکردگی

DCR کے فنڈ کا سائز 30 جون 2021 کو 57.42 ملین روپے (30 جون 2020 میں 51.28 ملین) ہو گیا جس کی وجہ سے یہ پاکستان کی سب سے بڑی شریعہ پاسدار کلوزڈ اینڈ لسٹڈ انسٹرومنٹ بن گئی۔

جائزہ سال کے دوران DCR کی کرایہ جاتی آمدن 2,938.661 ملین روپے (30 جون 2020 میں 2,813.561 ملین روپے) رہی، جبکہ مارکیٹنگ آمدن 147.393 ملین (30 جون 2020 میں 151.40 ملین روپے) رہی اور شریعہ پاسدار بینک ڈپازٹس پر منافع 86.611 ملین (30 جون 2020 میں 191.989 ملین روپے) رہے۔ انتظامی، کاروباری اور دیگر اخراجات 527.06 ملین روپے (30 جون 2020 کو 498.077 ملین روپے) رہے۔

## محترم یونٹ ہولڈرز ڈالین سٹی REIT

عارف حبیب ڈالین REIT مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم ڈالین سٹی REIT ("DCR" "اسکیم") کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے برائے ختمہ مدت 30 جون 2021 کے ساتھ ان پر آڈٹ رپورٹ اور دیگر آئینی رپورٹیں پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

### جائزہ

COVID-19 کی موجودہ وباء کی نتیجے میں عالمی معیشت سست روی اور صارفین کے رجحانات دونوں کی وجہ سے FY2021 دشوار گزار سال رہا۔ محتاط اور موثر اقدامات نافذ کرتے ہوئے پاکستان نے موثر طور پر وبائی امراض کے کیسز کو قابو کیا اور معاشی بحالی کے لئے ٹھوس اقدامات تاحال کئے جا رہے ہیں۔ تاہم وائرس کی چوتھی لہر بہت طاقتور ہے اور مسلسل احتیاط و بقاء کے پھیلاؤ کو کم کرنے میں بنیادی کردار کی حامل ہے۔

سال کے دوران چینلجز کے باوجود DCR پاکستان کے بازار سرمایہ پر چھائی رہی جس نے اکلوتی لسٹڈ REIT ہونے کے ناطے مسلسل مستحکم نتائج فراہم کئے۔ DCR کی کارکردگی، جائیداد کا انتظام اور کرایہ داروں کے ساتھ قریبی تعلقات کی عکاسی ایجنسی کی جانب AAA(rr) رینٹنگ (اعلیٰ سرمایہ کاری معیار) برقرار رکھنے اور شریعہ مشیر کی جانب سے شریعت کی پاسداری کی تصدیق سے ہوتی ہے۔ ملک میں معاشی اور کاروباری چینلجز کے باوجود ڈالین مال خریداروں اور کاروباری افراد دونوں کے لئے پسندیدہ جگہ رہی۔ اسی طرح ہاربر فرنٹ ملک میں دفتری جگہ کے لئے اعلیٰ معیار کی علامت بن گیا ہے۔ اس کے علاوہ حکومت کی ٹیکس اصلاحات کے تحت REITs کے منافع منقسمہ کی آمدن پر ٹیکس 25 فیصد سے کم کر کے 15 فیصد کم کر دیا گیا جس سے یونٹ ہولڈرز کے منافع میں اضافہ ہوا۔

### Covid-19 کی وباء کے پھیلاؤ کا مقابلہ

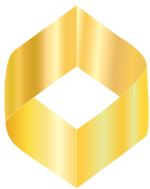
دنیا بھر میں کورونا وائرس کے پھیلاؤ نے تمام کاروباری اور معاشی سرگرمیوں کو متاثر کیا۔ حکومت نے خوردہ فروشی کے کاروبار پر لاک ڈاؤن عائد کیا جبکہ محدود کاروباری اوقات، کھانے کی صرف بیرونی دستیابی کے ساتھ ساتھ محفوظ ایام کی وجہ سے وائرس کے پھیلاؤ میں کمی آئی۔ مال کی انتظامیہ نے کسٹمر کے ساتھ رابطوں کو تیز کرتے ہوئے ڈیجیٹل پلیٹ فارم استعمال کر کے انسانی قدموں کی حوصلہ افزائی کی اور کسٹمر کے لئے طے شدہ حفاظتی ضابطوں کے نفاذ کے تحت خوردہ فروشی کی فروخت کا دوبارہ آغاز کیا گیا۔

ان دشوار گزار اوقات میں کرایہ داروں کو مال میں روکنے کے لئے اور ان کے ساتھ کو تحریک نہ طور پر قابل قدر طویل مدتی تعلقات کو مضبوط کرنے کے لئے ان کے ساتھ کرایہ جاتی معاہدوں پر گفت و شنید ہوئی۔ ڈالین سٹی مال اور دی ہاربر فرنٹ دونوں کی آفس بلڈنگوں میں ماہ بہ ماہ باریک بینی سے مجموعی صورتحال کی تشخیص کرتے ہوئے کرائے معاف کئے گئے۔ سال کے دوران مال اور ہاربر کے کرایہ داروں کو جو کرائے معاف کئے گئے ان کی مالیت تقریباً 622 ملین روپے ہے۔

### عملیاتی کارکردگی

سن 2015 میں DCR کے آغاز ہی سے DCR کے جائیداد کے کاروبار میں تسلسل کے ساتھ کرایہ داری دیکھی گئی۔ Covid-19 کے چیلنج میں انتظامیہ کے جوابی اقدامات کی وجہ سے قبضہ کرایہ داری جون 2021 کے اختتام پر نوے فیصد سے اوپر یعنی 94.71 فیصد رہی (30 جون 2020 کو 92.78 فیصد)۔ وائرس کے پھیلاؤ کو قابو کرنے کے سخت اقدامات کے نتائج کامیاب رہے جس سے کاروبار جلد بحال ہو گیا۔ پاکستان میں مال کا کاروبار مسلسل کاروباری چکر ہے جس میں صارفین کی خریداری کی بھاری طلب ہے جس سے اندازہ ہوتا ہے کہ کسٹمرز سودے بازی کی بہتر قیمت چاہتے ہیں۔





ARIF HABIB DOLMEN  
REIT MANAGEMENT LIMITED

Arif Habib Centre,  
23, M.T. Khan Road, Karachi-74000  
TEL: (92-21) 32460717-9, 32468102  
FAX No: (92-21) 32466824  
E-MAIL: [reit@arifhabibdolmenreit.com](mailto:reit@arifhabibdolmenreit.com)  
Website: [www.arifhabibdolmenreit.com](http://www.arifhabibdolmenreit.com)