

INVESTING TODAY FOR A PROSPEROUS TOMORROW DOLMEN CITY REIT



INVESTING TODAY FOR A PROSPEROUS TOMORROW





ARIF HABIB DOLMEN
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. Arif Habib	Chairman
Mr. Nadeem Riaz	Director
Mr. Naeem Ilyas	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Muhammad Noman Akhter	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. Naeem Ilyas	Chairman
Mr. Abdus Samad A. Habib	Member
Mr. Sajidullah Sheikh	Member
Mr. Muhammad Noman Akhter	Member

Human Resource & Remuneration Committee

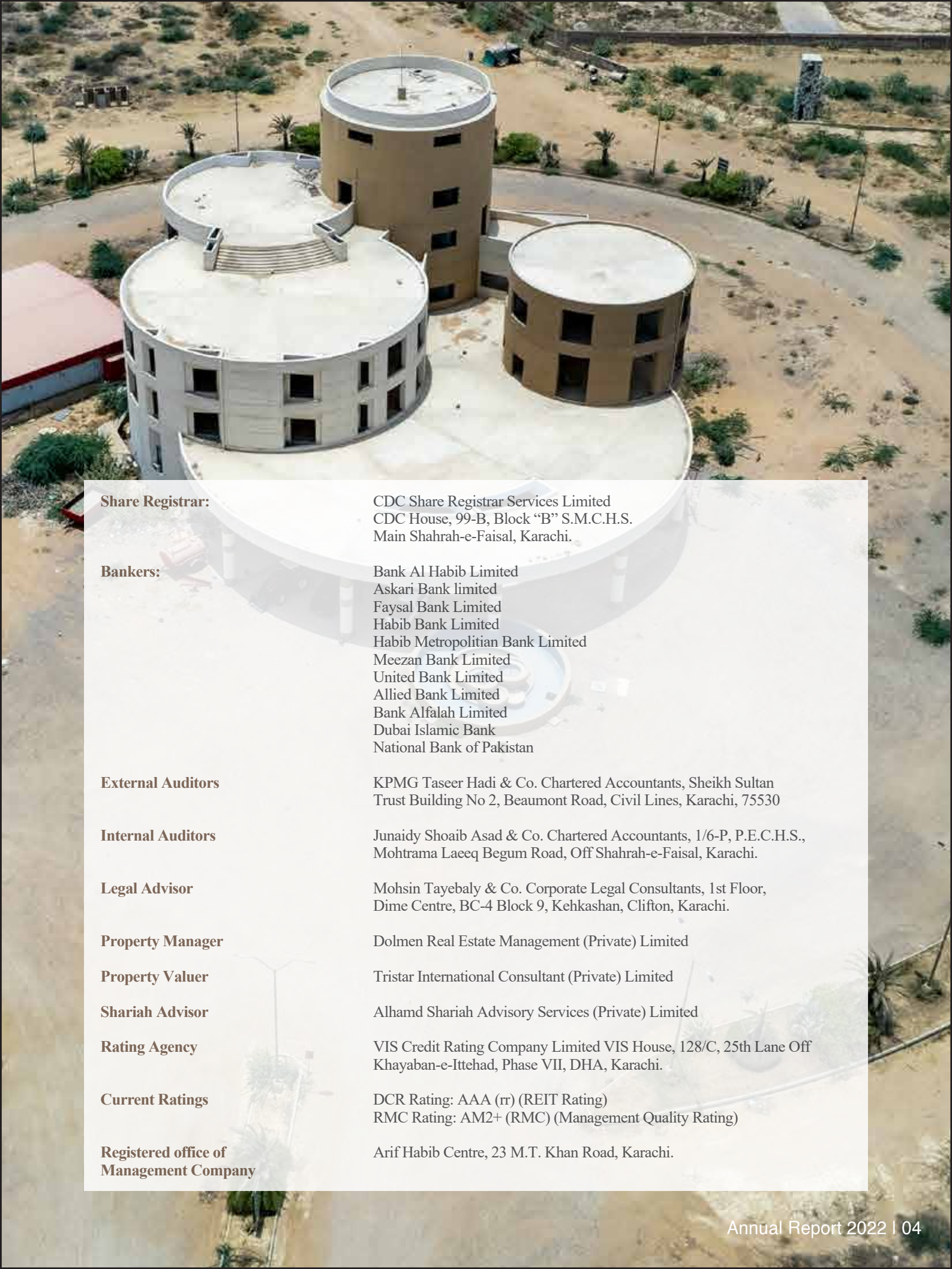
Ms. Tayyaba Rasheed	Chairperson
Mr. Abdus Samad A. Habib	Member
Mr. Sajidullah Sheikh	Member
Mr. Muhammad Ejaz	Member

Other Executives:

Mr. Razi Haider	CFO & Company Secretary
Mr. Muneer Gader	Head of Internal Audit & Compliance

Trustee:

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block "B" S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.



Share Registrar:

CDC Share Registrar Services Limited
CDC House, 99-B, Block “B” S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Bankers:

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

External Auditors

KPMG Taseer Hadi & Co. Chartered Accountants, Sheikh Sultan
Trust Building No 2, Beaumont Road, Civil Lines, Karachi, 75530

Internal Auditors

Junaidy Shoaib Asad & Co. Chartered Accountants, 1/6-P, P.E.C.H.S.,
Mohtrama Laeeq Begum Road, Off Shahrah-e-Faisal, Karachi.

Legal Advisor

Mohsin Tayebaly & Co. Corporate Legal Consultants, 1st Floor,
Dime Centre, BC-4 Block 9, Kehkashan, Clifton, Karachi.

Property Manager

Dolmen Real Estate Management (Private) Limited

Property Valuer

Tristar International Consultant (Private) Limited

Shariah Advisor

Alhamd Shariah Advisory Services (Private) Limited

Rating Agency

VIS Credit Rating Company Limited VIS House, 128/C, 25th Lane Off
Khayaban-e-Ittehad, Phase VII, DHA, Karachi.

Current Ratings

DCR Rating: AAA (rr) (REIT Rating)
RMC Rating: AM2+ (RMC) (Management Quality Rating)

**Registered office of
Management Company**

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

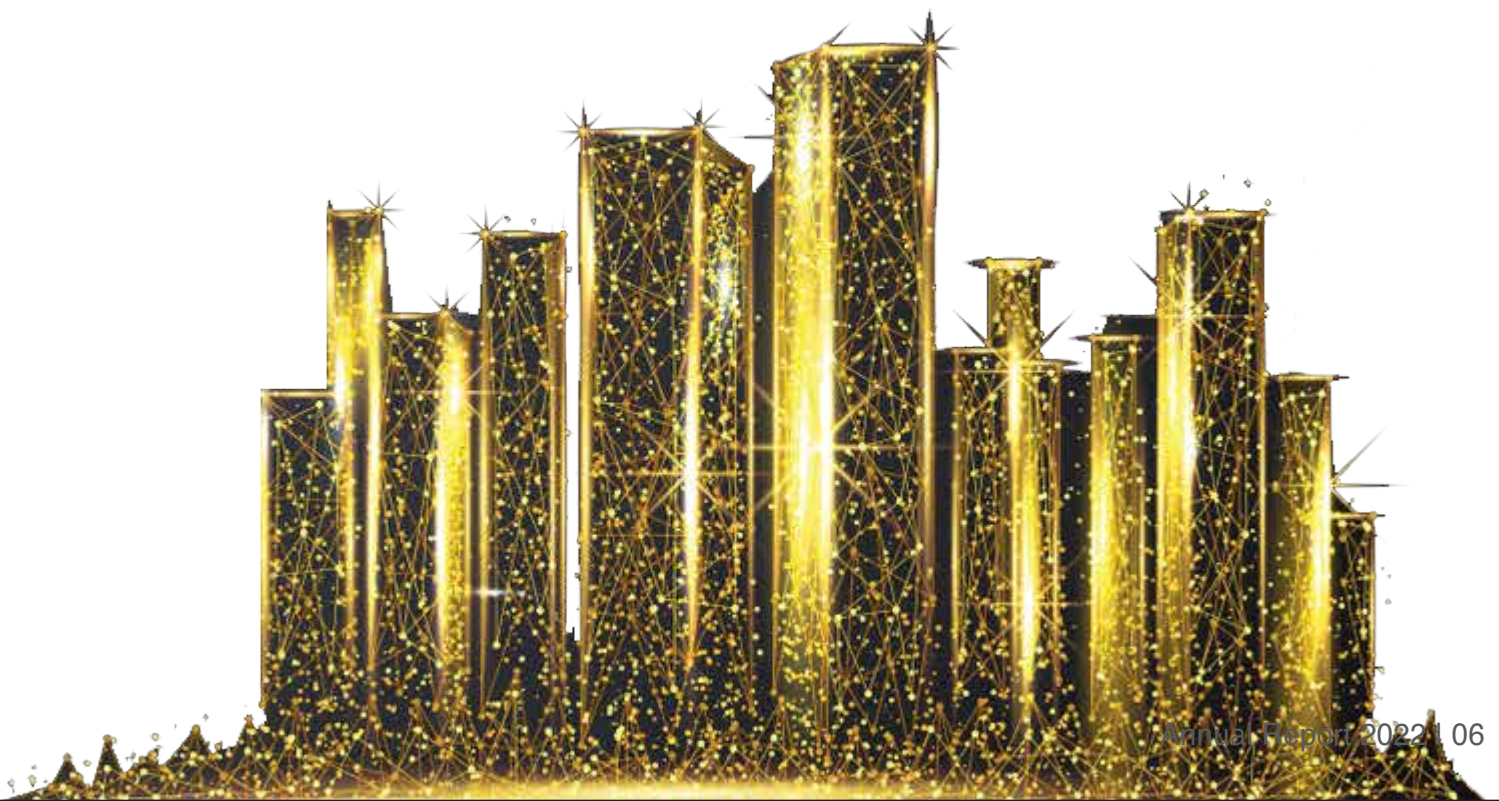
To be the landlord of choice

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. Arif Habib **Chairman**

Mr. Arif Habib is the Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of Fatima Fertilizer Company Limited, Aisha Steel Mills Limited, Javedan Corporation Limited (the owner of Naya Nazimabad) and Sachal Energy Development (Pvt.) Limited and Arif Habib Dolmen REIT Management Limited.

Mr. Arif Habib remained the elected President/Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatisation Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee. He has been a member of the Prime Minister's Economic Advisory Council (EAC) and the Think-Tank constituted by the Prime Minister on COVID-19 related economic issues. He is currently a member of the Prime Minister's Task Force on attracting Foreign Direct Investment (FDI).

Mr. Habib participates significantly in welfare activities. He remains one of the directors of Pakistan Centre for Philanthropy (PCP), Habib University Foundation, Karachi Education Initiative (KSBL), Arif Habib Foundation and Naya Nazimabad Foundation as well as trustee of Memon Health & Education Foundation (MMI) and Fatimid Foundation.

Corporate Responsibilities

As Chairman

Fatima Fertilizer Company Limited
Fatimafert Limited

Pakarab Fertilizers Limited
Sachal Energy Development (Private) Limited
Javedan Corporation Limited
Aisha Steel Mills Limited
Arif Habib Development and Engineering Consultants (Private) Limited (formerly known as Arif Habib Real Estate Development Company (Private) Limited)
Sapphire Bay Development Company Limited
Arif Habib Foundation
Naya Nazimabad Foundation
Black Gold Power Limited
Essa Textile and Commodities (Private) Limited

As Director

Arif Habib Equity (Private) Limited
Arif Habib Consultancy (Private) Limited
Fatima Cement Limited
International Builders and Developers (Private) Limited
NCEL Building Management Limited
Pakarab Energy Limited
Pakistan Business Council
Pakistan Engineering Company Limited
Pakistan Opportunities Limited

As Honorary Trustee/Director

Fatimid Foundation
Habib University Foundation
Karachi Education Initiative
Memon Health and Education Foundation
Memon Education Board
Pakistan Centre for Philanthropy

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 and Middle East Council of Shopping Centers, since 2002.

Directorships

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

Mr. Naeem Ilyas
Independent Director

Mr. Naeem Ilyas has over 30 years of strategic cum operational management level combined experience. He has served in senior positions across corporates including FMCG, Pharmaceuticals, Process Industry, Building MEP Design Consultancy, Digital healthcare, PropTech, e-Commerce, Information Technology.

Mr. Naeem Ilyas is a Pakistan Engineering Council 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 of HANDS (not for profit), 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. He is member of Pakistan Institute of Corporate governance (PICG), ICSP and Certified Director from IBA, Karachi.

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) (Private) Limited

Ms. Tayyaba Rasheed
Independent Director

Ms. Tayyaba Rasheed CFA, FRM is Head of Investment Banking Group at a large commercial bank. 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, capital markets and Islamic finance. She has got diversified experience and has an in depth understanding of various sectors of the economy. In the past 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, FRM charter holder. She holds Real Estate Developer Finance

Certification from Moody's and various Islamic Banking certifications from NIBAF and IBA CEIF. She has completed the Directors Training Program and is a certified Independent Director. She is also a visiting faculty at IBA.

Corporate Responsibilities

As Director

Aisha Steel Mills Limited
Naymat Collateral Management Company Limited
United Brands Limited
Pakistan Railway Freight Transportation Company (Pvt) Limited

Mr. Muhammad Noman Akhtar
Independent Director

Mr. Muhammad Noman Akhtar is a qualified Chartered Accountant from the Institute of Chartered Accountants of Pakistan (ICAP). He brings with him over 19 years of diversified experience in public and private organizations. He served in Securities & Exchange Commission of Pakistan (SECP) for more than 13 years. Prior to joining SECP in May 2008, he worked with Pakistan Cables Limited, A. F. Ferguson & Co. He started his career from Taseer Hadi Khalid & Co. a member of KPMG International.

Corporate Responsibilities

Partnerships

Faizan Associates
AabPara Residency

BOARD OF DIRECTORS' PROFILE

Mr. Abdus Samad A. Habib **Non-Executive Director**

Mr. Samad Habib is the Chief Executive of Javedan Corporation Limited, owner of Naya Nazimabad. He has remained Chairman and Chief Executive of Arif Habib Limited, a securities brokerage house, between the period 2004 to 2010.

At Naya Nazimabad, Mr. Samad Habib has worked towards making a positive impact on society providing a quality lifestyle to the middle income families of the city. He is now endeavoring to transform the area to become a self-contained community of tens of thousands of families with the largest residential and commercial precinct development within the city of Karachi.

Corporate Responsibilities

Javedan Corporation Limited (Chief Executive)
Safemix Concrete Limited (Chief Executive)

As Chairman

NN Maintenance Company (Private) Limited

As Director

Aisha Steel Mills Limited
Arif Habib Equity (Pvt.) Limited
Arif Habib Foundation
Arif Habib Development and Engineering Consultants (Private) Limited (formerly known as Arif Habib Real Estate Development Company (Private) Limited)
Black Gold Power Limited
Nooriabad Spinning Mills (Pvt.) Limited
Memon Health and Education Foundation
Pakarab Fertilizers Limited
Pakistan Opportunities Limited
Power Cement Limited
Rotocast Engineering Company (Pvt.) Limited
Sapphire Bay Development Company Limited
Sukh Chayn Gardens (Pvt.) Ltd.

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

As Director

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

Mr. Sajid Ullah Sheikh
Non-Executive Director

Mr. Sajidullah Sheikh is a Fellow member of Institute of Chartered Accountants of Pakistan. His association with Dolmen Group spans over 11 years and he is currently working as Group Director Finance and Procurement at the Dolmen Group. He started his career with KPMG Taseer Hadi and Co. later joined Avery Dennison Pakistan before associating with Dolmen Group.

Mr. Muhammad Ejaz
Chief Executive

Mr. Muhammad Ejaz is the founding Chief Executive of Arif Habib Dolmen REIT Management Limited, Pakistan's pioneering REIT Management Company. 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 Silk bank) as Head of Corporate and Investment Banking. He also had short stints at Engro Chemical and American Express bank.

Corporate Responsibilities

As Director

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

Ejaz did his graduation in Computer Science from FAST, ICS and did MBA in Banking and Finance from IBA, Karachi, where he has served as a 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 Development and Engineering Consultants (Private) Limited (formerly known as Arif Habib Real Estate Development Company (Private) Limited)
Javedan Corporation Limited
Sachal Energy Development (Private) Limited



CHAIRMAN



N'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 up hold 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 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.

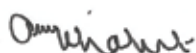
All meetings of the Board, as well as those of its Committees were held with the requisite quorum and all the decisions were taken through Board resolutions. The minutes of the Board meetings, as well as that of its Committees were accurately recorded and circulated amongst the Members with regularity 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 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 require clarity in order to provide high level oversight, including strategic process, key business drivers and performing 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 a key 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.



Arif Habib
Chairman

28 September 2022

DIRECTOR



S' 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, 2022** together with auditors' report and other statutory reports.

Overview

FY22 was predicted to be a year in which the world moved back to normalcy from extremely challenging period for retail spending, business growth and overall economy owing to the COVID-19 pandemic.

The pioneering Rental REIT of Pakistan - DCR continues to deliver strong results amidst the pandemic and weathered the challenges with prudent property management. DCR's performance and its close relationship with tenants is evident through sustenance of AAA (rr) – rating (highest investment quality and highest degree of stability in NAV) by the Rating Agency, its financial performance and satisfactory Shariah Compliance.

Response to the Outbreak of COVID-19

In the backdrop of covid impact translating in to dwindling business activity and subpar footfall; selected group of tenants were facilitated with waivers / discounts and deferment of rent escalations to cover their losses. Discounts were specifically allowed only to tenants of Food Court. However, this year discounts and waivers allowed were much lower compared to those given in the last year.

Operational Performance

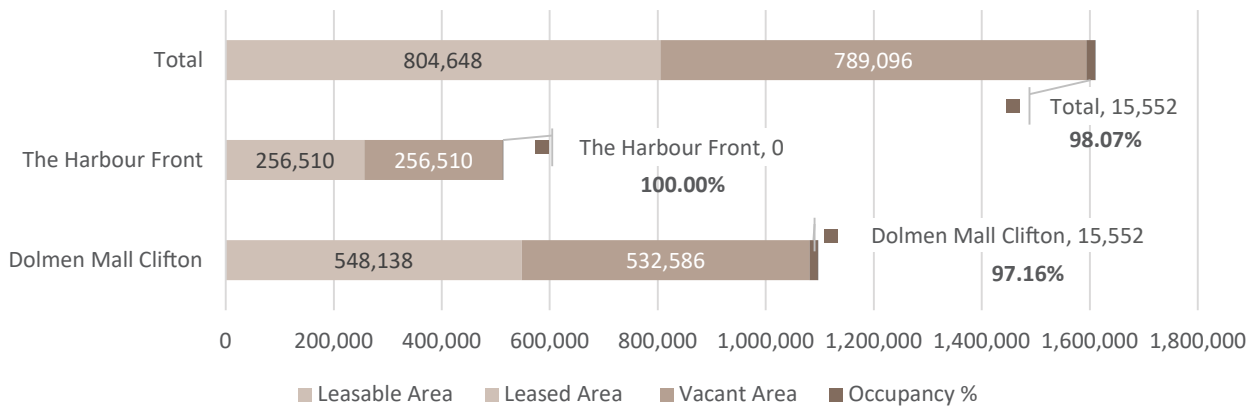
DCR's real estate has witnessed consistent occupancy levels since inception in 2015. Occupancy at the end of June 2022 was 98.07% (June 30, 2021: 94.71%).

While waivers / deferment of escalations in rent resulted in lower growth of rental Income, we view this as a long-term strategic measure to strengthen our partnership with tenants and envision robust performance going forward. The payoff of this investment in tenant retention has been the substantial reduction in the monthly rent waivers and new tenants coming in including Gloria Jeans, Diesel, Tesoro, Hemani Herbal, The Closet, and Lamy among others. Our tenancy strategy is focused on encouraging footfall and retail spending through selecting tenants that help each other increase sales by creating shopping / purchasing synergies resulting in higher overall sales volumes from mall operations. Space for new tenants was created by outgoing tenants including Seats, Urban Brands, Michael Kors & Tory Burch and Range Enterprises among others. The vacant space is now utilized for new tenants resulting in a better and more diverse consumer buying experience.

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

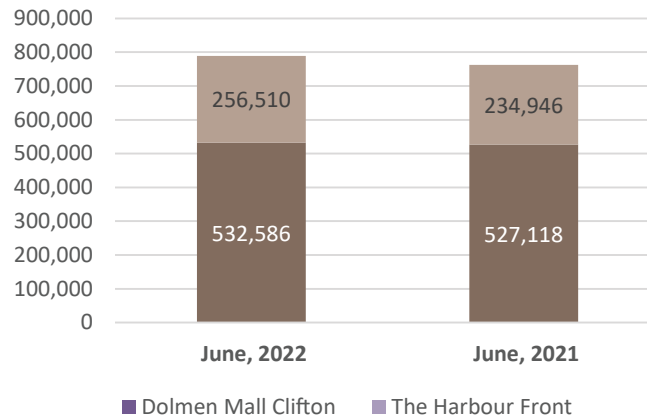
DCR - Occupancy Level

(Area in square feet)



DCR - Occupancy Variation

(Area in square feet)



As on June 30 2022, the Weighted Average Lease Expiry 'WALE' based on the leasable area of Dolmen City Mall (68% of the total area) is around **2.39** years and of the Harbour Front (32% of the total area) is around **3.66** years (DCR's current average lease expiry is **3.02** years).

Financial Performance

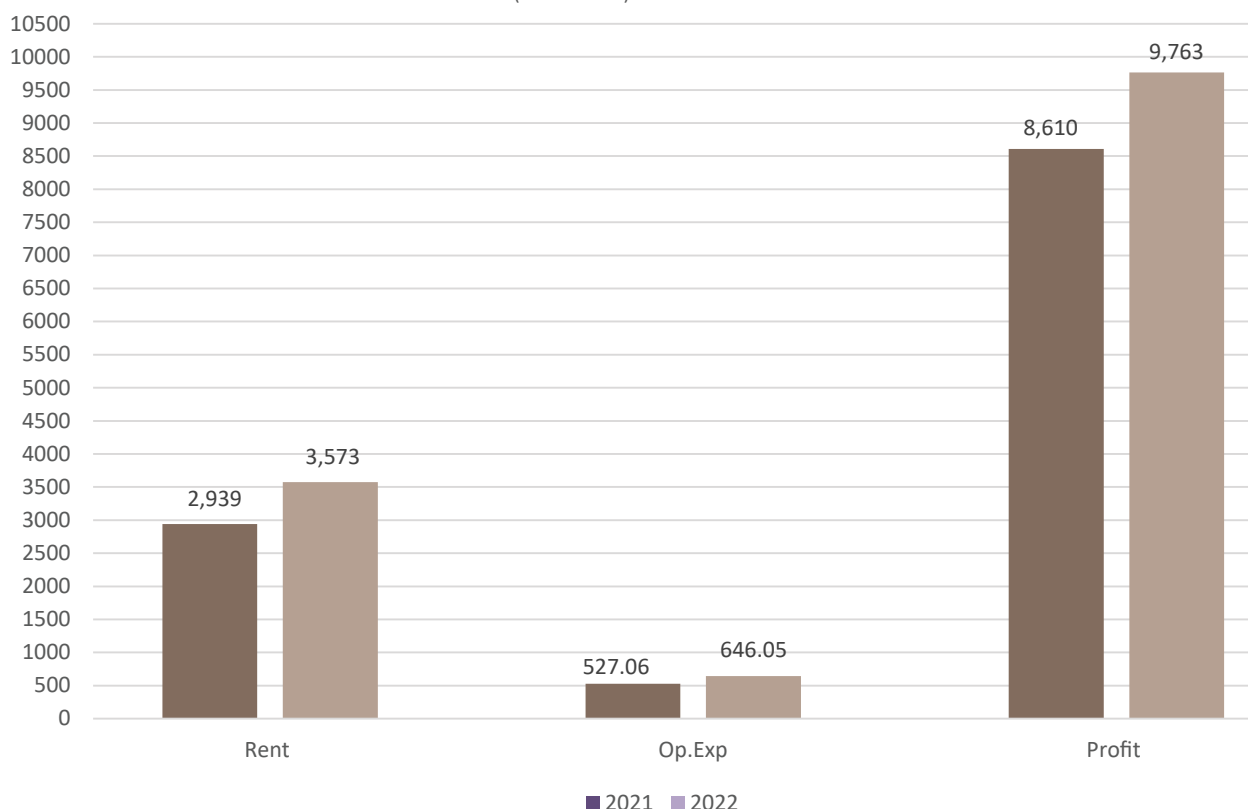
DCR's fund size as on June 30 2022 was **PKR 64.029 billion** (June 30 2021: PKR 57.42 billion) making it the biggest closed-end, Shariah compliant, listed instrument in Pakistan.

During the year under review, DCR recorded **rental income of PKR 3,573.664 million** (June 30 2021: PKR 2,938.661 million), marketing income of **PKR 221.536 million** (June 30 2021: PKR 147.393 million) and profit on Shariah compliant bank deposits of **PKR 126.748 million** (June 30 2021: PKR 86.611 million).

Administrative, operating and other expenses amounted to **PKR 646.047 million** (June 30 2021: PKR 527.06 million).

Financial Performance

(PKR 'Million)



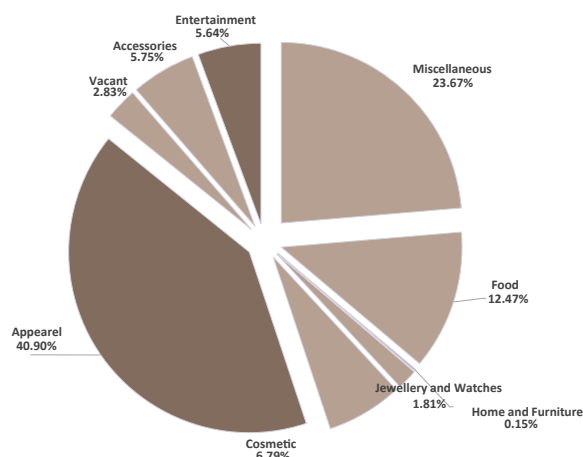
An amount of **6.486 billion** was also recorded as change in fair value of investment property as valued by Tristar International Consultant (Private) Limited, an independent valuer (Refer to note 4 to the financial statements). This translates to **Profit after tax of PKR 9.763 billion** (June 30 2021: PKR 8.61 billion) and **Earning per unit (EPU) of PKR 4.39**. The EPU comprises of distributable income of **PKR 1.47** and **PKR 2.92** being un-distributable unrealised 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

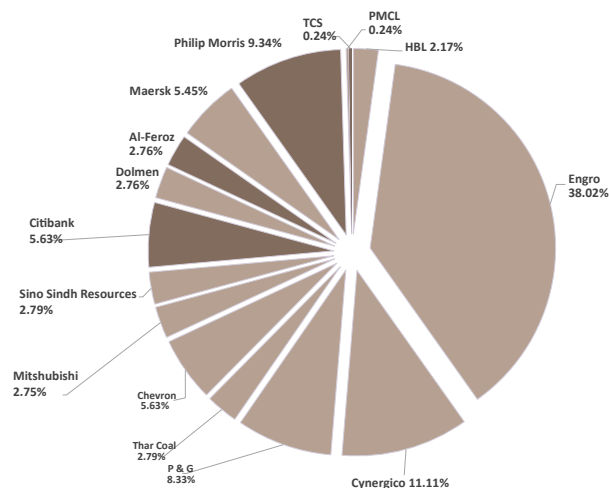
Existing occupancy of the real estate is held by credible tenants (mostly international brands and multinational corporations) with a track record of financial stability. Dolmen Mall Clifton anchored by Hyperstar and Sindbad has a strong mix of local and international brands including Mango, Next, Nike, Aldo, Khadi, Timberland and Charles & Keith creating a strong, steady flow of customers. The highest occupancy by tenant retail category is apparel (40.90%) followed by food (12.47%) 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 2022)



HARBOUR FRONT - TENANCY PROFILE
(AS AT JUNE 2022)

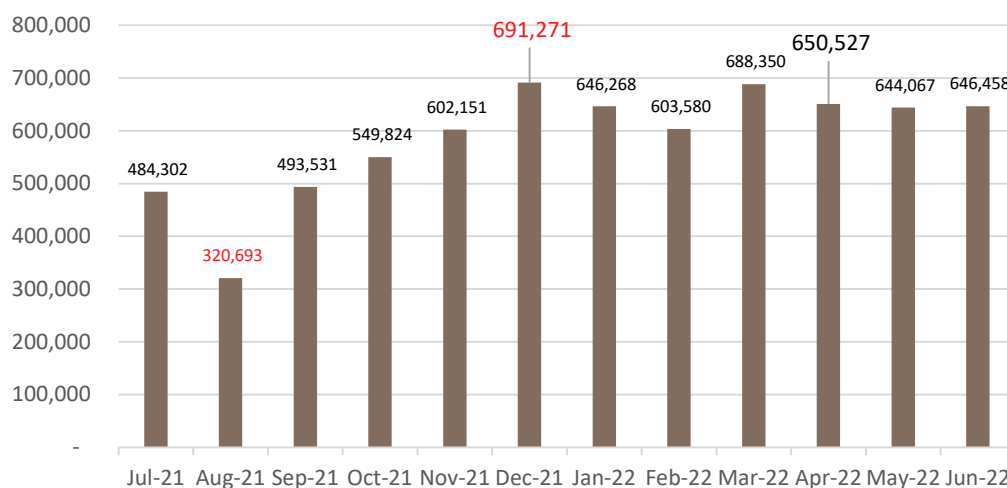


The Property Manager of DCR played an instrumental role in maintaining goodwill, tenancies and brand image enticing customers to visit, shop and be part of the Dolmen Mall experience. At the same time they kept the maintenance, health and safety of DCR assets at the highest quality standards under close monitoring by the REIT Management Company. 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

Customer centric marketing and branding activities at the Mall during the fiscal FY22 resulted in maintaining a healthy footfall. Independence Day, New Year celebrations & Dolmen Shopping Festival all significant occasion of the seasons were beautifully celebrated at the Dolmen City Mall.

Dolmen City Mall - Monthly Footfall - FY22



As you can see on the graph average monthly footfall was **585,085 visitors** compared with 535,714 visitors in FY21. DCR welcomed around **7.021 Million** visitors during FY22 compared to 6.43 Million visitors in FY21.

Below we present the details of the prominent activities in the Mall through the year.

Eid Ul Adha:

Eid Ul Adha is one of the most auspicious religious festivals across the country. The event was held from 12th July 2021 to 24th July 2021, Purpose of the campaign was to infuse the festivities of Eid in mall through thematic ambiance and to take the opportunity of high footfall period to enhance and improve customer. This year the mall showcased extensive thematic decorations.

Independence Day:

14th August, Independence Day celebration is one of the most important and anticipated events every year in all the Dolmen Malls. However, this year, due to COVID and government restrictions, we held comparatively low-key celebrations. To ensure all SOPs, we limited the event to photo-ops & thematic mall ambiance and avoided close engagement activities. The plan was to give a smile and patriotic feel to our customers during the period. The customers were given chances to win exciting prizes through the lucky draws and social media of Dolmen Malls.

Defence Day:

6th September- Defence Day is celebrated in memory of the sacrifices, the Pakistani armed forces made in the war of 1965. We had celebrated the event with full zeal and enthusiasm through full blown decorations theme of Defense Day. The activities that took place during the event were:

- Topography Photo Exhibition
- Kids Art Competition

Dolmen Wheels on Show:

The Dolmen Wheels on Show turned out to be the most interactive event of the year 2021-22, it was held on 20th September 2021 to 29th September 2021. Despite the threat and fear of COVID, the customers gave huge appreciation to the event while observing the governmental SOPs.

The Idea behind 'Dolmen Auto Show' was to create an exhibition of cycles, cars, bikes, and other motor vehicles throughout the mall to invite & engage Auto Fans and Enthusiasts to provide them with an opportunity to explore different automobile services brands, vintage car exhibition, luxury bikes & cycles options under one roof.

The event consisted of:

- Display of Super & vintage classic cars
- Car Accessories
- Display of Super bikes
- Spin the wheel and win lucky prizes

BeYoutify with Dolmen

The beauty festival held on 15th October 21 to 16th November 21 is 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 SOP's. 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 through the platform of different brands and provide a chance for them to participate in activities to win gift hampers. The objective of the event was to enhance the customer's loyalty towards Dolmen.

Dolmen Shopping Festival

Dolmen Shopping Festival'28 was the biggest shopping extravaganza of the year not just for Dolmen Malls, but for the entire mall industry in Pakistan. The shopping coupled with entertainment, mega setups, alluring décor and unlimited giveaways were the key highlights of the event. The 28th version of DSF embarked from 17th Dec 2021 till 9th Jan 2022. The event comprised of the following:

- Thematic Mall Ambiance
- Activations & Creative Installations
- Entertainment & Games
- External Communication & community engagement
- Lucky Draws & Exciting Gifts

The purpose of the event was to reward the shoppers with Mega lucky draw gifts, games and entertainment. All these efforts focused on creating a memorable journey for customers with Dolmen Mall and encourage them to shop more.

Perfect Present

The event of Perfect Present was held from 8th –14th February 2022 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. Dolmen mall to create a lasting customer experience placed a beautiful gift-wrapping van where customer with the shopping worth of PKR 5000 or above could get a free gift wrapping through our gift-wrapping partner Wrap n Roll.

Home Meets Style

Dolmen Home Meets turned out to be a great success amidst the restrictions of Coronavirus for the mall, it was commenced on 24th February 2022 to 1st March 2022. The purpose of the event is to bring the best brands from the home décor & Furniture industry under one roof and give customers a chance to interact with experts through the platform of different brands and provide a chance for them 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, and banners were placed to create a good communication of the event within mall.

International Women's Day

Women's Day commenced from 4th March 2022 to 8th March 2022 this year. The aim of the event was to give tribute to the women of our society and make them feel empowered. We placed a setup in the main atrium to give our valued women customer a perfect welcome to the event. Setup had engaging activities for the women such as pick an envelope for instant giveaways as well as make up beauty station for every woman with the shopping worth of PKR 5000 or above.

Pakistan Day

This 23rd March, Dolmen mall sought to evoke a sense of patriotism & pride in the citizens of Pakistan. Through engaging the audience with activities focused on ownership of our rich national heritage. This year the event started on 18th March and lasted till 23rd March. During the event most of the tenants were offering mega discounts due to which the footfall was high. During the event we placed a huge setup in the main atrium for the Pakistan Day celebration along with engaging activities to win instant prizes. The flag hoisting and cake cutting ceremony was hosted in the presence of partner NGO's and celebrities to make it a memorable celebration.

Ramadan Kareem

Ramadan is the holiest month and also a biggest festival of Muslims worldwide. Ramadan is the most highest shopping season of the year as well which makes the Dolmen Mall a must place to visit during the season considering its diversified and various brands to shop from under one roof. Not only that, but Dolmen Mall provides various eateries & shopping opportunities with exclusive Iftar deals and Ramadan discounts for better customer experience.

The mall was aesthetically decorated with ceiling decorations, arches, setups & creative installations all around the mall to give it a festive look. The event had the following activities:

- Lucky Draws
- Dolmen Ramadan Bazaar
- Photo-ops
- Snap & Win
- Celebrity Appearances.

Mother's Day

Mother's Day was celebrated in the mall from 8th to 15th May, 2022 with the aim to pay tributes to mom and give recognition to their unlimited sacrifices in life as a mom. The idea is to celebrate motherhood in the mall. The event is focused to provide different activities and setup to enhance customer experience.

- Decorations
- Setups & Photo Ops
- Brand Activations from different brands
- Customized Photo frames by Dolmen

Dolmen Auto Show

Dolmen Auto show was introduced as a new event in the Dolmen Events Calendar. The primary focus of the event was to bring the new Car launches to mall while also creating a new activation stream for the mall. The event was one of the most engaging of the year due to the fact that everybody loves car. The event partners were giving the free rides of these new launches for test as well. Below are the event partners:

- Hyundai Sonata
- Peugeot
- BAIC
- Rinco Aria
- Changan
- HAVAL

Summer Surprises

Summer Surprises (10th June to 30th June) is a month-long campaign that is being celebrated in Dolmen Malls to welcome and cherish the summer season. The campaign is divided into multiple events which include MangoMania, Father's Day and other events. The main focused areas of the events are: All these events have turned out to be successful campaigns for pulling extra footfall, enhancing customer experience and improve business for brands. The key highlights and attractions are mentioned below:

- Thematic Ambiance
- Photo ops
- Lucky Draws
- Setups & games

Distribution of Dividend

During the first nine months of the year the Board of Directors had declared and distributed interim dividends of PKR 1.09 / unit i.e. 10.91% in equal proportion on quarterly basis. At year end, the board declared and distributed a final dividend of PKR 0.41 / unit i.e. 4.10%. On a cumulative basis, DCR has declared and distributed total dividend of **PKR 1.5 / unit** providing annualized dividend yield equal to **15%** based on par value and **13.63%** for IPO Investors at a strike price of PKR 11 per unit. The total pay-out for the year ended 30 June 2022 remained at **101.82%** of distributable income equivalent to **PKR 3,335.55 million**.

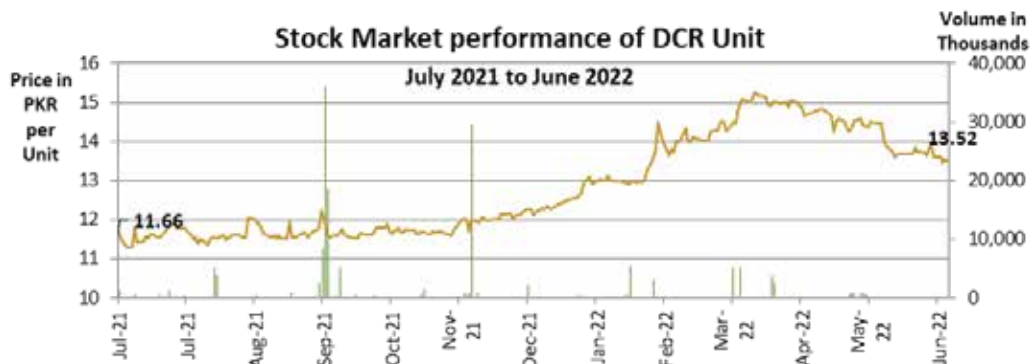
Shariah Compliance

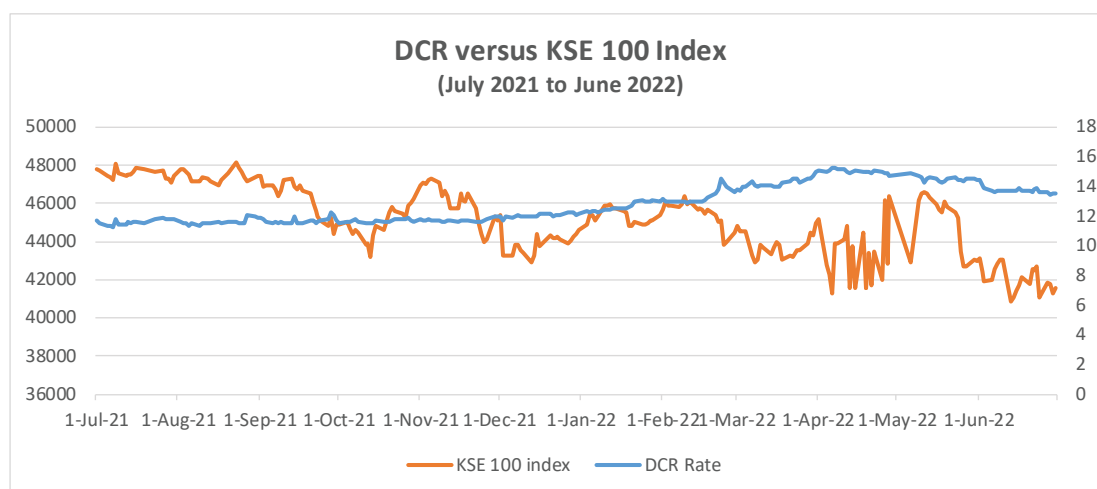
Complying with Shariah guidelines, the fund's real estate remained secure under Takaful policies by "A" rated Pakistani operators which have support from renowned international Re-Takaful syndicate. Shariah advisor, in his Annual Shariah Review Report, has confirmed compliance with Shariah principals 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 12.79** (compared with last year's average PKR 11.16) touching a high of **PKR 15.25** and a low of **PKR 11.29** per unit. During the same period **KSE100 index** moved in the range from **40,879.93** to **48,112.21**. In an extremely volatile market, the stock of DCR remained fairly stable with beta of **0.03** (which means for a given 100% change in market KSE-100 Index, DCR would change only 3%, beta here represents low volatility and elasticity) and covariance with the market of 0.13 (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 28.79** at the year ended on June 30, 2022 (PKR 25.82 at June 30, 2021). DCR on its closing Unit price of **PKR 13.52** on June 30, 2022 traded at a **discount of 53.03%** to its NAV.





Business Environment

Karachi's real estate market is experiencing a strong bounce-back from the Corona slowdown, general economic shuffle which affected all sectors. While buyers remain cautious, especially with the judicial system focus on the demolition of properties with dubious approvals and deviations from permissible land use, demand for "clean" properties remains robust especially in the residential segment. Pricing has seen significant correction which is compounded by the Rupee devaluation and subsequent impact on construction costs. Fixed income tax rate introduced for projects registered under Amnesty scheme has seen several residential products hastily entering the market with a product for every budget.

Office and retail segments have seen comparatively slower growth, both in terms of supply and consumption. Revenue and operating profits have remained sluggish amid the challenging economic environment. Recently, gradual recovery has been observed in these segments led mostly by smaller commercial offices and retail options in housing schemes.

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 neighbourhood. 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.

Outlook

Dolmen City remains the aspirational bench mark for office and retail developments across the country. Shuffling of tenants during the Covid times and challenging economics of the country has now settled down and tenancy remains stable with the mall and office space both operating at optimal occupancy.

With professional property management, long lease expiries, extensive marketing activities, a healthy tenant mix and strong landlord tenant relationships, we remain confident that Dolmen City will remain the destination of choice for shoppers, retail operators and corporations alike.

The mall footfall is rapidly approaching pre-Covid levels with the professional management carefully curating shopping events to attract customers throughout the year. As Covid has activated e-commerce in the country with online shopping on the rise, Dolmen has ensured the “mall experience” continues to pull in the crowds maintaining its status as the first customer choice for shopping.

Going forward, rental escalations would be the prime revenue driver for the Mall.

The Trustee, RMC, Shariah Advisor and the SECP together ensure 180 degree vigilance, and 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 reaffirms that there is no doubt about DCR’s ability to continue as a going concern and that there has been no departure from the best practices of corporate governance.

It has always been DCR’s endeavour 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 2022, Eight (08) Board Meetings, Five (05) 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
Current Directors			
Mr Arif Habib *	2	-	-
Mr Nadeem Riaz	4	-	-
Mr Naeem Ilyas	8	5	-
Ms Tayyaba Rasheed	8	-	1
Mr Muhammad Noman Akhter *	2	-	-
Mr Abdus Samad A. Habib	5	3	1
Mr Faisal Nadeem	7	-	-
Mr. Sajidullah Sheikh	8	3	1
Mr Muhammad Ejaz	8	-	1
Directors resigned during the financial year			
Mr Nasim Beg	6	-	-
Mr Mirza Mahmood	1	-	-
Mr Qamar Hussain	2	2	-

* **Mr. Arif Habib** and **Mr. Muhammad Noman Akhter** have been appointed as director on 11 January 2022 and 17 March 2022 respectively.

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: 8
- (b) Female: 1

Composition:

Name	Status
Mr. Arif Habib	Chairman
Mr. Nadeem Riaz	Non-Executive Director
Mr. Naeem Ilyas	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Muhammad Noman Akhter	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. Naeem Ilyas	Chairman
Mr. Abdus Samad A. Habib	Member
Mr. Sajidullah Sheikh	Member
Mr. Muhammad Noman Akhter	Member

Human Resource & Remuneration Committee

Ms. Tayyaba Rasheed	Chairperson
Mr. Abdus Samad A. Habib	Member
Mr. Sajidullah Sheikh	Member
Mr. Muhammad Ejaz	Member

Pattern of Unitholding

The units of DCR are listed on Pakistan Stock Exchange. There were 4,345 unitholders of DCR as of 30 June 2022. The detailed pattern of unitholding and categories of unitholding 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, 2022 is detailed in Annexure 'II' to this report.

Categories of Unit holders	Unit Held	%
Directors and their spouse(s) and minor children	16,093,982	0.72
Associated Companies, undertakings, and related parties	1,705,112,500	76.68
Executive	-	-
NIT and ICP	-	-
Banks, DFIs , NBFCs	322,589,333	14.51
Insurance Companies	7,519,018	0.34
Modarabas and Mutual Funds	2,514,500	0.11
General Public		
a. Local	149,306,235	6.71
b. Foreign	1,601,582	0.07
Others	18,962,850	0.85
Total	2,223,700,000	100%

Financial and Business Highlights

The key operating and financial data have been given in summarized form under the caption “Financial & Business Highlights” along with and graphic representation as annexure to this report.

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. KPMG Taseer Hadi & Co. Chartered Accountants, shall retire, and being eligible, have offered themselves for reappointment for the year ending on 30th June 2023. The external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program. As suggested by the Audit Committee of RMC, the Board of RMC recommends reappointment of M/s. KPMG Taseer Hadi & Co. Chartered Accountants, as auditors of DCR for the financial year ending on 30th June 2023 at a fee to be mutually agreed.

Election of Directors

In accordance with the provisions of Section 161 of Companies Act 2017 (Section 180 of the repealed Companies Ordinance, 1984) the three years term of eight elected directors of RMC had been completed in October 2021 and all Directors were retired. Fresh elections of Directors were held on October 26, 2021 and the number of Directors as fixed by the Board (eight in numbers) were elected unopposed. Further, Chairman, Chief Executive and sub-committees of the board were also appointed on the said date.

Post Balance Sheet Events

There have been no material changes since 30th June 2022 to the date of this report except the declaration and distribution of a final Cash Dividend @ Rs. 0.41 / unit i.e. 4.1 %. This was in addition to interim dividend declared and distributed @ Rs. 1.09 / unit i.e. 10.9%. 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 23 of the annexed audited financial statements.

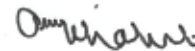
Acknowledgement

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



Arif Habib
Chairman

Karachi
September 28, 2022

ANNEXURE 1

Statement showing units bought and sold by Directors, CEO, CFO, Company Secretary and their Spouses and Minor Children from July 1, 2021 to June 30, 2022

Name	Designation	Units Bought	Units Sold	Remarks
Mr. Arif Habib	Chairman	-	-	-
Mr. Nadeem Riaz	Director	-	-	-
Mr. Naeem Ilyas	Director	-	-	-
Ms. Tayyaba Rasheed	Director	-	-	-
Mr. Muhammad Noman Akhter	Director	-	-	-
Mr. Abdus Samad A Habib	Director	-	-	-
Mr. Faisal Nadeem	Director	-	-	-
Mr. Sajidullah Sheikh	Director	436,000	-	-
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, 2022

Categories	No. of Unit holders	No. of Unit Held	Holding %
Directors and their spouse(s) and minor children	5	16,093,982	0.72
Executives	-	-	-
Associated Companies, undertakings and related parties	3	1,705,112,500	76.68
NIT and ICP	-	-	-
Banks Development Financial Institutions, Non-Banking Financial Institutions	10	322,589,333	14.51
Insurance Companies	8	7,519,018	0.34
Modarabas and Mutual Funds	4	2,514,500	0.11
Others	51	18,962,850	0.85
General Public			
a. Local	4066	149,306,235	6.71
b. Foreign	198	1,601,582	0.07
Foreign Companies	-	-	-
Totals	4345	2,223,700,000	100.00

PATTERN OF UNIT HOLDING

Categories of Unit Holders as at June 30, 2022

Categories	No. of Unit holders	No. of Unit Held	Holding %
Directors and their spouse(s) and minor children			
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	683,500	0.03
	5	16,093,982	0.72
Executives		-	-
Associated companies, undertakings and related parties	3	1,705,112,500	76.68
NIT and ICP	-	-	-
Banks Development Financial Institutions, Non-Banking Financial Institutions	10	322,589,333	14.51
Insurance Companies	8	7,519,018	0.34
Modarabas and Mutual Funds	4	2,514,500	0.11
Others	51	18,962,850	0.85
General Public Foreign	198	1,601,582	0.07
General Public Local	4066	149,306,235	6.71
Foreign Companies	-	-	-
Total	4345	2,223,700,000	100

Unit holders holding 10% or more	No. of Unit Held	Holding
Dolmen (Private) Limited	1	833,887,500
Al-Feroz (Private) Limited	1	833,887,500

PATTERN OF UNIT HOLDING

As of June 30, 2022

# Of Unit holders	Unit Holding'Slab			Total Units Held
172	1	to	100	5,450
1,338	101	to	500	655,270
861	501	to	1,000	852,091
841	1,001	to	5,000	2,302,724
284	5,001	to	10,000	2,433,207
102	10,001	to	15,000	1,301,188
83	15,001	to	20,000	1,544,676
84	20,001	to	25,000	1,988,054
41	25,001	to	30,000	1,180,000
28	30,001	to	35,000	926,516
38	35,001	to	40,000	1,478,670
20	40,001	to	45,000	874,700
60	45,001	to	50,000	2,961,218
15	50,001	to	55,000	798,500
20	55,001	to	60,000	1,166,300
7	60,001	to	65,000	442,000
11	65,001	to	70,000	760,500
15	70,001	to	75,000	1,095,750
23	75,001	to	80,000	1,821,000
8	80,001	to	85,000	666,500
11	85,001	to	90,000	974,000
4	90,001	to	95,000	365,375
41	95,001	to	100,000	4,090,652
5	100,001	to	105,000	512,115
6	105,001	to	110,000	648,500
5	110,001	to	115,000	567,500
5	115,001	to	120,000	596,500
3	120,001	to	125,000	375,000
4	125,001	to	130,000	518,000
4	130,001	to	135,000	534,500
1	135,001	to	140,000	138,500
5	140,001	to	145,000	712,000
6	145,001	to	150,000	900,000
3	150,001	to	155,000	459,500
5	155,001	to	160,000	785,000
3	160,001	to	165,000	489,500
4	165,001	to	170,000	670,766
2	170,001	to	175,000	346,500
3	175,001	to	180,000	535,000
5	180,001	to	185,000	919,500

PATTERN OF UNIT HOLDING

As of June 30, 2022

# Of Unit holders	Unit Holding'Slab			Total Units Held
1	185,001	to	190,000	188,000
2	190,001	to	195,000	384,500
7	195,001	to	200,000	1,400,000
5	200,001	to	205,000	1,011,055
4	205,001	to	210,000	828,612
4	210,001	to	215,000	852,066
3	220,001	to	225,000	672,000
1	225,001	to	230,000	226,000
1	230,001	to	235,000	235,000
1	240,001	to	245,000	245,000
4	245,001	to	250,000	999,000
1	250,001	to	255,000	250,500
1	255,001	to	260,000	260,000
1	260,001	to	265,000	261,000
4	270,001	to	275,000	1,100,000
4	275,001	to	280,000	1,116,000
1	280,001	to	285,000	284,000
2	285,001	to	290,000	577,000
1	290,001	to	295,000	294,500
6	295,001	to	300,000	1,795,500
2	300,001	to	305,000	607,500
2	310,001	to	315,000	623,000
1	325,001	to	330,000	329,500
1	335,001	to	340,000	337,000
1	340,001	to	345,000	342,500
1	350,001	to	355,000	353,500
1	355,001	to	360,000	357,000
1	360,001	to	365,000	365,000
1	365,001	to	370,000	367,000
1	370,001	to	375,000	375,000
5	395,001	to	400,000	2,000,000
1	400,001	to	405,000	401,000
1	405,001	to	410,000	409,165
1	410,001	to	415,000	410,500
1	415,001	to	420,000	420,000
1	420,001	to	425,000	423,000
1	430,001	to	435,000	434,700
2	435,001	to	440,000	876,000
1	445,001	to	450,000	450,000
1	460,001	to	465,000	462,000

PATTERN OF UNIT HOLDING

As of June 30, 2022

# Of Unit holders	Unit Holding'Slab			Total Units Held
1	470,001	to	475,000	473,000
1	475,001	to	480,000	477,500
1	480,001	to	485,000	484,450
8	495,001	to	500,000	3,999,000
1	505,001	to	510,000	505,500
2	520,001	to	525,000	1,050,000
1	525,001	to	530,000	528,000
1	530,001	to	535,000	534,700
2	545,001	to	550,000	1,100,000
1	565,001	to	570,000	566,500
1	600,001	to	605,000	604,000
1	610,001	to	615,000	610,500
1	655,001	to	660,000	660,000
1	680,001	to	685,000	683,500
3	695,001	to	700,000	2,100,000
2	755,001	to	760,000	1,520,000
1	775,001	to	780,000	780,000
1	790,001	to	795,000	794,000
1	800,001	to	805,000	805,000
1	840,001	to	845,000	844,500
1	895,001	to	900,000	897,000
1	900,001	to	905,000	903,500
1	955,001	to	960,000	960,000
1	985,001	to	990,000	986,149
6	995,001	to	1,000,000	6,000,000
1	1,005,001	to	1,010,000	1,010,000
1	1,045,001	to	1,050,000	1,050,000
1	1,070,001	to	1,075,000	1,075,000
2	1,080,001	to	1,085,000	2,164,333
1	1,180,001	to	1,185,000	1,181,500
1	1,195,001	to	1,200,000	1,200,000
1	1,250,001	to	1,255,000	1,255,000
1	1,255,001	to	1,260,000	1,255,500
1	1,325,001	to	1,330,000	1,326,500
1	1,555,001	to	1,560,000	1,558,333
1	1,615,001	to	1,620,000	1,620,000
1	1,630,001	to	1,635,000	1,630,500
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

PATTERN OF UNIT HOLDING

As of June 30, 2022

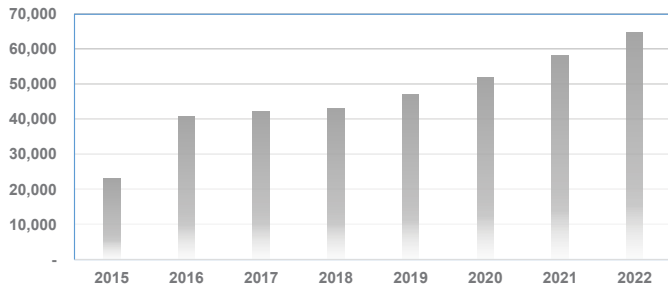
# Of Unit holders	Unit Holding'Slab			Total Units Held
1	2,410,001	to	2,415,000	2,411,500
1	2,590,001	to	2,595,000	2,591,318
1	2,805,001	to	2,810,000	2,806,500
1	3,025,001	to	3,030,000	3,025,500
1	3,195,001	to	3,200,000	3,200,000
1	3,205,001	to	3,210,000	3,207,649
1	3,455,001	to	3,460,000	3,460,000
1	3,855,001	to	3,860,000	3,858,227
1	4,025,001	to	4,030,000	4,026,000
1	4,340,001	to	4,345,000	4,342,833
1	4,620,001	to	4,625,000	4,621,018
1	4,625,001	to	4,630,000	4,626,500
1	4,730,001	to	4,735,000	4,734,400
1	4,995,001	to	5,000,000	5,000,000
1	6,855,001	to	6,860,000	6,860,000
1	8,495,001	to	8,500,000	8,500,000
1	8,995,001	to	9,000,000	9,000,000
1	17,910,001	to	17,915,000	17,912,437
1	27,495,001	to	27,500,000	27,500,000
1	32,995,001	to	33,000,000	33,000,000
1	35,890,001	to	35,895,000	35,893,000
1	37,335,001	to	37,340,000	37,337,500
1	47,110,001	to	47,115,000	47,112,000
1	72,240,001	to	72,245,000	72,243,833
1	87,745,001	to	87,750,000	87,750,000
2	833,885,001	to	833,890,000	1,667,775,000
4345				2,223,700,000

FINANCIAL HIGHLIGHTS

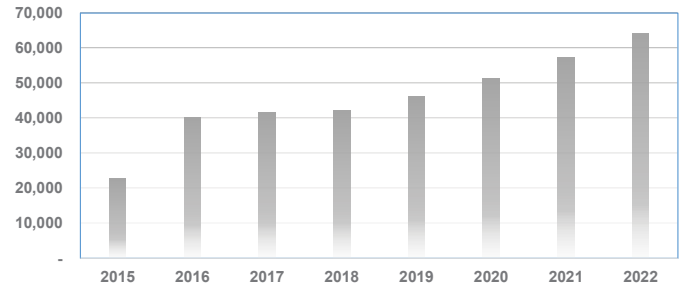
Financial Highlights	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16	30-Jun-15 (Based on one month operations)
Profitability								
Net Profit Margin (Annualized Return for FY 15)	86.39%	86.33%	86.63%	85.45%	85.13%	85.79%	87.04%	90.69%
Return on total assets	15.06%	14.82%	15.60%	14.61%	11.76%	8.93%	43.40%	8.78%
Return on Unitholders' fund	15.25%	14.99%	15.83%	14.86%	11.97%	9.07%	44.07%	8.99%
Liquidity								
Current ratio (in times)	2.53	4.22	2.96	3.51	3.41	7.56	9.86	4.74
Cash to current liabilities	2.04	3.32	2.03	2.75	2.68	6.76	6.50	4.41
Market Ratios								
Dividend payout ratio	101.82%	102.53%	104.54%	96.73%	96.12%	98.12%	100.00%	100.00%
Dividend Yield (at par @ Rs.10 per unit)	15.00%	12.40%	12.50%	13.20%	12.00%	11.50%	10.40%	0.76%
Dividend Yield (as IPO strike @ Rs.11 per unit)	13.64%	11.27%	11.36%	12.00%	10.91%	10.45%	9.45%	0.69%
P/E Ratio (in times)	3.08	2.85	2.98	3.29	5.67	6.95	1.36	144.69
Valuation								
Earning per unit - Basic and diluted (PKR)	4.39	3.87	3.65	3.09	2.27	1.70	7.98	0.08
Net asset value per unit (PKR)	28.79	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	2,223,700,000
Trends (PKR '000)								
Management fee	98,365	79,931	77,054	90,415	83,194	77,459	69,575	5,300
Trustee fee	16,394	13,322	12,842	15,069	13,866	12,910	11,596	907
Net Operating Income	3,278,830	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	9,762,893	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	22,237,000
Uniholders' fund	64,029,292	57,424,053	51,282,373	46,233,196	42,232,181	41,735,498	40,261,026	22,688,323
Total assets	64,819,385	58,084,224	52,034,420	47,022,210	42,998,020	42,399,852	40,885,917	23,218,502

FINANCIAL HIGHLIGHTS

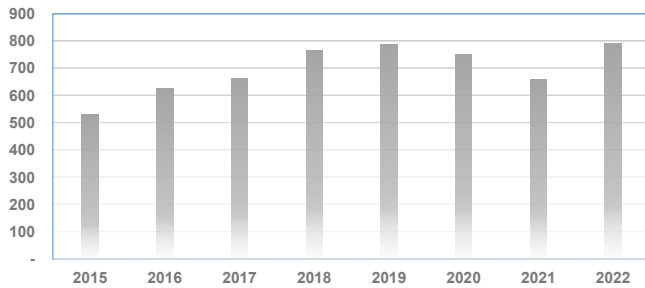
Total Assets
Rupees in Million



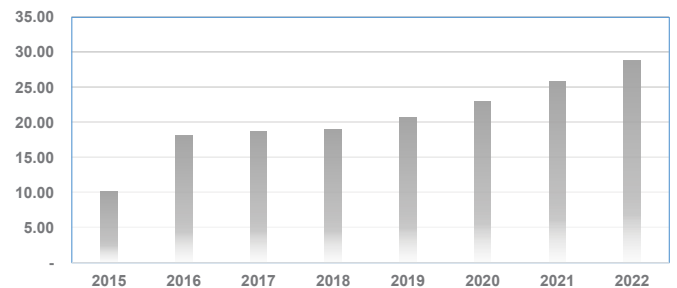
Unit Holders' Fund
Rupees in Million



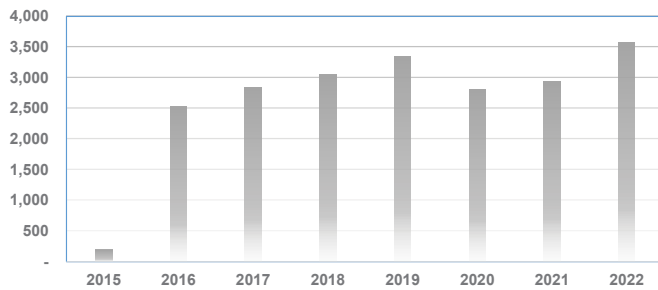
Total Liabilities
Rupees in Million



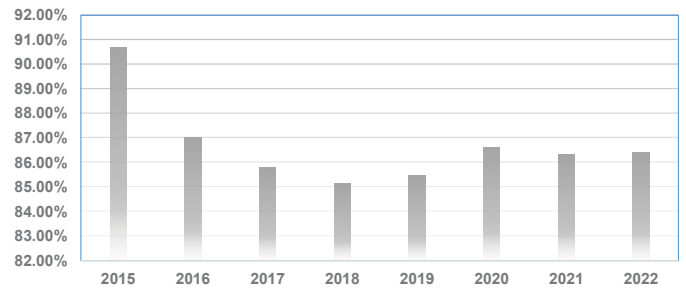
Net Asset Value
Rupees



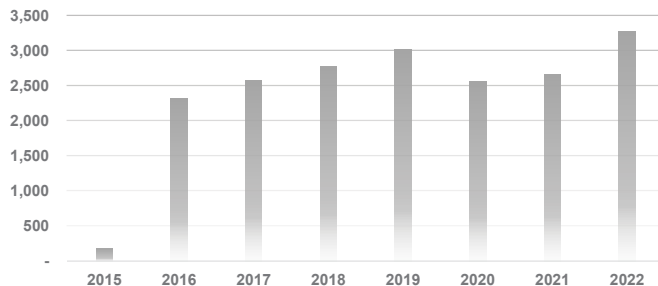
Rental Income
Rupees in Million



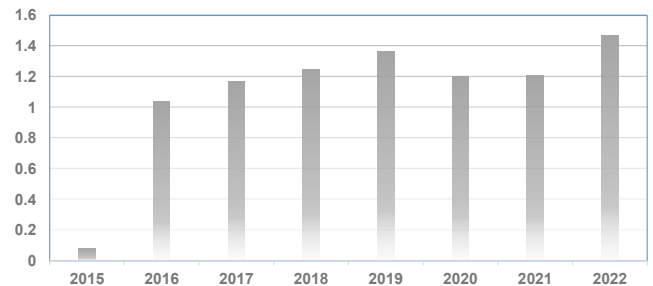
Net Operating Margin
Percentage



Net Operating Income
Rupees in Million



EPU - Distributable Income
Rupees



STATUTORY REPORTS



**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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

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

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: 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, 2022.

We would like to draw the attention of the unit holders towards the fact that gross revenue earned is lower than proportionate revenue projections given in the business plan for the Year 2021-22 due to multiple discounts given by the Management Company to maintain tenant occupancy level.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: October 24, 2022



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

Shariah Review Report

For the year ended June 2022

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.

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 the 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 for 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 the 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
24th September 2022

Mufti Ubaid ur Rahman Zubairi

Director

Alhamd Shariah Advisory Services (Pvt.) Limited



Address: Flat 503, 8th Floor Ibrahim Residency, C.P & Berar Society, Karachi.



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info@alhamdshariahadvisory.com



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

شریعہ ریویو رپورٹ

جون ۲۰۲۲

ڈولمین سٹی REIT ایک شریعہ کمپلائنسٹ 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، کلفٹن) 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 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 ان یونٹ ہولڈرز کے بھی شکر گزار ہیں جنہوں نے اس REIT پر اعتماد کیا اور اس میں سرمایہ کاری کی ہے۔

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

الحمد

مفتی عبید الرحمن زبیری

ڈائریکٹر

الحمد شریعہ ایڈوائزری سروسز (پرائیوٹ) لمیٹڈ

الحمد

مفتی محمد ابراہیم عیسیٰ

سی، ای، او، - ڈائریکٹر

الحمد شریعہ ایڈوائزری سروسز (پرائیوٹ) لمیٹڈ

۲۳، ستمبر ۲۰۲۲



Address: Flat 503, 8th Floor Ibrahim Residency, C.P & Berar Society, Karachi.

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Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

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, 2022):

Summary of Estimated Market Value

Descriptions		Value (Rs.)	Discount Factor (%)	Forced Sale Value (Rs.)
Cost Approach		37,299,627,223		
Sales Comparison		78,561,057,909	20%	62,848,846,327
Income Capitalization Approach	i) Property Value based on estimated income capitalization value	63,019,290,880		
	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)	62,821,189,383		

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 '36" pages with photographs.



Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

Evaluation Report

Date Job Assigned	August 06, 2022
Date Site Surveyed	August 10, 2022
Account /Client Name	DOLMEN CITY REIT
Appraised By	Eng. Sajid Pervez & Mr. Amin Mustafa
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. 37,299,627,223

Sales Comparison Approach: PKR. 78,561,057,909

Estimated Income Capitalization Approach: PKR. 63,019,290,880

Revenue Income Capitalization Value: PKR. 62,821,189,383



Tristar International Consultant (Pvt) Ltd.

VALUATION REPORT OF COMMERCIAL PROPERTY

(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

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

Date: August 23, 2022

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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.

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. Arif Abbas

Mr. Amin Mustafa

Eng. Sajid Pervez



Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

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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.

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





Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

VALUATION REPORT

Building Exterior Features

Property Utilization: ☐ Residential ☒ Commercial

Approach: ☒ Main Road ☐ Side Road

Status of Occupation: ☐ Vacant ☐ Owner Occupied ☒ Leased

Land Control Violations ☐ Major ☐ Minor ☒ None

Building Control Violations ☐ Major ☐ Minor ☒ None

Significant Problems: ☐ Yes ☒ No

If yes, explain in detail:

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



Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

"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.

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.



Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

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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.



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.





Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
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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.





Tristar International Consultant (Pvt) Ltd.
VALUATION REPORT OF COMMERCIAL PROPERTY
(DOLMEN MALL CLIFTON AND HARBOUR FRONT)

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

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. 920,000 to PKR. 950,000 Per Square Yard depending upon the location and size of the plot. Therefore, we are taking the value PKR. 934,402 Per Square Yard on similar parameters as under:

Total Area of Entire Plot:	37,666.65 Sq. Yd.
Assessed Market Value of the land:	PKR: 934,402 per Sq. Yd.
Total Assessment of Land:	PKR. 35,195,793,093
Shared Land Area of REIT:	15,201.68 Sq. Yd. (As per document)
Assessed Market Value of the Land:	PKR. 934,402 per Sq. Yd.
Total Assessed Market Value of the Land: (REIT)	PKR. 14,204,480,195



Tristar International Consultant (Pvt) Ltd.

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

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

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	17,184	3,198,853,152
2	Upper Ground (basement)	274,285	12,198	3,345,728,430
3	Ground	241,052	20,403	4,918,183,956
4	Mezzanine	19,879	13,031	259,043,249
5	First	275,399	20,403	5,618,965,797
6	Second	272,972	20,403	5,569,447,716
7	Third	27,667	13,031	360,528,677
	Total value of structure of Dolmen Mall Clifton	1,297,407		23,270,750,977

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	17,375	257,102,219
2	Fourth	15,549.16	17,375	270,166,655
3	Fifth	15,549.16	17,375	270,166,655
4	Sixth	15,497.52	17,375	269,269,410
5	Seventh	15,497.52	17,375	269,269,410
6	Elghth	15,497.52	17,375	269,269,410
7	Nineth	15,438.55	17,375	268,244,806
8	Tenth	15,438.55	17,375	268,244,806
9	Eleventh	15,438.55	17,375	268,244,806
10	Twelfth	15,578.65	17,375	270,679,044
11	Thirteenth	15,578.65	17,375	270,679,044
12	Fourteen	15,578.65	17,375	270,679,044
13	Fifteenth	15,451.46	17,375	268,469,118
14	Sixteenth	15,451.46	17,375	268,469,118
15	Seventeenth	15,451.46	17,375	268,469,118
16	Eighteenth	15,341.71	17,375	266,562,211
17	Nineteenth	15,447.27	17,375	268,396,316
18	Twentieth	7,687.58	13,031	100,176,855
	Total value of structure of Harbour Front multistory building	270,270.67		4,662,558,045



Tristar International Consultant (Pvt) Ltd.

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

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Total value of structure before depreciation: PKR. 27,933,309,022
(I.e. Structure Value of Dolmen Mall Clifton + Structure value of Harbour Front)

Less Depreciation (10 Years): PKR. 4,838,161,994
(Diminishing method of depreciation is being applied on structure @ 1.884% per annum)

Total Value of Structure after Depreciation: PKR. 23,095,147,028

Part-1 Cost Approach (Land & Building Structure)

Total Assessment of Land: PKR. 14,204,480,195

Total Assessment of Structure: PKR. 23,095,147,028

Land + Structure: PKR. 37,299,627,223
(I.e., Total Assessment of Land + Total Assessment of Structure)

Thirty-seven billion two hundred ninety-nine million six hundred twenty-seven thousand two hundred twenty-three 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



Tristar International Consultant (Pvt) Ltd.

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

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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	87,453	462,189,105
3	Ground	187,347	129,998	24,354,735,306
4	Mezzanine			
5	First	181,342	124,090	22,502,728,780
6	Second	173,335	118,180	20,484,730,300
7	Third			
	Total value of Dolmen	547,309		67,804,383,491

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	38,408	214,355,048
2	Third	10,878	38,408	417,802,224
3	Fourth	14,578	38,408	559,911,824
4	Fifth	14,578	38,408	559,911,824
5	Sixth	14,578	38,408	559,911,824
6	Seventh	14,578	38,408	559,911,824
7	Eighth	14,578	38,408	559,911,824
8	Ninth	14,321	38,408	550,040,968
9	Tenth	14,321	44,317	634,663,757
10	Eleventh	14,358	44,317	636,303,486
11	Twelfth	14,319	44,317	634,575,123



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12	Thirteenth	14,500	44,317	642,596,500
13	Fourteenth	14,293	44,317	633,422,881
14	Fifteenth	14,500	44,317	642,596,500
15	Sixteenth	14,230	44,317	630,630,910
16	Seventeenth	14,219	44,317	630,143,423
17	Eighteenth	15,223	44,317	674,637,691
18	Nineteenth	15,223	44,317	674,637,691
19	Twentieth	7,688	44,317	340,709,096
	Total value of Harbour Front multistory building	256,544		10,756,674,418

Part-2: Sales Comparison Approach

Total Value of Property:

PKR. 78,561,057,909/-

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

Rupees seventy-eight billion five hundred sixty-one million fifty-seven thousand nine hundred nine 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.

Grand Total Value of Property (As per Sales Comparison Approach)	PKR. 78,561,057,909
Forced Sale factor (Less 20%):	PKR. 15,712,211,582
Forced Sale Value:	PKR. 62,848,846,327

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 2022-2023 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.

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



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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	460	2,431,100
3	Ground	187,347	575	107,724,525
4	Mezzanine			
5	First	181,342	571	103,546,282
6	Second	173,335	543	94,120,905
	Total rental value of Dolmen shopping mall per month	547,309		307,822,812
	Total rental value of Dolmen shopping mall per annum	547,309		3,693,873,744



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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	308	1,718,948
2	Third	10,878.00	308	3,350,424
3	Fourth	14,578.00	308	4,490,024
4	Fifth	14,578.00	308	4,490,024
5	Sixth	14,578.00	308	4,490,024
6	Seventh	14,578.00	308	4,490,024
7	Eighth	14,578.00	308	4,490,024
8	Ninth	14,321.00	308	4,410,868
9	Tenth	14,321.00	354	5,069,634
10	Eleventh	14,358.00	354	5,082,732
11	Twelfth	14,319.00	354	5,068,926
12	Thirteenth	14,500.00	354	5,133,000
13	Fourteenth	14,293.00	354	5,059,722
14	Fifteenth	14,500.00	354	5,133,000
15	Sixteenth	14,230.00	354	5,037,420
16	Seventeenth	14,219.00	354	5,033,526
17	Eighteenth	15,223.00	354	5,388,942
18	Nineteenth	15,223.00	354	5,388,942
19	Twentieth	7,688.00	354	2,721,552
	Total Rental Value of Harbour Front Multistorey building per month	256,544.00		86,047,756
	Total Rental Value of Harbour Front Multistorey building per Annum	256,544.00		1,032,573,072



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Dolmen Mall Clifton

Per Annum Rental Value of Dolmen Mall Clifton:

PKR. 3,693,873,744

Rupees Three billion six hundred ninety-three million eight hundred seventy-three thousand seven hundred forty-four 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	PKR.	3,693,873,744
Second Year (10% Increase)	PKR.	4,063,261,118
Third Year (10% Increase)	PKR.	4,469,587,230

HARBOUR FRONT MULTI-STORY BUILDING:

Total Rental Value of Harbour Front per Annum

PKR. 1,032,573,072

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	PKR.	1,032,573,072
Second Year (5% Increase)	PKR.	1,084,201,726
Third Year (5% Increase)	PKR.	1,138,411,812

Total Yearly Rental Income	PKR.	4,726,446,816
Less: Operating Cost (Assuming 20% of yearly rental income)	PKR.	945,289,363
First year Income	PKR.	3,781,157,453
(Total Rental income - Less operating Cost)		
Capitalization Rate	6%	
PROPERTY VALUE BASED ON VALUER'S ESTIMATE		
INCOME CAPITALIZATION VALUE:	PKR.	63,019,290,883



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

Revenue: -		
- Gross Rental Revenue		4,227,858,404
- Ancillary Income		231,662,876
Sub-Total (A)		4,459,521,280

Less: Operating Cost		
Operating cost: -		
SECP Monitoring fees	0.1% of fund size (PKR 22,237,000,000)	22,237,000
Property Management Fee		286,648,800
Ancillary Income collection charges		39,266,857
Insurance Expense		32,591,026
Property and advertisement taxes		19,032,891
Renovation expense		150,670,343
Legal & Professional		7,315,000
Other Recurring Expenses		13,888,000
Marketing Expenses		118,600,000
Sub-Total (B)		690,249,917

Net Operating Income (Sub Total A - Sub Total B)		3,769,271,363
Capitalization Rate	6%	62,821,189,383

PROPERTY VALUE BASED ON VALUER'S ESTIMATED

Sixty-two billion eighty hundred twenty-one million one hundred eighty-nine thousand three hundred eighty-three only

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:



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Valuation Approach	Value in PKR	Value in words
Sales Comparison Approach	78,561,057,909	Seventy-eight billion five hundred sixty-one million fifty-seven thousand nine hundred nine only
Income Capitalization Approach		
i. Property value based on valuer estimated income	63,019,290,883	Sixty-three billion nineteen million two hundred ninety thousand eight hundred eighty-three only
ii. Property Value based on DCR's (projected NOI based on existing rental agreements and expected rent for the vacant area)	62,821,189,383	Sixty-two billion eight hundred twenty-one million one hundred eighty-nine thousand three hundred eighty-three 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.


 AUTHORIZED SIGNATURE
 MR. ARIF ABBAS
 (RESIDENT DIRECTOR)


 AUTHORIZED SIGNATURE
 MR. AMIN MUSTAFA
 (GENERAL MANAGER)


 AUTHORIZED SIGNATURE
 Mech Eng. SAJID PERVEZ
 (PROJECT MANGER) PEC-MECH-18411



Tristar International Consultant (Pvt) Ltd.

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

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VALUER'S DECLARATION UNDER REIT REGULATIONS-2015

DECLARATION:

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 2022 to June-2022 (9th 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 30,2022 are as follows: -

Valuation Approach	Value in PKR	Value in words
Cost Approach	37,299,627,223	Thirty-seven billion two hundred ninety-nine million six hundred twenty-seven thousand two hundred twenty-three only
Sales Comparison Approach	78,561,057,909	Seventy-eight billion five hundred sixty-one million fifty-seven thousand nine hundred nine only
Income Capitalization Approach		
i. Property Value Based on Valuer estimated Income	63,019,290,883	Sixty-three billion nineteen million two hundred ninety thousand eight hundred eighty-three only
ii. Property Value based on DCR's projected NOI (based on existing rental agreements and expected rent for the vacant area)	62,821,189,383	Sixty-two billion eight hundred twenty-one million one hundred eighty-nine thousand three hundred eighty-three only



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

Date: August 23, 2022

Valuation Report No: TSI/VAL/KHI/REIT/15186-Aug/2022

2. That the statements of fact contained in this report are true and correct.
3. That I have not withheld any information.
4. That I have no interest in the Real Estate, and I have no personal interest or bias with respect to the parties involved.
5. That I have not been instructed either by my company or the client to report a predetermined value for the subject Real Estate.
6. 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.
7. That I have personally inspected the real estate that is the subject of this report.

Declared By:

Amin Mustafa
General Manager

Witnessed By:

Arif Abbas
Resident Director



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITORS' REVIEW REPORT

To the unitholders 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 (RMC) for and on behalf of Dolmen City REIT ("the Scheme") for the year ended 30 June 2022 in accordance with the requirements of regulation No. 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 the 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 Scheme's corporate governance procedures and risks.

The Regulations require the Scheme 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.

Kingman



KPMG Taseer Hadi & Co.

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 Scheme for the year ended 30 June 2022.

Karachi

Date: 20 October 2022

UDIN: CR202210096ljrwdWYMu


KPMG Taseer Hadi & Co.
Chartered Accountants

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 for the year ended 30 June 2022.

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, 2022

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. Arif Habib - Chairman Mr. Nadeem Riaz Mr. Abdus Samad A. Habib Mr. Faisal Nadeem Mr. Sajidullah Sheikh
Independent Director	Mr. Naeem Ilyas Mr. Muhammad Noman Akhter
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 RMC;
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;
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. Naeem Ilyas	Chairman
Mr. Abdus Samad A. Habib	Member
Mr. Sajidullah Sheikh	Member
Mr. Muhammad Noman Akhter	Member
 - b) Human Resource & Remuneration Committee

Ms. Tayyaba Rasheed	Chairperson
Mr. Abdus Samad A. Habib	Member
Mr. Sajidullah Sheikh	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: 5 meetings
 - b) Human Resource & Remuneration Committee: 2 meetings
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, the 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; and
19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below (if applicable):

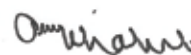
S.No	Requirement	Explanation for not meeting non-mandatory requirements	Regulation No.
1	Same person shall not simultaneously hold office of Chief Financial Officer and the Company Secretary of a listed Company.	This matter is explained in point number 20 (see below) of this statement.	24

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 Company 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 the 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



Arif Habib
Chairman

September 28, 2022
Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

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 30 June 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in unitholder's fund, the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in unitholder's fund and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017) and Real Estate Investment Trust Regulations 2015, in the manner so required and respectively give a true and fair view of the state of the Scheme's affairs as at 30 June 2022 and of the profit or loss and other comprehensive income, the changes in unitholder's fund and its cash flows and for the year then ended.

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 in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matter

Key audit matters are those matters that, in our professional judgement, 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 are the Key audit matters;

Sr. No	Key audit matters	How the matters were addressed in our audit
1	<p>Valuation of Investment Property</p> <p>Refer Note 4 to the financial statements.</p> <p>The Investment Property amounted to Rs. 62,821 million as at 30 June 2022.</p> <p>Investment Property forms a significant part of the Scheme's total assets. The Scheme's investment property is stated at fair value based on valuations carried out by independent qualified professional valuer (the "management valuer") with the changes recognized in the statement of profit or loss.</p> <p>The management valuer under REIT regulation, 2015 is required to carry out valuation on three approaches and explicitly state the approach that is most appropriate for the Scheme. The management valuer has stated "Income Capitalization Approach - on projected Net Operating Income (NOI) based on existing rent arrangements and expected rent for the vacant area" is the most appropriate approach used for valuation.</p> <p>We identified valuation of investment property as a key audit matter because the valuation is dependent on</p>	<p>Our audit procedures to assess the valuation of investment property, amongst others, included the following:</p> <ul style="list-style-type: none"> evaluated the design and implementation of relevant controls over the measurement of the investment property; assessed the competence, capabilities and objectivity of the management valuer and evaluated their scope of work; on sample basis, assessed whether the source data provided to the management's valuer is reasonable; obtained the valuation report and engaged our external specialists for assessing the reasonableness of the significant unobservable inputs and estimates used by the management valuer and desktop review of the valuation report of management's valuer assessing whether the valuation approach recommended by management's valuer represent the most appropriate approach. engaged our auditors' own valuation specialist to assist us in evaluating

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Sr. No	Key audit matters	How the matters were addressed in our audit
	<p>significant unobservable inputs that involve management's judgment. Details of the valuation techniques and significant unobservable inputs used in the valuations are disclosed in note 4 to the financial statements.</p>	<p>the assumptions and judgements used by management in its projected net operating income working; and</p> <ul style="list-style-type: none"> assessed the adequacy of the related disclosures in the notes to financial statements in accordance with the requirement of IFRS.
2	Revenue Recognition	
	<p>Refer notes 16 and 17 to the financial statements.</p> <p>The Scheme's revenue for the year ended 30 June 2022 was Rs. 3,795 million.</p> <p>Revenue from rental income is recognized on a straight line basis over the non-cancellable period of the lease. Whereas, revenue from marketing activities is recognized when the event is performed.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Scheme and therefore there is an inherent risk that revenue may not have been recognized in the appropriate period.</p>	<p>Our audit procedures to assess the recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none"> assessed the design, implementation and operating effectiveness of the key internal controls which governs the revenue recognition; assessed the appropriateness of the Scheme's accounting policies for revenue recognition including its compliance with applicable accounting standards; tested revenue transactions recorded during the current year, on sample basis, with underlying documentation including invoices and rent agreements to assess whether the revenue was recognized in accordance with Scheme's revenue recognition accounting policies; and tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recorded in the appropriate accounting period.

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Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' 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 and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan, the requirements of Companies Act, 2017 (XIX of 2017) and the REIT Regulations 2015, and for such internal control as management 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 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 either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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 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

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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 Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 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 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.

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From the matters communicated with the those charged with governance, 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 auditors' 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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Scheme as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in unitholder's fund, the statement of cash flow and together with the notes thereon have been drawn up in conformity with the Real Estate Investment Trust Regulation, 2015 and Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made and expenditure incurred during the year were for the purpose of the Scheme business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Scheme and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Other Matters

The financial statements of the Scheme as at and for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statement through their report dated October 22, 2021.

As part of our audit of the financial statements as at and for the year ended 30 June 2022, we audited the adjustments described in Note 29 that were applied to restate the comparative information presented as at and for the year ended 30 June 2021. We were not engaged to audit, review, or apply any procedures to the financial statements for the year ended 30 June 2021, other than with respect to the adjustments described in Note 29 to the financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 29 are appropriate and have been properly applied.

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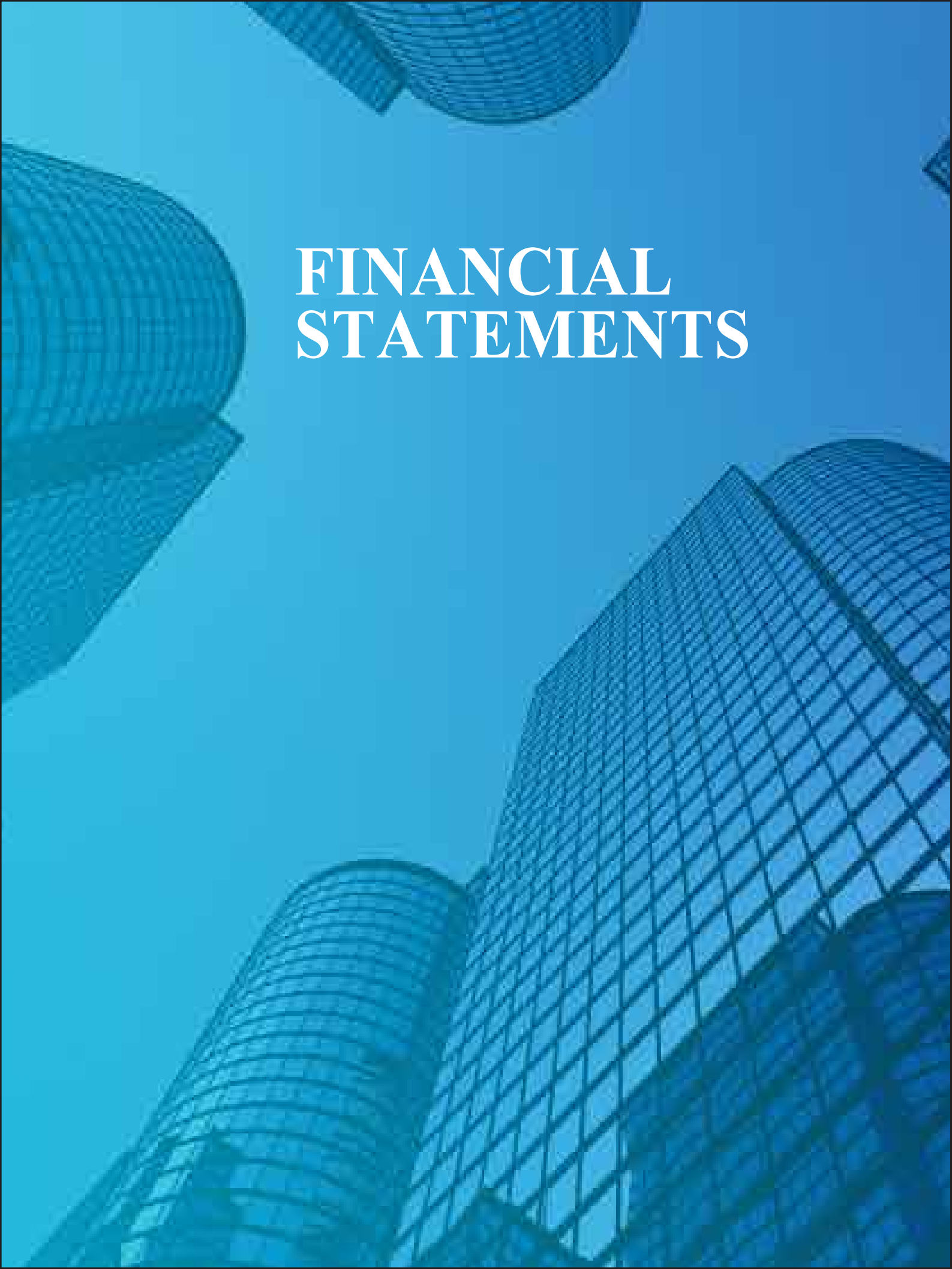
The engagement partner on the audit resulting in this independent auditor's report is
Amyr Malik.

Karachi

Date: 18 October 2022
UDIN: AR202210096gwXqEkRy0


KPMG Taseer Hadi & Co.
Chartered Accountants



A low-angle, upward-looking photograph of several modern skyscrapers. The buildings are covered in glass and steel, creating a grid-like pattern of windows. The entire image is tinted with a solid blue color. The perspective makes the buildings appear to converge towards the top of the frame.

FINANCIAL STATEMENTS



Statement of Financial Position

As at 30 June 2022

	Note	30 June 2022	30 June 2021 (Restated)	1 July 2020 (Restated)
----- (Rupees in '000) -----				
ASSETS				
Non-current asset				
Investment property	4	62,821,189	56,334,197	50,413,476
Current assets				
Rent receivables	5	158,467	160,917	213,987
Advances and deposits	6	12,014	2,476	16,422
Advance tax	7	207,271	204,131	266,437
Accrued profit on deposits		8,671	7,489	10,736
Short-term investments	8	661,567	640,729	766,000
Bank balances	9	950,206	734,285	347,362
Total current assets		1,998,196	1,750,027	1,620,944
Total assets		64,819,385	58,084,224	52,034,420
UNIT HOLDERS' FUND AND LIABILITIES				
Unit holders' fund				
REPRESENTED BY:				
Issued, subscribed and paid up units (2,223,700,000 units of Rs. 10 each)	10	22,237,000	22,237,000	22,237,000
Capital Reserves	11	40,865,535	34,378,543	28,457,822
Revenue Reserve		926,757	808,510	587,551
Total unit holders' fund		64,029,292	57,424,053	51,282,373
Current liabilities				
Payable to REIT Management Company	12	32,518	25,113	8,339
Security deposits	13	459,297	405,983	402,746
Accrued expenses and other liabilities	14	285,043	217,275	325,759
Unclaimed dividend		13,235	11,800	15,203
Total current liabilities		790,093	660,171	752,047
Contingencies and commitments	15			
Total unit holders' fund and liabilities		64,819,385	58,084,224	52,034,420
----- (Rupees) -----				
Net asset value per unit		28.79	25.82	23.06

The annexed notes from 1 to 32 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Statement of Profit or Loss

For the year ended 30 June 2022

	Note	30 June 2022	30 June 2021
		----- (Rupees in '000) -----	
Revenue			
Rental income	16	3,573,664	2,938,661
Marketing income	17	221,536	147,393
		3,795,200	3,086,054
Administrative and operating expenses	18	(504,781)	(421,684)
Impairment loss on rent receivables	5.2	(11,589)	-
Net operating income		3,278,830	2,664,370
Other income	19	126,748	130,272
		3,405,578	2,794,642
Management fee	12.2	(98,365)	(79,931)
Sindh sales tax on management fee	12.2	(12,787)	(10,391)
Trustee fee	14.4	(16,394)	(13,322)
Sindh sales tax on trustee fee	14.4	(2,131)	(1,732)
		(129,677)	(105,376)
Profit before change in fair value of Investment property		3,275,901	2,689,266
Unrealised gain on remeasurement of fair value of Investment property	4	6,486,992	5,920,721
Profit before taxation		9,762,893	8,609,987
Taxation	20	-	-
Profit for the year		9,762,893	8,609,987
		----- (Rupees) -----	
Earnings per unit - Basic and diluted	21	4.39	3.87

The annexed notes from 1 to 32 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Statement of Comprehensive Income

For the year ended 30 June 2022

	30 June 2022	30 June 2021
	----- (Rupees in '000) -----	
Profit for the year	9,762,893	8,609,987
Other comprehensive income	-	-
Total comprehensive income for the year	<u>9,762,893</u>	<u>8,609,987</u>

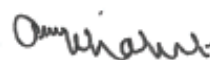
The annexed notes from 1 to 32 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Statement of Changes In Unit Holders' Fund

For the year ended 30 June 2022

	Issued, subscribed and paid up units	Reserves				Total unit holders' fund
		Capital Reserves			Revenue Reserve	
		Premium on issue of units - net (note 11.1)	Fair Value Reserve (note 11.2)	Total	Unappro- priated profit	
----- (Rupees in '000) -----						
Balance as at 30 June 2020	22,237,000	281,346	28,176,476	28,457,822	587,551	51,282,373
Transactions with owners:						
Cash dividend for the year ended 30 June 2020 (Re. 0.20 per unit)	-	-	-	-	(444,740)	(444,740)
Cash dividend for the period ended 30 September 2020 (Re. 0.25 per unit)	-	-	-	-	(555,925)	(555,925)
Cash dividend for the period ended 31 December 2020 (Re. 0.33 per unit)	-	-	-	-	(733,821)	(733,821)
Cash dividend for the period ended 31 March 2021 (Re. 0.33 per unit)	-	-	-	-	(733,821)	(733,821)
		-	-	-	(2,468,307)	(2,468,307)
Total comprehensive income for the year	-	-	-	-	8,609,987	8,609,987
Reclassification adjustment relating to changes in fair value of investment property	-	-	5,920,721	5,920,721	(5,920,721)	-
Balance as at 30 June 2021	22,237,000	281,346	34,097,197	34,378,543	808,510	57,424,053
Transactions with owners:						
Cash dividend for the year ended 30 June 2021 (Re. 0.33 per unit)	-	-	-	-	(733,821)	(733,821)
Cash dividend for the period ended 30 September 2021 (Re. 0.33 per unit)	-	-	-	-	(733,821)	(733,821)
Cash dividend for the period ended 31 December 2021 (Re. 0.37 per unit)	-	-	-	-	(822,769)	(822,769)
Cash dividend for the period ended 31 March 2022 (Re. 0.39 per unit)	-	-	-	-	(867,243)	(867,243)
	-	-	-	-	(3,157,654)	(3,157,654)
Total comprehensive income for the year		-	-	-	9,762,893	9,762,893
Reclassification adjustment relating to changes in fair value of investment property	-	-	6,486,992	6,486,992	(6,486,992)	-
Balance as at 30 June 2022	22,237,000	281,346	40,584,189	40,865,535	926,757	64,029,292

The annexed notes from 1 to 32 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Statement of Cash Flows

For the year ended 30 June 2022

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		----- (Rupees in '000) -----	
Profit for the year		9,762,893	8,609,987
Adjustments for non cash items:			
Unrealised gain on remeasurement of fair value of Investment property	4	(6,486,992)	(5,920,721)
Reversal of accruals - expenses no more payable	19	-	(43,661)
Impairment loss on rent receivables	5.2	11,589	-
Profit on deposits	19	(126,748)	(86,611)
		3,160,742	2,558,994
Working capital changes			
(Increase) / decrease in current assets:			
Rent receivables		(9,139)	53,070
Advances, deposit and prepayments		(9,538)	13,946
		(18,677)	67,016
Increase / (decrease) in current liabilities:			
Payable to the REIT management company		7,405	16,774
Security deposits		53,314	3,237
Accrued expenses and other liabilities		67,768	(64,823)
		128,487	(44,812)
Cash generated from operations		3,270,552	2,581,198
Tax (paid) / refund		(3,140)	62,306
Net cash generated from operating activities		3,267,412	2,643,504
CASH FLOWS FROM INVESTING ACTIVITIES			
Profit on deposits received		125,566	89,858
Purchase of short-term investments - net of maturity		(3,249)	(40,729)
Net cash generated from investing activities		122,317	49,129
CASH FLOW FROM FINANCING ACTIVITY			
Net cash used in financing activity - dividend paid		(3,156,219)	(2,471,710)
Net increase in cash and cash equivalents		233,510	220,923
Cash and cash equivalents at beginning of the year		1,334,285	1,113,362
Cash and cash equivalents at end of the year	22	1,567,795	1,334,285

The annexed notes from 1 to 32 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Notes to the Financial Statements

For the year ended 30 June 2022

1. STATUS AND NATURE OF BUSINESS

- 1.1 Dolmen City REIT ("the Scheme") was established under Trust Deed, dated 20 January 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. The Scheme is governed under the Real Estate Investment Trust Regulations, 2015 (REIT Regulations, 2015), promulgated and amended from time to time by the Securities & Exchange Commission of Pakistan (SECP).

The Trust Deed of the Scheme was registered on 20 January 2015 whereas approval of the registration of the REIT Scheme was granted by the SECP on 29 May 2015. The Scheme is a perpetual, closed-ended, shariah compliant rental REIT. The Scheme is listed on Pakistan Stock Exchange. On 22 September 2021, VIS Credit Rating Company Limited assigned rating "AAA(rr)" and "AM2+" to the Scheme and RMC respectively.

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. The principal activity of the Scheme is to generate rental income through investment property and distribute the income generated to unitholders through dividends.

- 1.2 The Scheme commenced its commercial activities on 01 June 2015. The Scheme was the subsidiary of International Complex Projects Limited (ICPL) directly holding 75% of the units. The Board of Directors of the ICPL in its meeting held on 22 April 2021 approved the scheme of arrangement for re-organization / re-arrangement of the Dolmen Group comprising restructuring of ICPL. The arrangement became effective on 01 July 2021 as sanctioned by the Honorable High Court of Sindh vide its Order dated 03 November 2021. Consequently, units held by ICPL were transferred to its associated undertakings i.e. Dolmen (Private) Limited and Al-Feroze (Private) Limited, as envisaged in the said scheme of arrangement in equal proportion.

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 applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) 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 (REIT Regulations, 2015).

Where the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984 and REIT Regulations, 2015 differ from the IFRS standards, the provisions of and directives issued under Companies Act, 2017 and REIT Regulations, 2015 have been followed.

- 2.1.1 As per Regulation 29.2 of REIT Regulations, 2015 services provided, under the REIT Regulations, 2015, the Trust Deed, Offering Document or Information Memorandum, by the RMC, Trustee, Valuers or Property Manager are not deemed related party transactions. Accordingly, the disclosure requirements of IAS 24 'Related Party Disclosures' have not been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for investment property, which has been measured at the fair value.

Notes to the Financial Statements

For the year ended 30 June 2022

2.3 Functional and Presentation Currency

These financial statements are presented in Pakistan Rupees which is the functional and presentation currency of the Scheme. All figures have been rounded off to nearest thousand of rupees unless otherwise stated.

2.4 Key judgments and estimates

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make judgments, estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Scheme's accounting policies, management has made the following accounting estimates and judgments which are significant to the financial statements and estimates with a significant risk of material adjustment in future years:

- Investment property (notes 3.1 and 4);
- Allowance for impairment loss on rent receivables (notes 3.2.5 and 5); and
- Provisions and contingencies (notes 3.5 and 15).

2.5 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 clarifies that the 'cost of fulfilling a contract' for the purposes of the onerous contract assessment comprises the costs that relate directly to the contract, including both the incremental costs and an allocation of other direct costs to fulfil the contract. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.
- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

Notes to the Financial Statements

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- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This amendment enables the fair value measurement of biological assets on a post-tax basis.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022.
- Classification of liabilities as current or non-current (Amendments to IAS 1) apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) introduced a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and

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will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

The above standards, interpretations and amendments are not likely to have a significant impact on Scheme's financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. The Scheme has consistently applied the following accounting policies to all periods presented in these financial statements.

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 initially measured at cost 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 Recognition and initial measurement

Rent receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Scheme becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially

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measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.2.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income (OCI) - debt investment, fair value through OCI - equity investment, or fair value through profit or loss (if any).

Financial assets are not reclassified subsequent to their initial recognition unless the Scheme changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Scheme may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Scheme may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Scheme makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual mark-up income, maintaining a particular mark-up rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Scheme's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

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For the year ended 30 June 2022

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Scheme's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Scheme considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Scheme considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Scheme's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets- Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

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For the year ended 30 June 2022

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.
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Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.2.3 Derecognition

Financial assets

The Scheme derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Scheme neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Scheme enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Scheme derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Scheme also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.2.4 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Scheme currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.2.5 Impairment on financial assets

The Scheme recognises loss allowances for Expected Credit Losses (ECLs) on:

- financial assets measured at amortised cost;
- debt instruments measured at FVOCI, if any; and
- contract assets, if any.

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The Scheme measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date, if any; and
- other debt securities and bank balances, if any for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Scheme considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Scheme's historical experience and informed credit assessment, that includes inducing forward-looking information.

The Scheme assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Scheme considers a financial asset to be in default when:

- the customer is unlikely to pay its balance to the Scheme in full, without recourse by the Scheme to actions such as realizing security (if any is held); or
- the financial asset is past due for more than 180 days.

The Scheme considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-months ECLs are the portion of ECLs that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Scheme is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Scheme expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit impaired financial assets

At each reporting date, the Scheme assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being past due for more than the agreed term;
- the restructuring of a loan or advance by the Scheme on terms that the Scheme would not consider otherwise;

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- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Scheme has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Scheme makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Scheme expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Scheme's procedures for recovery of amounts due.

3.3 Impairment of 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 Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and term deposit receipts having maturity of not more than three months.

3.5 Provisions

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

3.6 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.

Notes to the Financial Statements

For the year ended 30 June 2022

3.7 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.

3.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Scheme has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Scheme's accounting policies and disclosure require the measurement of fair values, for both financial and non-financial assets and liabilities

When one is available, the Scheme measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Scheme uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Scheme measures assets and long positions at a bid price and liabilities and short position at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Scheme determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on valuation technique for which any unobservable input are judged to be insignificant in related to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

3.9 Earnings per unit (EPU)

The Scheme presents basic and diluted earnings per unit data for its ordinary units. Basic EPU is calculated by dividing the profit or loss attributable to unitholders of the Scheme by the weighted average number of units outstanding during the year. Diluted EPU is determined by adjusting the profit or loss attributable to unitholders and the weighted average number of unitholders outstanding after the effects of all dilutive potential units.

3.10 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.

3.11 Dividend distribution

Dividend distribution to the Scheme's unitholders and appropriation to reserve is recognised in the financial statements as a liability in the period in which these dividend are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, they are disclosed in the notes to the financial statements.

Notes to the Financial Statements

For the year ended 30 June 2022

3.12 Finance income and finance cost

The Scheme's finance income and finance costs include:

- interest income;
- interest expense; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Finance income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating finance income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4. INVESTMENT PROPERTY

Note	2022	2021
	----- (Rupees in '000) -----	
Carrying amount at the beginning of the year	56,334,197	50,413,476
Add: Unrealised gain on remeasurement of fair value of investment property	6,486,992	5,920,721
Carrying amount at the end of the year	4.1 62,821,189	56,334,197

- 4.1 The investment property comprise of buildings on leasehold land 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.

Rental income and marketing income earned from investment property for the year ended 30 June 2022 amounted to Rs. 3,574 million and Rs. 221 million (2021: Rs. 2,939 million and Rs. 147 million) respectively.

Direct operating expenses arising from investment property have been disclosed in note 18 to these financial statements.

- 4.2 The investment property has been valued by Tristar International Consultant (Private) Limited ('the Valuer') as at 30 June 2022 and 30 June 2021, who is independent valuer. The Valuer is enlisted with Pakistan Bank's Association and Pakistan Engineering Council and has experience in the location and category of the property being valued. 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:

	2022	2021
	----- (Rupees in '000) -----	
Cost approach	37,299,627	33,165,329
Sales comparison approach	78,561,058	70,951,198
Income capitalization approach - using capitalization rate of 6% (2021: 6%)		
(a) Valuer's assessment of rental income	63,019,291	57,168,543
(b) On projected Net Operating Income (NOI) based on existing rental agreements and expected rent for the vacant area	62,821,189	56,334,197

Notes to the Financial Statements

For the year ended 30 June 2022

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. 62,849 million (2021: Rs. 56,761 million).

The fair value measurement for the investment property has been categorised within Level 3 fair value hierarchy which is considered as highest and best use of investment property. The fair value has been carried out considering following inputs:

	2022	2021
	----- (Rupees in '000) -----	
Projected net operating income	3,769,271	3,380,052
Capitalization rate	6%	6%
Fair value	62,821,189	56,334,197

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 annual financial statements for the year ended 30 June 2021.

	Change in input	Effect on fair value	
		2022	2021
		----- (Rupees in '000) -----	
- Projected income (based on existing leasing contracts)	+ 5%	3,716,268	3,308,165
- Projected income (based on existing leasing contracts)	- 5%	(3,716,268)	(3,308,165)
- Projected operating costs	+ 5%	(575,208)	(491,455)
- Projected operating costs	- 5%	575,208	491,455
- Capitalization rate	+ 1%	(8,974,456)	(8,047,742)
- Capitalization rate	- 1%	12,564,238	11,266,839

5. RENT RECEIVABLES

	Note	2022	2021
		----- (Rupees in '000) -----	
Rent receivables		211,211	202,072
Less: impairment loss	5.2	(52,744)	(41,155)
	5.1	158,467	160,917

5.1 The ageing of the total rent receivables as at the reporting date is as under:

	2022			
	Weighted average loss rate	Gross	Impairment	Net
		----- (Rupees in '000) -----		
Not past due	0%	13,205	-	13,205
Past due 1 - 90 days	1%	81,542	735	80,807
Past due 91 - 180 days	11%	8,316	948	7,368
Past due over 180 days	47%	108,148	51,061	57,087
		211,211	52,744	158,467

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		2021		
	Weighted average loss rate	Gross	Impairment	Net
		----- (Rupees in '000) -----		
Not past due	0%	3,501	-	3,501
Past due 1 - 90 days	0%	58,484	-	58,484
Past due 91 - 180 days	0%	30,912	-	30,912
Past due over 180 days	38%	109,175	41,155	68,020
		202,072	41,155	160,917

5.1.1 The rent receivables from tenants are secured against the security deposits held by the Scheme.

5.1.2 Balances over 180 days includes sales tax amounting to Rs. 34.606 million (2021: Rs. 34.606 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 18 August 2017 disposed-off the petitions initiated on 31 July 2015 in 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, believes 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. On 13 June 2022, SHC vide CP No. D3694 granted stay order till next date of hearing that SRB shall not take any adverse action against the Scheme pursuant to impugned amendment. If the matter is decided in favour of the SRB, the total exposure in respect of sales tax as at 30 June 2022 is Rs. 629 million (2021: Rs. 519 million).

	2022	2021
	(Rupees in '000)	
5.2 Movement of impairment loss on rent receivables:		
Opening provision	41,155	41,155
Charge for the year	11,589	-
Closing provision	52,744	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 Rent receivables due from related parties:

	2022			
	Gross	Past due amount	Impairment	Net
	(Rupees in '000)			
Sindbad Wonder Land (Private) Limited	466	466	-	466
Al-Feroz (Private) Limited	86	86	-	86
Dolmen (Private) Limited	85	85	-	85
Retail Avenue (Private) Limited	66	66	-	66
	703	703	-	703

Notes to the Financial Statements

For the year ended 30 June 2022

	2021			
	Gross	Past due amount	Impairment	Net
	----- (Rupees in '000) -----			
Sindbad Wonder Land (Private) Limited	2,028	2,028	-	2,028
International Complex Project Limited	171	171	-	171
Retail Avenue (Private) Limited	66	66	-	66
	<u>2,265</u>	<u>2,265</u>	<u>-</u>	<u>2,265</u>

5.4 Ageing analysis of rent receivables from related parties:

	2022		
	Gross	Impairment	Net
	----- (Rupees in '000) -----		
Not past due	-	-	-
Past due 1 - 90 days	-	-	-
Past due 91 - 180 days	-	-	-
Past due over 180 days	703	-	703
	<u>703</u>	<u>-</u>	<u>703</u>
	2021		
	Gross	Impairment	Net
	----- (Rupees in '000) -----		
Not past due	-	-	-
Past due 1 - 90 days	1,563	-	1,563
Past due 91 - 180 days	-	-	-
Past due over 180 days	702	-	702
	<u>2,265</u>	<u>-</u>	<u>2,265</u>

5.5 The maximum aggregate amount due from the related parties at the end of any month during the year are as follows:

	2022	2021
	----- (Rupees in '000) -----	
Sindbad Wonder Land (Private) Limited	11,706	5,283
Al-Feroz (Private) Limited	86	-
Dolmen (Private) Limited	85	234
Retail Avenue (Private) Limited	66	748
International Complex Project Limited	-	171
	<u>11,943</u>	<u>6,436</u>

5.6 The balances from International Complex Project Limited has been divided equally into Al-Feroz (Private) Limited and Dolmen (Private) Limited in line with the scheme of arrangement (note 1.2).

6. ADVANCES AND DEPOSITS

	Note	2022	2021
		----- (Rupees in '000) -----	
Unsecured - considered good			
Advances	6.1	11,055	1,517
Security deposits		959	959
		<u>12,014</u>	<u>2,476</u>

6.1 This includes advance to CDCPL amounting to Rs. 2.73 million (2021: Rs. 0.67 million) for payment of unclaimed dividend to unit holders.

Notes to the Financial Statements

For the year ended 30 June 2022

7. ADVANCE TAX

Note	2022	2021
	----- (Rupees in '000) -----	
Advance tax	211,999	208,859
Provision for impairment	(4,728)	(4,728)
	207,271	204,131

- 7.1 This pertains to tax deducted by tenants due to unavailability of tax exemption certificate of the Scheme at the time of payment of rental and marketing income. The tenants whose receivables have been fully provided in the previous years, advance tax amounting to Rs. 4.728 million (2021: Rs. 4.728 million) pertaining to them has also been provided.

8. SHORT-TERM INVESTMENTS

Note	2022	2021
	----- (Rupees in '000) -----	
At amortized cost		
Term deposit receipts having original maturity		
- less than three months	617,589	600,000
- more than three months	43,978	40,729
	661,567	640,729

- 8.1 This represents term deposit receipts (TDRs) with an Islamic bank carrying expected profit rates ranging from 14.50% to 15.50% (2021: 6.75% to 7.30%) per annum with maturities upto 20 December 2022. These also include security deposits received by the Scheme from tenants which are kept in separate bank account in accordance with the requirements of section 217 of the Companies Act, 2017.

9. BANK BALANCES

Note	2022	2021
	----- (Rupees in '000) -----	
Saving accounts	950,206	734,285

- 9.1 This represents deposits held in riba free saving accounts carrying expected profit rates ranging from 3.5% to 15.0% (2021: 2.5% to 6.9%) per annum.

10. UNIT HOLDER'S FUNDS

10.1 Issued, subscribed and paid up units

2022	2021		2022	2021
----- Number of Units -----			----- (Rupees in '000) -----	
1,667,775,000	1,667,775,000	Ordinary units of Rs 10 each Fully paid for	16,677,750	16,677,750
555,925,000	555,925,000	consideration other than cash (against property)	5,559,250	5,559,250
2,223,700,000	2,223,700,000	Fully paid in cash	22,237,000	22,237,000

10.2 Pattern of unit holding

	2022		2021	
	Percentage	Units held	Percentage	Units held
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Dolmen (Private) Limited	37.5%	833,887,500	-	-
Al-Feroze (Private) Limited	37.5%	833,887,500	-	-
General Public	25%	555,925,000	25%	555,925,000
International Complex Projects Limited (ICPL)	-	-	75%	1,667,775,000
	100%	2,223,700,000	100%	2,223,700,000

Notes to the Financial Statements

For the year ended 30 June 2022

10.3 The units held by ICPL were transferred to its associated undertakings i.e. Dolmen (Private) Limited and Al-Feroze (Private) Limited, as per the scheme of arrangement (refer note 1.2).

10.4 These fully paid ordinary units carry one vote per unit and equal right to dividend.

11. CAPITAL RESERVES

11.1 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 30 June 2015 as permitted by section 81 of the Companies Act, 2017.

11.2 Fair value

The fair value reserve pertains to cumulative net changes in fair value of investment property which is not free for distribution by way of dividend.

	Note	2022	2021
		----- (Rupees in '000) -----	
12. PAYABLE TO REIT MANAGEMENT COMPANY			
Management fee payable		27,284	20,731
Sindh sales tax on management fee	12.1	5,234	4,382
	12.2	32,518	25,113

12.1 This includes an amount of Rs. 1.69 million (2021: Rs. 1.69 million) pertaining to sindh sales tax charged on Federal Excise Duty (FED) (refer note 14.3).

12.2 Under the provisions of REIT Regulations, 2015, RMC is entitled to a management fee as stated in the Offering Document and Information Memorandum. The management company charges fee at the rate of 3% of Net Operating Income (NOI) of the Scheme as per the Business Plan. The management fee is payable on quarterly basis in arrears. The Sindh Government has levied Sindh Sales Tax on the management fee of RMC through Sindh Sales Tax on Services Act 2011, effective from 01 July 2014. The current applicable sales tax rate is 13%, effective from 1 July 2016.

13. SECURITY DEPOSITS

This represents amounts received as security deposits from tenants of the investment property under tenancy agreements. These are maintained in a separate bank account and invested in term deposit receipts. In the current year, classification of security deposits has been changed and presented as current liabilities (note 29).

	Note	2022	2021
		----- (Rupees in '000) -----	
14. ACCRUED EXPENSES AND OTHER LIABILITIES			
Unearned rental income	14.1	135,077	75,038
Sales tax and withholding income tax payable		48,375	45,093
Payable to associated undertakings	14.2	33,252	22,444
Monitoring fee payable to SECP		22,237	22,237
Accrued expenses		17,420	16,134
Federal Excise Duty	14.3	11,980	11,980
Trustee fee	14.4	5,138	15,054
Takaful fee		599	1,781
Shariah advisory fee		124	124
Other liabilities		10,841	7,390
		285,043	217,275

Notes to the Financial Statements

For the year ended 30 June 2022

14.1 This represents advance rent received by the Scheme from various tenants.

14.2 Payable to associated undertakings

	Note	2022	2021
		(Rupees in '000)	
Dolmen Real Estate Management (Private) Limited		31,353	20,625
Al-Feroz (Private) Limited	5.6	950	-
Dolmen (Private) Limited	5.6	949	-
International Complex Projects Limited	5.6	-	1,899
		33,252	22,524

14.3 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the management fee 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 Honorable SHC through its order dated 2 June 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 of Pakistan from 01 July 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 30 June 2016 vide 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 2 June 2016, which is pending for decision. With effect from 01 July 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 (2021: 11.980 million) has been retained in these financial statements.

14.4 The Trustee is entitled to an annual fee for services rendered upto 0.6% of the annual NOI under the provisions of the REIT Regulations, 2015. However, the Trustee charged annual fee at a rate of 0.5% of the annual NOI. The Sindh Government has levied Sindh Sales Tax on the Trustee fee through Sindh Sales Tax on Services Act 2011, effective from 01 July 2015. The current applicable rate is 13%, effective from 1 July 2016.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There are no contingencies as at 30 June 2022 except as disclosed in note 5.1.2 to these financial statements.

15.2 Commitments

There are no commitments as at 30 June 2022 and 30 June 2021.

16. RENTAL INCOME

	Note	2022	2021
		(Rupees in '000)	
Minimum rent		3,500,974	2,874,743
Percentage rent	16.1	72,690	63,918
		3,573,664	2,938,661

16.1 This represents rent charged to tenants based on the percentage of sales made over and above the minimum rent.

17. MARKETING INCOME

		2022	2021
		(Rupees in '000)	
Marketing income		230,178	153,767
Less: sales tax on marketing income		(8,642)	(6,374)
		221,536	147,393

Notes to the Financial Statements

For the year ended 30 June 2022

18. ADMINISTRATIVE AND OPERATING EXPENSES	Note	2022	2021
		----- (Rupees in '000) -----	
Property management fee	18.1 & 18.4	244,138	200,939
Ancillary income collection fee	18.1 & 18.4	35,425	25,816
Marketing expenses	18.4	49,968	30,170
Common area maintenance charges	18.4	46,347	48,125
Renovation expense	18.4	40,014	34,619
Takaful fee	18.4	27,311	17,244
SECP monitoring fee	18.2	22,237	22,237
Property and advertisement taxes	18.4	17,303	12,374
Legal and professional charges		8,488	15,206
Auditors' remuneration	18.3	4,574	2,336
Utility expenses	18.4	1,235	1,276
Shariah advisory fee		249	249
Others		7,492	11,093
		504,781	421,684

18.1 Property management fee and ancillary income collection fee are charged by Dolmen Real Estate Management (Private) Limited as a Property Manager.

18.2 Under the provision of REIT Regulations, 2015, the Scheme is required to pay an annual fee to SECP equal to 0.1% of initial REIT Fund.

18.3 Auditors' remuneration	Note	2022	2021
		----- (Rupees in '000) -----	
Fee for annual audit		2,000	1,200
Fee for the review of condensed interim financial statements		600	500
Fee for review of code of corporate governance		200	100
Certifications / others		1,200	175
Out of pocket expenses		235	188
		4,235	2,163
Sindh Sales Tax		339	173
		4,574	2,336

18.4 These represent direct operating expenses arising from investment property.

19. OTHER INCOME	Note	2022	2021
		----- (Rupees in '000) -----	
Profit on bank deposits and TDRs	8.1 & 9.1	126,748	86,611
Reversal of accruals - expenses no more payable		-	43,661
		126,748	130,272

20. TAXATION

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.

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 31). Accordingly, no tax provision has been made in these financial statements for the year ended 30 June 2022.

Notes to the Financial Statements

For the year ended 30 June 2022

21. EARNINGS PER UNIT - BASIC AND DILUTED	Note	2022	2021
		----- (Rupees in '000) -----	
Profit for the year		9,762,893	8,609,987
		----- (Number of units) -----	
Weighted average number of ordinary units at 30 June	10.1	2,223,700,000	2,223,700,000
		----- (Rupees) -----	
Earnings per unit- basic and diluted	21.1	4.39	3.87
21.1 Earnings per unit comprises as follows:		----- (Rupees) -----	
Distributable Income - earnings per unit		1.47	1.21
Undistributable unrealised fair value gains - earnings per unit		2.92	2.66
	21.1.1	4.39	3.87

21.1.1 Under the provisions of the Trust Deed, the amount available for distribution shall be total of income and realised gain net off expenses. Accordingly, unrealised fair value gain is undistributable.

21.1.2 There is no impact of dilution on earnings per unit as the Scheme did not have any convertible instruments in issue as at 30 June 2022 and 30 June 2021 which would have had any effect on the earnings per unit if the option to convert had been exercised.

22. CASH AND CASH EQUIVALENTS	Note	2022	2021
		----- (Rupees in '000) -----	
Short-term investments	8	617,589	600,000
Bank balances	9	950,206	734,285
		1,567,795	1,334,285

23. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

23.1 As per REIT Regulations, 2015, the services provided under REIT Regulations, 2015 or the Trust Deed or Offering Document, by the RMC, Trustee, Valuer, Property Manager are not deemed related party transactions.

23.2 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, Dolmen Real Estate Management (Private) Limited, being Property Manager and connected person, associated companies, directors and key executives of the RMC, trustee, valuer and promoter of RMC including their close relatives.

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 parties with respect to the Scheme.

There are no related parties incorporated outside Pakistan with whom the Scheme had entered into transactions during the year.

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 30 June 2022

23.3 Transactions during the year:

Name of the related party	Relationship and percentage unitholding	Transactions during the year	2022	2021
			----- (Rupees in '000) -----	
Dolmen Real Estate Management (Private) Limited	Property Manager	Common area maintenance charges	46,347	48,125
		Common area maintenance paid	39,590	63,385
		Expenses incurred on behalf of the Scheme	919	1,017
		Reversal of accrual	-	10
		Reimbursement of expenses incurred on behalf of the Scheme	918	874
International Complex Projects Limited	Common directorship (2021: Parent company holding 75% units)	Rental income	23,461	48,416
		Rentals received	23,461	48,416
		Dividend paid	1,100,732	1,851,230
Retail Avenue (Private) Limited	Common directorship	Rental income	10,851	8,672
		Rentals received	10,851	9,033
Al-Feroz (Private) Limited	Associated company holding 37.5% units (2021: Common directorship)	Rental income	16,423	-
		Rentals received	16,423	-
		Dividend paid	633,755	-
Dolmen (Private) Limited	Associated company holding 37.5% units (2021: Common directorship)	Rental income	16,423	-
		Marketing Income	-	468
		Rentals received	16,423	468
		Dividend paid	633,755	-
Sindbad Wonderland (Private) Limited	Common directorship	Rental income	45,755	18,496
		Rentals received	47,317	16,934
Arif Habib Dolmen REIT Management Limited	Management Company	Expenses incurred on behalf of the Scheme	1,485	-
		Reimbursement of expenses incurred on behalf of the Scheme	1,434	-

Notes to the Financial Statements

For the year ended 30 June 2022

23.4 Balances outstanding at the year end:

Name of the related party	Relationship and percentage unitholding	Transactions during the year	2022	2021
			----- (Rupees in '000) -----	
Dolmen Real Estate Management (Private) Limited	Property Manager	Common area maintenance charges	8,845	2,088
		Expenses payable incurred on behalf of the Scheme	1,783	1,782
		Payable of withheld security deposit of tenants	458	458
			-	171
International Complex Projects Limited	Common directorship (2021: Parent company holding 75% units)	Rent receivable	-	171
		Net payable in respect of purchase consideration of investment property	-	1,819
		Payable against purchase of equipment for maintenance	-	80
			86	-
Al-Feroz (Private) Limited	Associated company holding 37.5% units (2021: Common directorship)	Rent receivable	86	-
		Net payable in respect of purchase consideration of investment property	910	-
		Payable against purchase of equipment for maintenance	40	-
			85	234
Dolmen (Private) Limited	Associated company holding 37.5% units (2021: Common directorship)	Rent receivable	85	234
		Net payable in respect of purchase consideration of investment property	909	-
		Payable against purchase of equipment for maintenance	40	-
			66	66
Retail Avenue (Private) Limited	Common directorship	Rent receivable	66	66
Sindbad Wonderland (Private) Limited	Common directorship	Rent receivable	466	2,028
Arif Habib Dolmen REIT Management Limited	Management Company	Expenses payable incurred on behalf of the Scheme	51	-

Notes to the Financial Statements

For the year ended 30 June 2022

24. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITY

	Unclaimed dividend	
	2022	2021
	----- (Rupees in '000) -----	
Balance as at 1 July	11,800	15,203
Changes from financing cash flows		
Dividend paid	(3,156,219)	(2,471,710)
Liability - related other changes		
Dividend declared	3,157,654	2,468,307
Balance as at 30 June	13,235	11,800

25. FINANCIAL RISK MANAGEMENT

25.1 Financial risk management framework

The Scheme's activities are exposed to a variety of financial risks namely credit risk, liquidity risk, and market risk. The Scheme manage these risk 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 Regulation, 2015 and directives of the SECP. The Board of Directors of RMC supervises the overall risk management approach within the Scheme.

25.2 Credit Risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Scheme attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties and arises principally from the Scheme's rent receivables, security deposits, short-term investments and deposits with banks.

The carrying amount of the financial assets represents maximum exposure to credit risk as at 30 June:

	2022	2021
	----- (Rupees in '000) -----	
Financial Asset		
Rent receivables	158,467	160,917
Security deposit*	959	959
Accrued profit on deposits	8,671	7,489
Short-term investments	661,567	640,729
Bank balances	950,206	734,285
	1,779,870	1,544,379

* Advances that are not financial assets amounting to Rs. 11 million (2021: 1.5 million) are not included.

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.

The exposure of credit risk and ECL relating to rent receivables and impairment loss on rent receivables have been disclosed in note 5 to these financial statements.

The Scheme has placed its funds (i.e. short-term investments and bank balances) with banks having sound credit ratings. The credit quality of Scheme's major balances can be assessed with reference of external credit ratings as follows:

Notes to the Financial Statements

For the year ended 30 June 2022

Bank	Rating Agency	Short term rating	Long term rating	(Rupees in '000)	% of total balance
National Bank of Pakistan	PACRA	A-1+	AAA	746,518	46.31%
Askari Bank Limited	PACRA	A-1+	AA+	672,055	41.70%
Dubai Islamic Bank	VIS	A-1+	AA	183,129	11.36%
Habib Bank Limited	VIS	A-1+	AAA	7,084	0.44%
Faysal Bank Limited	PACRA	A-1+	AA	2,231	0.14%
Bank Al Habib Limited	PACRA	A-1+	AAA	733	0.05%
United Bank Limited	VIS	A-1+	AAA	15	0.00%
Meezan Bank Limited	VIS	A-1+	AAA	8	0.00%
				<u>1,611,773</u>	<u>100%</u>

25.3 Liquidity risk

Liquidity risk is the risk that the Scheme will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Scheme's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Scheme's reputation.

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

	2022			
	Carrying amount	Contractual cash flows	One year or less	More than one year
Financial liabilities	(Rupees in '000)			
Payable to REIT Management Company	32,518	32,518	32,518	-
Security deposits	459,297	459,297	459,297	-
Accrued expenses and other liabilities*	89,611	89,611	89,611	-
Unclaimed dividend	13,235	13,235	13,235	-
	<u>594,661</u>	<u>594,661</u>	<u>594,661</u>	<u>-</u>

* Other liabilities that are not financial liabilities (unearned rental income, sales tax and withholding income tax payable and Federal Excise Duty amounting to Rs. 135 million, 48 million and 12 million respectively) are not included.

	2021			
	Carrying amount	Contractual cash flows	One year or less	More than one year
Financial liabilities	(Rupees in '000)			
Payable to REIT Management Company	25,113	25,113	25,113	-
Security deposits	405,983	405,983	405,983	-
Accrued expenses and other liabilities*	85,164	85,164	85,164	-
Unclaimed dividend	11,800	11,800	11,800	-
	<u>528,060</u>	<u>528,060</u>	<u>528,060</u>	<u>-</u>

*Other liabilities that are not financial liabilities (unearned rental income, sales tax and withholding income tax payable and Federal Excise Duty amounting to Rs. 75 million, 45 million and 12 million respectively) are not included.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The Scheme manages liquidity risk by maintaining sufficient cash in bank accounts. At 30 June 2022, the Scheme had financial assets of Rs 1,780 million (2021: Rs 1,544 million), which include Rs 950 million (2021: Rs 734 million) of cash placed in bank accounts.

Notes to the Financial Statements

For the year ended 30 June 2022

25.4 Market risk

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

25.5 Currency risk

Currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate due to changes in foreign exchange rates. It arises where receivables and payable exist due to transactions in foreign currency. The Scheme is not exposed to currency risk as of reporting date. There are no foreign currency denominated financial instruments held by the Scheme.

25.6 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure arises from bank balances and investments in term deposit receipts (TDRs) in profit or loss.

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:

Sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as carried out in June 2021.

	Profit or loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
As at 30 June 2022	(Rupees in '000)			
Cash flow sensitivity - variable rate instruments	16,118	(16,118)	16,118	(16,118)
As at 30 June 2021				
Cash flow sensitivity - variable rate instruments	13,750	(13,750)	13,750	(13,750)

25.7 Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Scheme is not exposed to other price risk.

26. CAPITAL RISK MANAGEMENT

Management's objective when managing unit holder's 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 realized gains as per trust deed to its unit holders and to ensure reasonable safety of unit holder's funds. The Scheme is not exposed to externally imposed minimum unit holder's maintenance requirement.

The Scheme manages its investment property and other assets by monitoring return on net assets and makes adjustment to it in the light of changes in market conditions. The Scheme also manages its capital using a gearing ratio. The gearing ratio of the Scheme is as follows:

Notes to the Financial Statements

For the year ended 30 June 2022

	2022	2021
	----- (Rupees in '000) -----	
Debt	-	-
Total unit holders' fund	64,029,292	57,424,053
Total capital	64,029,292	57,424,053
Gearing ratio	-	-

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

When measuring the fair value of an asset or a liability, the Scheme uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

27.1 Accounting classifications and fair values of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		2022					Fair value			
		Carrying amount				Total	Level 1	Level 2	Level 3	Total
Note		Financial assets 'at fair value through other comprehensive income'	Financial assets 'at fair value through profit or loss'	Financial assets 'at amortised cost'	Other financial liabilities					
----- (Rupees in '000) -----										
Financial assets - not measured at fair value										
Rent receivables	27.1.1	-	-	158,467	-	158,467				
Security deposit	27.1.1	-	-	959	-	959				
Accrued profit on deposits	27.1.1	-	-	8,671	-	8,671				
Short-term investments	27.1.1	-	-	661,567	-	661,567				
Bank balances	27.1.1	-	-	950,206	-	950,206				
		-	-	1,779,870	-	1,779,870				
Financial liabilities - not measured at fair value										
Payable to REIT										
Management Company	27.1.1	-	-	-	32,518	32,518				
Security deposits	27.1.1	-	-	-	459,297	459,297				
Accrued expenses and other liabilities	27.1.1	-	-	-	89,611	89,611				
Unclaimed dividend	27.1.1	-	-	-	13,235	13,235				
		-	-	-	594,661	594,661				

For the year ended 30 June 2022

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Notes to the Financial Statements

For the year ended 30 June 2022

29. SECURITY DEPOSITS - CORRECTION OF ERROR

Upto 30 June 2021, the security deposits received from tenants / Lessees were erroneously classified as non-current liabilities based on term of the lease / rent agreements. International Accounting Standard 1 - "Presentation of Financial Statements" (IAS-1) requires that an "entity shall classify a liability as current when the liability is due to be settled within twelve months after the 'reporting period; or it does not have an unconditional right to defer settlement of the liability for at least twelve 'months after the reporting period".

During the current year, the requirements of IAS-1 for classification of liabilities between current and non-current have been reconsidered as it was noted that these security deposits are adjustable with dues or any amount due from tenants / lessees at any point of time and cancelable period of lease / rent agreement is generally not more than three months. Accordingly, due to the nature of the security deposits the classification of the security deposits has been changed and presented as current liabilities as at 30 June 2022 with retrospective effect and accordingly comparatives have been restated.

	30 June 2021			1 July 2020		
	As previously reported	Impact due to change	As restated	As previously reported	Impact due to change	As restated
	(Rupees in '000)					
Effect on statement of financial position						
Security Deposit - Non-current Liabilities	245,671	(245,671)	-	204,398	(204,398)	-
Security Deposit - Current Liabilities	160,312	245,671	405,983	198,348	204,398	402,746

There is no impact on the Scheme statement of profit or loss, statement of comprehensive income, statement of changes in unit holders' fund or statement of cash flows.

30. RECLASSIFICATION OF COMPARATIVES

The reserves have been classified into capital and revenue reserves in accordance with the requirements of Fourth Schedule of Companies Act, 2017 and the advance tax has been presented as a separate line item in accordance with the requirements of IAS 1. Details of the reclassification of the corresponding figures is as follows:

	30 June 2021			1 July 2020		
	As previously reported	Impact	As stated	As previously reported	Impact	As stated
	(Rupees in '000)					
Effect on statement of financial position						
Advances and deposits	206,607	(204,131)	2,476	282,859	(266,437)	16,422
Advance tax	-	204,131	204,131	-	266,437	266,437
Reserves	35,187,053	(35,187,053)	-	29,045,373	(29,045,373)	-
Capital Reserves	-	34,378,543	34,378,543	-	28,457,822	28,457,822
Revenue Reserve	-	808,510	808,510	-	587,551	587,551

The above reclassifications have no impact on the statement of profit or loss, statement of comprehensive income, statement of changes in unit holders' fund or statement of cash flows.

Notes to the Financial Statements

For the year ended 30 June 2022

31. EVENTS AFTER REPORTING DATE

The Board of Directors of the RMC in their meeting held on 7 July 2022 have declared and approved an final cash dividend for the year ended 30 June 2022 of Re. 0.41 per unit (2021: Re. 0.33 per unit) amounting to Rs 911.72 million (2021: Rs. 733.82 million). The financial statements do not include the effect of above announcement which will be accounted for in the financial statements of the Scheme for the year ending 30 June 2023.

32. DATE OF AUTHORISATION FOR ISSUE

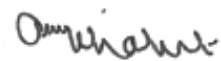
These financial statements were authorized for issue by the Board of Directors of the REIT Management Company on September 28, 2022.



Chief Financial Officer



Chief Executive Officer



Director



ملحقہ پارٹیوں کے سودے

REIT کے ضوابط اور ادارتی نظم و ضبط کی ضروریات کی پاسداری کرتے ہوئے DCR نے ملحقہ پارٹیوں کے ساتھ تمام سودے 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۔ ملحقہ پارٹیوں کے ساتھ سودوں کو آڈٹ شدہ مالیاتی گوشواروں کے نوٹ 23 میں منکشف کیا گیا ہے۔

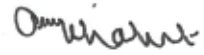
اعتراف

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 پر ان کے مشکور ہیں۔ ہم انتظامی ٹیم کی کوششوں کا اعتراف کرتے ہیں۔

برائے ومنجانب



محمد اعجاز
چیف ایگزیکٹو



عارف حبیب
چیرمین

کراچی

28 ستمبر 2022

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 KPMG تاثیر ہادی اینڈ کو چارٹرڈ اکاؤنٹنٹس سکدوش ہو جائیں گے اور اہلیت کے باعث انہوں سال 30 جون 2023 کے لئے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ بیرونی آڈیٹرز کو انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت تسلی بخش ریٹنگ حاصل ہے۔ RMC کی آڈٹ کمیٹی کی تجویز پر RMC کے بورڈ نے میسرز ڈیلاٹ یوسف عادل اینڈ کو چارٹرڈ اکاؤنٹنٹس کی DCR کے آڈیٹرز کی حیثیت سے مالیاتی سال 30 جون 2023 کے لئے باہمی طے شدہ فیس پر تقرری کی سفارش کی 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 مکمل ہو گئی تھی اور تمام ڈائریکٹر سکدوش ہو گئے تھے۔ ڈائریکٹران کے نئے انتخابات 26 اکتوبر 2021 کو منعقد ہوئے اور بورڈ کی جانب سے ڈائریکٹران کی طے کردہ تعداد (8 ڈائریکٹران) بلا مقابلہ منتخب ہوئی۔ مزید برآں چیئرمین، چیف ایگزیکٹو اور بورڈ کی ذیلی کمیٹیوں میں اسی تاریخ کو تقرریاں کی گئیں۔

میزانے کے بعد کے واقعات

30 جون 2022 سے لے کر اس رپورٹ کی تاریخ تک کوئی اہم تبدیلیاں رونما نہیں ہوئی سوائے حتمی منافع منقسمہ کے اعلان کے جسے 0.41 روپے فی یونٹ یعنی 4.1 فیصد کے حساب سے تقسیم کیا گیا تھا۔ اس کے علاوہ عبوری منافع منقسمہ 1.09 روپے فی یونٹ یعنی 10.9 فیصد کے حساب سے اعلان اور تقسیم کیا گیا۔ اس کے اثرات کی عکاسی اگلے سال کے مالیاتی گوشواروں میں ہوگی۔

انسانی وسائل اور معاوضہ کمیٹی

مخترمہ طیبہ رشید	چیئر پرسن
جناب عبدالصمد اے حبیب	ممبر
جناب ساجد اللہ شیخ	ممبر
جناب محمد اعجاز	ممبر

یونٹ ہولڈنگ کی ساخت

DCR کے یونٹس پاکستان اسٹاک ایکسچینج میں لسٹڈ ہیں۔ 30 جون 2022 کو DCR کے 4345 یونٹ ہولڈرز تھے۔ یونٹ ہولڈنگ کی تفصیلی ساخت اور DCR کی یونٹ ہولڈنگ کی اقسام بشمول ڈائریکٹران اور ایگزیکٹو اگر کوئی ہوں تو بطور منسلک II شامل کی گئی ہیں۔

30 جون 2022 کو DCR کی یونٹ داری کی ساخت اس رپورٹ کے منسلک II میں موجود ہے۔

یونٹ ہولڈرز کی اقسام	یونٹوں کی تعداد	%
ڈائریکٹران	16,093,982	0.72
ملحقہ کمپنیاں	1,705,112,500	76.68
ایگزیکٹو	-	0.00%
NIT اور ICP	-	0.00%
بینک، DFIs، NBFCs	322,589,333	14.51
انشورنس کمپنیاں	7,519,018	0.34
مضاربہ اور میوچل فنڈز	2,514,500	0.11
عام عوام		
- مقامی	149,306,235	6.71
- غیر ملکی	1,601,582	0.07
دیگر	18,962,850	0.85
کل	2,223,700,000	100%

مزید جب اور جیسے بورڈ کسی نان ایگزیکٹو ڈائریکٹر کو کوئی اضافی کردار اور ذمہ داریوں 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 8

(b) خواتین 1

تشکیل بندی

نام	عہدہ
جناب عارف حبیب	چیئر مین
جناب ندیم ریاض	نان ایگزیکٹو ڈائریکٹر
جناب نعیم الیاس	آزاد ڈائریکٹر
محترمہ طیبہ رشید	آزاد ڈائریکٹر
جناب محمد نعمان اختر	آزاد ڈائریکٹر
جناب عبدالصمد اے حبیب	نان ایگزیکٹو ڈائریکٹر
جناب فیصل ندیم	نان ایگزیکٹو ڈائریکٹر
جناب ساجد اللہ شیخ	نان ایگزیکٹو ڈائریکٹر
جناب محمد اعجاز	چیف ایگزیکٹو آفیسر

بورڈ کی کمیٹیاں

آڈٹ کمیٹی

جناب نعیم الیاس	چیئر مین
جناب عبدالصمد اے حبیب	ممبر
جناب ساجد اللہ شیخ	ممبر
جناب محمد نعمان اختر	ممبر

ڈائریکٹر کا نام	بورڈ کے اجلاس	آڈٹ کمیٹی	انسانی وسائل اور معاوضہ کمیٹی
مسٹر عارف حبیب	2	-	-
مسٹر ندیم ریاض	4	-	-
مسٹر نعیم الیاس	8	5	-
مس طیبہ رشید	8	-	1
مسٹر محمد نعمان اختر	2	-	-
مسٹر صہماے حبیب	5	3	1
مسٹر فیصل ندیم	7	-	-
مسٹر ساجد اللہ شیخ	8	3	1
مسٹر محمد اعجاز	8	-	1
جن ڈائریکٹران نے سال کے دوران استعفیٰ دے دیا			
مسٹر نسیم بیگ	6	-	-
مسٹر مرزا محمود	1	-	-
مسٹر قمر حسین	2	2	-

* مسٹر عارف حبیب اور مسٹر محمد نعمان اختر بطور ڈائریکٹر 11 جنوری 2022 اور 17 مارچ 2022 کی بالترتیب تقرری کی گئی۔

ڈائریکٹران کا معاوضہ

نان ایگزیکٹو ڈائریکٹران (بشمول آزاد ڈائریکٹران) سوائے ان ڈائریکٹران کے جو عارف حبیب گروپ کی دیگر کمپنیوں میں بطور ایگزیکٹو ڈائریکٹران 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۔

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 2.5 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 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۔

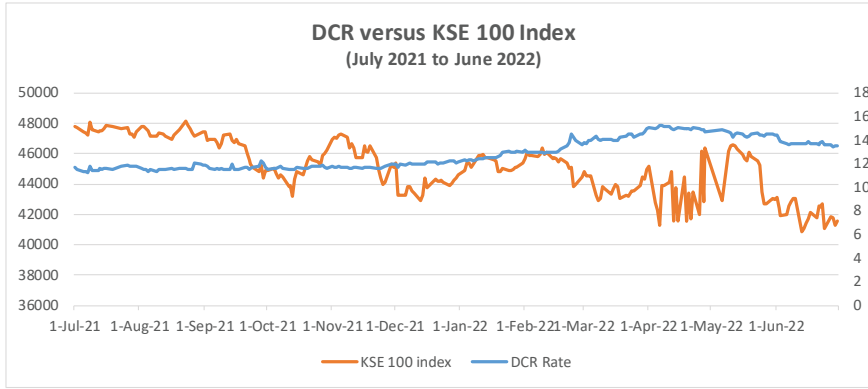
DCR کی ہمیشہ کوشش رہی ہے کہ بہتر ادارتی نظم و ضبط کے لئے شفاف اور درست طور طریقے اختیار کرے۔

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 ختم 30 جون 2022 کے دوران بورڈ کے چھ (08) اجلاس ہوئے۔ آڈٹ کمیٹی کے چار (05) 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 آئے گی۔ تاہم ایسی پیشہ میوں میں سہولیات پر تصفیہ کرنا پڑے گا تاکہ 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 منفعیت میں مسابقت پیدا ہوگی تاہم طویل مدت میں REIT کے یونٹ مستحکم منفعیت فراہم کریں گے اور افراط زر کی تلافی کرتے ہوئے سرمایہ کاروں کی منفعیت میں مسلسل اضافہ ہوگا۔ (iii) موجودہ کرایہ داروں کی نادر ہندگی 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۔

مستقبل کی پیش بینی

ملک بھر میں دفاتر اور خوردہ فروشی کے لئے ڈالمین سٹی ایک علامتی نشان رہا۔ کووڈ کے اوقات میں کرایہ داروں کی آمدورختی اور ملک کے لئے دشوار گزار معاشی حالات اب ختم ہو گئے ہیں اور مال اور دفاتر دونوں میں کرایہ داری مستحکم ہے جو کہ اپنی بہترین سکونت کے ساتھ ہے۔

جائیداد کے پیشہ ورانہ انتظام، لیز کی طویل مدتیں، وسیع مارکیٹنگ سرگرمیاں، کرایہ داروں کا ایک صحت مند مرکب اور مالک اور کرایہ دار کے درمیان بہترین تعلقات سے ہم توقع کرتے ہیں کہ ڈالمین سٹی خریداروں، خوردہ فروشوں اور کارپوریٹیشنز سب کے لئے پسندیدہ منزل رہے گی۔

پیشہ ورانہ انتظام کے ساتھ باریک بینی سے خریداری کی تقریبات کا انعقاد کی وجہ سے مال میں انسانی قدموں کی آمد تیزی سے کووڈ سے قبل کی سطح پر پہنچ رہی ہے۔ کیونکہ کووڈ نے ملک بھر میں ای کامرس کو ابھار دیا جس میں آن لائن شاپنگ بڑھ گئی، تاہم ڈالمین میں ”مال کے تجربات“، تسلسل کے ساتھ لوگوں کو کھینچتے رہے جس سے اس کی کسٹمر کے لئے خریداری کی پسندیدہ جگہ جگہ کی حیثیت برقرار رہی۔

مستقبل میں کرایہ جاتی آمدن مال کے آمدنی کا بنیادی محرک رہے گی۔

ٹرسٹی، RMC، شریعہ مشیر اور SECP نے 180 ڈگری کی احتیاط کی نگہبانی اور REIT ضوابط اور دیگر لاگو قوانین اور معیارات کی پاسداری کو یقینی بنایا۔ یہ عوامل DCR کے یونٹ ہولڈرز کو ایک فائدہ مند سرمایہ کاری فراہم کرتے رہیں گے۔

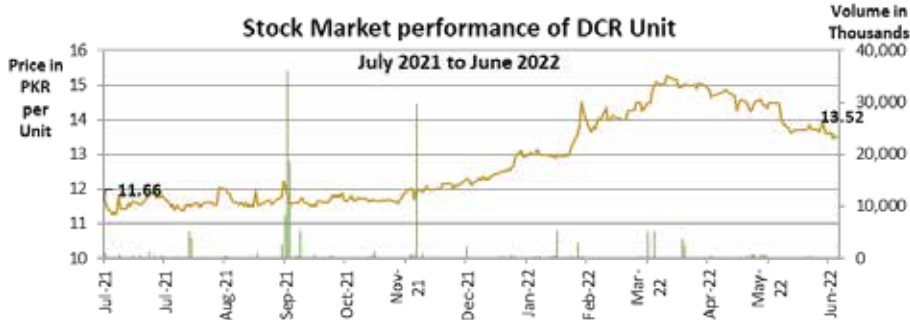
شریعت کی پاسداری

شریعت کے رہنما اصولوں کی پاسداری کے تحت فنڈ کے جائیداد کے کاروبار کو عالمی اور مشہور زمانہ ری تکافل سنڈکیٹ سے الحاق شدہ "A" ریننگ کی حامل پاکستانی کمپنیوں کی تکافل پالیسوں 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 پر اُس 12.79 روپے پر خرید و فروخت ہوئی (جو کہ گزشتہ سال اوسطاً 11.16 روپے تھی) اور بلند ترین 15.25 روپے اور کم ترین 11.29 روپے فی یونٹ رہی۔ اسی مدت کے دوران KSE100 انڈیکس 40,879.93 سے 48,112.21 کی حدود کے درمیان رہا۔ شدید اتار چڑھاؤ کی حامل مارکیٹ میں DCR کا یونٹ 0.03 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 3 فیصد تبدیلی رہی، بیٹا سے یہاں پر کم اتار چڑھاؤ اور لچک پذیری کی عکاسی ہوتی ہے) اور جس کا ہم تغیر مارکیٹ میں صرف 0.13 رہا (جو کہ پرخطر اثاثوں پر منفعت کی پیمائش ہے جس میں DCR کے اسٹاک کی کارکردگی کی مارکیٹ کی کارکردگی سے ہم ربط کم مثبت کی نشاندہی کرتا ہے)

سال مختتمہ 30 جون 2022 میں DCR کے فی یونٹ کی خالص اثاثی قدر (NAV) 28.79 روپے (یعنی 30 جون 2021 کو 25.82 روپے تھی) رہی۔ سال کے اختتام پر 30 جون 2022 کو یونٹ کی قیمت 13.52 روپے رہی جس میں خرید و فروخت اپنے NAV کے 53.03 فیصد رعایتی نرخ پر رہی۔



کاروباری ماحول

کراچی کی کاروبار جائیداد کی مارکیٹ کو کورونا میں عمومی معاشی سست روی کے بعد مستحکم انداز میں اٹھنا شروع ہوئی جس نے تمام شعبوں کو متاثر کیا تھا۔ اگرچہ کہ خرید و محتاط رہے خاص طور پر عدالتی نظام کی توجہ مشتبہ منظوریوں اور قابل اجازت زمین کے استعمال سے انحراف کی حامل جائیدادوں کو مسما کرنے پر رہی، تاہم ”صاف ستھری“ جائیدادوں کی طلب خاص طور پر رہائشی شعبہ میں بہترین رہی۔ روپے کی قدر میں کمی سے قیمتوں میں اتار چڑھاؤ دیکھا گیا اور اس کے نتیجے میں تعمیرات لاگت پر بھی اثرات پڑے۔ جامد آمدن کے نرخوں کو ایمنسٹی اسکیم کے تحت رجسٹر کیا گیا جن میں چند رہائشی مصنوعات جلد بازی میں مارکیٹ میں آگئیں جو کہ ہرجبٹ کی مصنوعات ہے۔

دفتر اور خوردہ فروشی کے شعبے میں نمونہ سبک دیکھی گئی یعنی رسد اور خرچ دونوں کے لحاظ سے۔ آمدن اور کاروباری منافع دشوار گزار معاشی ماحول میں زیریں رہے۔ حال ہی میں ان شعبوں میں بتدریج بحالی دیکھی گئی ہے خاص طور پر چھوٹے تجارتی دفاتر اور ٹیل آپشنز کی ہاؤسنگ اسکیموں میں۔

• پیگوٹ

• بانیک

• رنکو آریا

• چھانگن

• ہاول

سمسر پرائزز

سمسر پرائزز (10 جون تا 30 جون) ایک مہینہ کی طویل مہم ہے جو کہ ڈالمن مال میں منائی گئی جس کا مقصد موسم گرما کو بھرپور طور پر خوش آمدید کہنا اور اچھے انداز میں گزارنا ہے۔ یہ مہم کئی تقاریب میں تقسیم ہے جس میں میگو مانیا، یوم والد اور دیگر تقاریب شامل ہیں۔ ان تقاریب کے اہم مقاصد یہ ہیں: یہ تمام تقاریب اضافی انسانی قدموں کی آمد کی کامیاب مہم، کسٹمر کا تجربہ اور برانڈوں کی کاروبار میں اضافہ کرنا تھا۔ اہم جھلکیاں اور کششیں درج ذیل ہیں:

• موضوع سے متعلق ماحول

• فوٹو آپس

• لکی ڈراز

• اسٹال اور گیمز

منافع منقسمہ کی تقسیم

بورڈ آف ڈائریکٹرز نے سال کے پہلے نو ماہ میں 1.09 روپے فی یونٹ یعنی 10.91 فیصد کے حساب سے ہر سہ ماہی میں برابری کے تناسب سے منافع منقسمہ کا اعلان کیا اور اسے تقسیم کیا۔ سال کے اختتام پر بورڈ نے 0.41 روپے فی یونٹ یعنی 4.10 فیصد کے حتمی منافع منقسمہ کا اعلان کیا اور اسے تقسیم کیا۔ اس طرح مجموعی طور پر DCR نے کل منافع منقسمہ 1.5 روپے فی یونٹ کا اعلان کیا اور تقسیم کیا جس کی بنیاد مساواتی قدر تھی اور IPO سرمایہ کاروں کو 11 روپے کی اسٹرائٹ پرائس پر 13.63 فیصد منافع منقسمہ ادا کیا گیا۔ سال ختمہ 30 جون 2022 میں کل ادا شدہ منافع منقسمہ قابل تقسیم آمدنی 3,335.55 ملین روپے کا 101.82 فیصد رہا۔

پورے مال کو خوبصورتی کے ساتھ چھتوں، مہرابوں، سیٹ اپ اور تخلیقی اسٹائلز کے ذریعے سجایا گیا تاکہ یہ ایک خوبصورت میلہ نظر آئے۔
تقریب میں درج ذیل سرگرمیاں کی گئیں۔

• کلی ڈراز

• ڈالمین رمضان بازار

• فوٹو اوپس

• اسپنپ اینڈون

• شخصیات کی موجودگی

یوم متا

یوم متا کو 8 تا 15 مئی 2022 منایا گیا جس کا مقصد ماؤں کو خراج تحسین پیش کرنا اور ماں کی حیثیت سے ان کی لازوال قربانیوں کو اعتراف کرنا تھا۔ اس تقریب کو مال میں منانے کا مقصد ماں کی متانت تھا۔ اس تقریب کا مقصد مختلف سرگرمیوں پر مرکوز اور کسٹمر کا اعتماد بڑھانا تھا۔

☆ سجاوٹیں

☆ سیٹ اپ اور فوٹو آپس

☆ مختلف برانڈ کی سرگرمیاں

☆ ڈالمین میں مختلف فریم شدہ تصاویر

ڈالمین آٹوشو

ڈالمین آٹوشو کو بطور نئی تقریب ڈالمین کی تقاریب کے کیلنڈر میں شامل کیا گیا۔ اس تقریب کا بنیادی مرکز توجہ نئی گاڑیوں کو مال میں متعارف کروانے کے ساتھ نئی ایکٹویشن اسٹریم کو مال کے لئے فراہم کرنا ہے۔ یہ تقریب سال کی انتہائی مصروف کن تقریب رہی کیونکہ ہر شخص کاروں کا شائق ہے۔ تقریب کے شراکت داروں کو ان نئی متعارف کردہ گاڑیوں کی آزمائش کے لئے مفت سواری فراہم کی گئی۔ تقریب کے مندرجہ ذیل شراکت دار ہیں:

☆ ہونڈائی سوناٹا

لیٹینے والی وین چلائی گئی جس میں 5,000 روپے یا اس سے اوپر کی خریداری کرنے والے گاہک کو اپنے گفٹ ریپنگ پارٹنر ریب این رول کے ذریعے تحفے کو مفت پیک کرنے کی سہولت فراہم کی گئی۔

ہوم میٹس اسٹائل

کورونا وائرس کی پابندیوں کے دوران ڈالمن ہوم میٹس مال کے لئے ایک کامیاب تقریب رہی جس کا آغاز 24 فروری کو ہوا اور اختتام یکم مارچ 2022 کو ہوا۔ اس تقریب کا مقصد گھریلو سجاوٹ اور فرنیچر کی صنعت کے بہترین برانڈز کو ایک چھت کے نیچے لانا اور گاہکوں کو ایک مختلف برانڈز کے پلیٹ فارم کے ذریعے ماہرین سے باہمی ربط اور تحائف کے تھیلے جیتنے کی سرگرمیوں کے مواقع فراہم کرنا تھا۔ اس تقریب کا مقصد ڈالمن پر گاہکوں کے اعتماد کو بڑھانا تھا۔

عالمی یوم خواتین

اس سال یوم خواتین 4 مارچ 2022 سے شروع ہو کر 8 مارچ 2022 کو ختم ہوا۔ اس تقریب کا مقصد ہمارے معاشرے کی خواتین کو خراج تحسین پیش کرنا اور انہیں باختیار ہونے کا احساس دلانا ہے۔ ہم نے مرکزی ایوان میں اسٹائل قائم کر کے اپنی قابل قدر خاتون گاہکوں کو مکمل طور پر اس تقریب میں خوش آمدید کہا۔ اسٹائل میں خواتین کے لئے سرگرمیاں جیسے ایک لفافہ اٹھانے پر فوری تحائف کے ساتھ ساتھ 5000 روپے یا اس سے زیادہ خریداری پر ہر خاتون کے میک اپ کے لئے بیوٹی اسٹیشن بنایا گیا۔

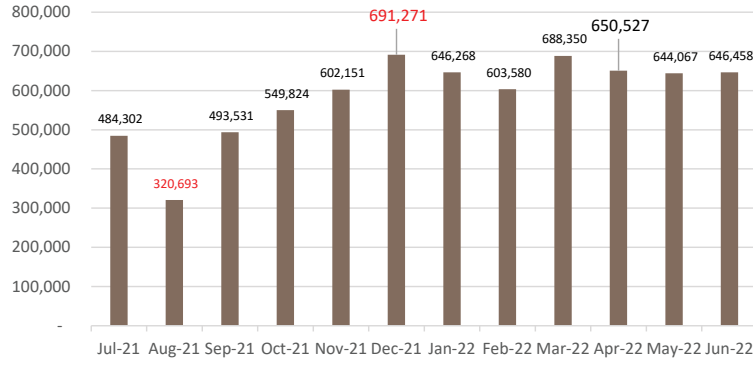
یوم پاکستان

23 مارچ کو ڈالمن مال میں پاکستانی شہریوں کے مابین حب الوطنی اور فخر کے احساس کو ابھارنے کے لئے منایا گیا۔ اس میں شرکاء کار کو ہمارے قومی ورثے پر مرکوز سرگرمیاں فراہم کی گئیں۔ تقریب کے دوران زیادہ تر کرایہ داروں کو بڑے پیمانے پر رعایتوں کی پیشکش کی گئیں جس کی وجہ سے انسانی قدموں کی آمد بلند رہی۔ تقریب کے دوران یوم پاکستان کے مرکزی ایوان میں ایک بڑا سیٹ اپ لگانے کے ساتھ فوری تحائف کی سرگرمیاں بھی منعقد کی گئیں۔ جھنڈا بلند کرنے اور کیک کاٹنے کی تقریب میں شراکت دار NGO اور شخصیات کی موجودگی نے اس تقریب کا یادگار بنایا۔

رمضان کریم

رمضان ایک مبارک مہینہ ہے اور دنیا بھر میں مسلمانوں کے لئے سب سے بڑا تہوار ہے۔ سال میں رمضان خریداری کا سب سے بڑا موسم ہے جو کہ ڈالمن مال کو ایک ایسی جگہ بناتا ہے جہاں پر خریدار موسم کے دوران ایک چھت کے نیچے متنوع اور مختلف برانڈز کو زیر غور رکھ سکتے ہیں۔ یہی نہیں بلکہ ڈالمن مال گاہکوں کی بہترین تسلی کے لئے مختلف قسم کے کھانے اور شاپنگ کے مواقع کے ساتھ امتیازہ افطار کی ڈیلز اور رمضان میں رعایتوں کے مواقع فراہم کرتا ہے۔

Dolmen City Mall - Monthly Footfall - FY22



ڈالمین کے کیلنڈر میں خوبصورتی میلہ ایک ایسی تقریب ہے جس کا سال بھر سب سے زیادہ انتظار کیا جاتا ہے جو کہ 15 اکتوبر 2021 سے 16 نومبر 2021 تک منعقد ہوئی اور اس سال بھی اسے کورونا SOPs گزشتہ سالوں کی اسی احساس اور جذبہ سے منایا گیا۔ اس تقریب کا مقصد خوبصورت اور ذاتی نگہداشت کی صنعت کے بہترین برانڈز کو ایک چھت کے نیچے لانا اور گاہکوں کو ایک ماہرین کے ساتھ باہمی ربط کے اور تحائف کے تھیلہ کو جیتنے کے لئے سرگرمیوں میں شرکت کے مواقع فراہم کرنا تھا۔ اس تقریب کا مقصد ڈالمین پر گاہکوں کے اعتماد کو بڑھانا تھا۔

ڈالمین شاپنگ فیسٹول

ڈالمین شاپنگ فیسٹول 28 نہ صرف ڈالمین مال کے لئے بلکہ پاکستان کی مال کی مکمل صنعت کے لئے سال سے سب سے بڑا خریداری کا میلہ ہے۔ خریداری کے ساتھ تفریح، بڑے بڑے اسٹال، جاذب نظر سجاوٹ اور لامحدود تحائف اس تقریب کے نمایاں پہلو تھے۔ DSF کا 28 واں میلہ 17 دسمبر 2021 تا 19 جنوری 2022 منایا گیا۔ تقریب درج ذیل پر مشتمل ہے:

☆ موضوع کے لحاظ سے مرکوز

☆ تخلیقی اور تجربی مواقع

☆ تفریح اور کھیل

☆ بیرونی مراسلت اور سماجی ربط

☆ لکی ڈراز اور سنسنی خیز تحائف

اس تقریب کا مقصد خریداروں کو بڑے پیمانے پر لکی ڈرا میں تحائف، کھیلوں اور تفریح سے نوازنا تھا۔ ان تمام کوششوں کا مرکز ڈالمین مال کو گاہکوں کے لئے ایک یادگار سفر بنانا تھا اور ان کی مزید خریداری پر حوصلہ افزائی کرنا تھا۔

پرفیکٹ پریزنٹ

پرفیکٹ پریزنٹ 8 سے 14 فروری 2022 تک منعقد ہوا جس میں موسمی تقریبات اندرونی مال کی سرگرمیوں میں شامل کی گئیں۔ اس تقریب نے نئے موسم کو مکمل خوش آمدید کہا جو ہر ایک کے لئے خوشیاں لایا۔ اس تقریب کا مقصد مال میں خریداری کے تجربے کے لئے پرکشش ماحول فراہم کرنا تھا۔ مال کو خوبصورتی سے سجایا گیا تھا اور تقریب کے مختلف شراکت داروں کے اسٹالز کے ذریعے تقریب کی مجموعی کامیابی میں اہمیت پیدا کی گئی۔ تقریب کا بنیادی مقصد برانڈز کے لئے پلیٹ فارم بنانا جہاں پر وہ شائقین کے لئے تحائف کے مختلف انتخابات پیش کر سکیں۔ ڈالمین مال میں گاہکوں کے دورس خریداری کے احساس کو پیدا کرنے کے لئے ایک خوبصورت تحائف کو

عید الاضحیٰ

عید الاضحیٰ زبردست مذہبی فریضہ جو کہ ملک بھر میں منایا جاتا ہے۔ یہ تقریب 12 جولائی 2021 تا 24 جولائی 2021 کو منعقد ہوئی۔ اس مہم کا مقصد عید کے میلے میں ایک بہترین انداز سے شرکت کرنا اور اس موقع پر انسانی قدموں کو کشش کے مواقع فراہم کرنا تھا تاکہ کسٹمرز کی آمد میں بہتری ہو۔ اس سال میں بہت شاندار سجاوٹ کی گئی۔

یوم آزادی

14 اگست کی یوم آزادی کی تقریبات ڈالمین مالز کے آغاز سے ہی ایک علامتی تقریب رہی ہے۔ تاہم کووڈ اور حکومت کی پابندیوں کی وجہ سے ہم نے نسبتاً کم تقریبات منعقد کیں۔ SOPs کو یقینی بنانے کے لئے ہم نے تقریب کو فوٹو سیشن اور مسجور کن سجاوٹ تک محدود رکھا اور قریبی رابطوں کی سرگرمیوں سے گریز کیا۔ اس منصوبہ سے ہمارے کسٹمرز کو مدت کے دوران ایک خوش کن اور حب الوطنی کا احساس ملا۔ کسٹمرز کو کئی ڈراز اور ڈالمین مالز کے سوشل میڈیا کے ذریعے شاندار انعامات جیتنے کے مواقع فراہم کئے گئے۔

یوم دفاع:

6 ستمبر یوم دفاع کو 1965 میں افواج پاکستان کی قربانیوں کی یاد میں منایا جاتا ہے۔ ہم نے اس تقریب کو یوم دفاع کے موضوع کے لحاظ سے بہترین سجاوٹ کے ساتھ مکمل جوش و جذبہ سے منایا۔ تقریب کے دوران درج ذیل سرگرمیاں منعقد ہوئیں:

- تصاویر کی نمائش
- بچوں میں فن کا مقابلہ

ڈالمین وہیلز آن شو

سال 2021-22 میں ڈالمین وہیلز آن شو باہمی رابطہ کی انتہائی بہترین تقریب رہی جو کہ 20 ستمبر 2021 تا 29 ستمبر 2021 منعقد ہوئی۔ کووڈ کے خطرے اور خوف کے باوجود گاہکوں نے سرکاری SOPs پر عمل کرتے ہوئے اس تقریب کی لاجواب ستائش کی۔

”ڈالمین آٹو شو“ کے پیچھے سائیکلوں، کاروں، بانیکوں اور دیگر موٹر گاڑیوں کی نمائش کا تصور کارفرما تھا جس میں گاڑیوں کے شائقین کو دعوت دی گئی تھی تاکہ وہ مختلف آٹو موبائل سروسز برانڈ، کاروں کی بہترین نمائش، پراسٹال بانیکوں اور سائیکلوں کے انتخابات کو ایک چھت کے نیچے تلاش کر سکیں۔

یہ تقریب درج ذیل پر مشتمل تھی:

- اعلیٰ اور بہترین کاروں کی نمائش
- کاروں کے لوازمات
- اعلیٰ بانیکوں کی نمائش
- پہیہ گھماؤ اور قسمت سے انعام جیتو

ڈالمین میں اپنے آپ کو خوبصورت بناؤ

DCR کا کرایہ جاتی پروفائل

موجودہ جائیداد قابل اعتماد کرایہ داروں پر مشتمل ہے (زیادہ تر عالمی برانڈز اور کثیر القومی کارپوریشنز ہیں) جو کہ تیز ترین نقد آمدن کا رہی ہیں۔ ڈالین مال کلفٹن میں ہائپر اسٹار اور ڈیپن ہامنز کے ساتھ مقامی اور عالمی برانڈ کا مستحکم مرکب جیسے مینگو، نیکسٹ، آڈو، کھاڈی، ٹمبر لینڈ اور چارلس اینڈ کیتھ شامل ہیں۔ خوردہ فروشی میں سب سے زیادہ کرایہ داری ملبوسات (40.90 فیصد)، جس کے بعد غذائی مصنوعات (12.47 فیصد) دوسرے نمبر پر ہیں جبکہ دیگر اقسام میں ملی جلی کرایہ داری ہے۔ مال ایک مضبوط معاشی نیٹ ورک فراہم کرتا ہے کیونکہ اس میں شہر کے اعلیٰ ترین مقامی اور عالمی برانڈز چل رہے ہیں۔

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

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 ڈالین مال آنا، خریداری کرنا اور اس کا حصہ بننے کے لئے پرکشش بنایا ہے۔ اس کے ساتھ ساتھ وہ REIT کی انتظامیہ کی قریبی نگرانی کے تحت DCR کے اثاثوں کی اعلیٰ معیارہ مینیٹنس، صحت اور تحفظ کرتے ہیں۔ پراپرٹی مینیجر نے کرایہ جاتی حکمت عملیوں کو واضح کرنے میں کلیدی کردار ادا کیا ہے جس کی وجہ سے کرایہ داروں کی مجموعی کرایہ داری سطح سال بھر برقرار رہی۔

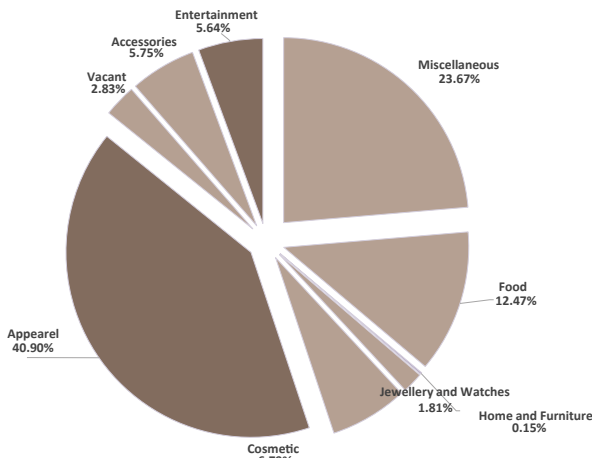
انسانی قدموں کی آمد کے محرکات

مالیاتی سال 2022 کے دوران مال میں کسٹمر پرمکوز مارکیٹنگ اور برانڈنگ کی سرمیوں کے نتیجے میں بھاری تعداد میں انسانی قدموں کی آمد برقرار رہی۔ ڈالین مال میں جشن آزادی کی تقریبات کے ساتھ موسم کی تمام تقریبات کو خوبصورتی سے منایا گیا۔

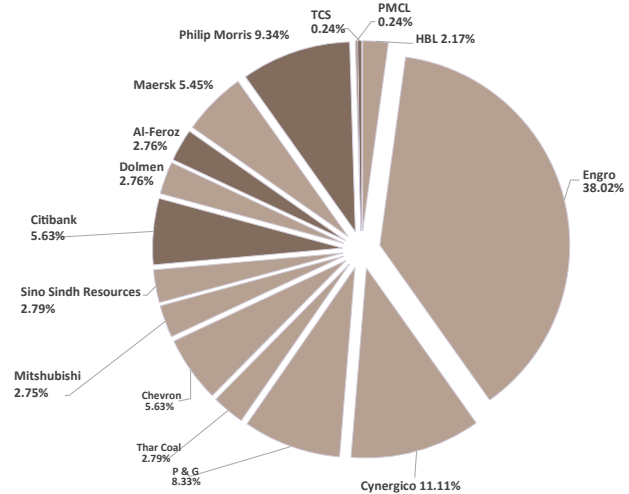
جیسا کہ آپ دیکھ گراف دیکھ سکتے ہیں جس سے پتا چلتا ہے کہ 585,085 افراد آئے جبکہ گزشتہ سال FY21 میں 535,714 افراد مال میں آئے۔ DCR نے FY22 میں تقریباً 7.021 افراد کو خوش آمدید کہا جب کہ گزشتہ سال ان کی تعداد 6.43 ملین تھی۔

درج ذیل میں ہم سال کے دوران نمایاں سرگرمیوں کی تفصیلات پیش کر رہے ہیں۔

MALL - TENANCY PROFILE
(AS AT JUNE 2022)



HARBOUR FRONT - TENANCY PROFILE
(AS AT JUNE 2022)



دیگر کے علاوہ سیٹس، اربن برانڈز، مائیکل کورز اینڈ ٹوری برچنڈ ریٹج کے ذریعے نئے کرایہ داروں کے لئے جگہ پوری کی گئی۔ خالی جگہ کو اب نئے کرایہ داروں سے بھرا جا رہا ہے جس کے نتیجے میں صارفین کے لئے بہتر اور مزید متنوع خریداری کا تجربہ پیدا ہو رہا ہے۔

ڈالمن مال کلفٹن اور ہائر فرنٹ میں سال کے اختتام پر سکونت کی سطح درج ذیل رہی:

جون 2022 کو ڈالمن سٹی مال میں (کل رقبہ کا 68 فیصد) 30 قابل لیز جگہ کے لئے لیز کی مدت کا اوزانی اوسط "WALE" تقریباً 2.39 سال رہا اور ہائر فرنٹ (کل رقبہ کا 32 فیصد) میں تقریباً 3.66 سال رہا۔ (DCR کی موجودہ اوسط لیز کی مدت 3.02 سال ہے)۔

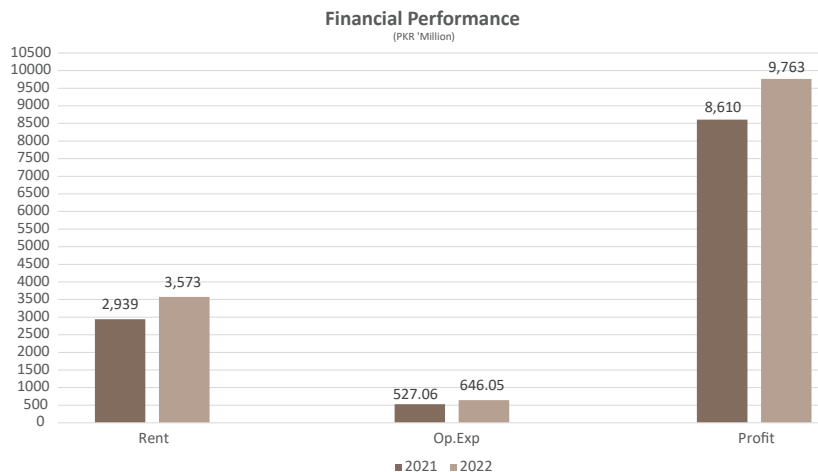
مالیاتی کارکردگی

DCR کے فنڈ کا حجم 30 جون 2022 کو 64.029 ملین (30 جون 2021 کو 57.42 ملین روپے) تھا جو کہ شریعت کے مطابق پاکستان میں سب سے بڑا الٹرا سٹریٹمنٹ ہے۔

زیر جائزہ سال کے دوران DCR کی کرایہ جاتی آمدن 3,573.664 ملین روپے (30 جون 2021 کو 2,938.661 ملین) رہی، مارکیٹنگ آمدن 221.536 ملین (30 جون 2021 کو 147.393 ملین) رہی اور شریعہ پاسدار بینک ڈپازٹس پر منافع 126.748 ملین روپے (30 جون 2021 کو 86.611 ملین روپے) رہا۔

انتظامی، کاروباری اور دیگر اخراجات 646.047 ملین روپے رہے (30 جون 2021 کو 527.06 ملین روپے)

6.486 ملین 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 9.763 ملین (30 جون 2021 میں 8.61 ملین) روپے رہا اور فی یونٹ آمدن (EPU) 4.39 روپے رہی۔ EPU 1.47 روپے کی قابل تقسیم آمدن پر مشتمل ہے اور 2.92 ملین روپے تشخیص مالیت پر ناقابل تقسیم منافع کے طور پر ریکارڈ کیا گیا۔ تشخیص مالیت پر رائے ششماہی اور سالانہ مالیاتی نتائج دوں کے لئے ایک انتہائی بنیادی جز ہے۔ بازار کی جاری دشوار گزار صورتحال کو مد نظر رکھتے ہوئے بورڈ نے سرمایہ جاتی نرخ کو 7 فیصد سے 6 فیصد کرنے کی تائید کی ہے جس کا مشورہ تشخیص کنندہ نے اپنی تشخیصی رپورٹ میں دیا ہے۔ انتظامیہ کے ساتھ مالیاتی گوشواروں کا جائزہ لیتے وقت بورڈ کو ہر تشخیص مالیت تک مکمل رسائی حاصل تھی اور اس بات سے مطمئن ہے کہ REIT کی جائیدادوں کی مساواتی مالیت کو ضوابط کے تحت انجام دیا گیا ہے۔



محترم یونٹ ہولڈرز ڈالمن سٹی REIT

عارف حبیب مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم ڈالمن سٹی REIT ("DCR" یا "اسکیم") کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے برائے مختتم مدت 30 جون 2022 کے ساتھ ان پراڈٹ رپورٹ اور دیگر آئینی رپورٹیں پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

جائزہ

خوردہ فروشی کے کاروبار، کاروباری نمو اور مجموعی کے لئے کووڈ کی انتہائی دشوار گزار مدت کے بعد FY22 میں دنیا معمول کے مطابق صورتحال پر واپس آ گئی۔

پاکستان کی سرفہرست رینٹل DCR-REIT نے وباء کے دوران تسلسل کے ساتھ مستحکم نتائج فراہم کئے اور جائیداد کے محتاط انتظام کے ذریعے چیلنجز کا مقابلہ کیا۔ DCR کی کارکردگی اور اس کے کرایہ داروں کے ساتھ قریبی تعلقات مسلسل کی عکاسی مسلسل AAA (rr) - رینٹنگ (اعلیٰ معیاری سرمایہ کاری اور NAV میں اعلیٰ درجہ کے استحکام) سے ہوتی ہے جو رینٹنگ ایجنسی نے اس کی مالیاتی کارکردگی اور شریعت کی تسلی بخش پاسداری پر دی ہے۔

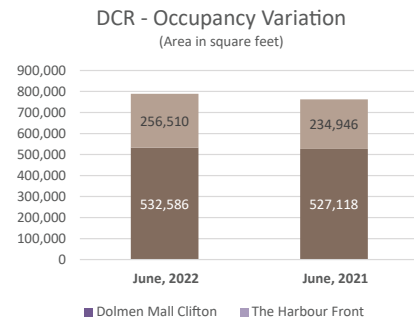
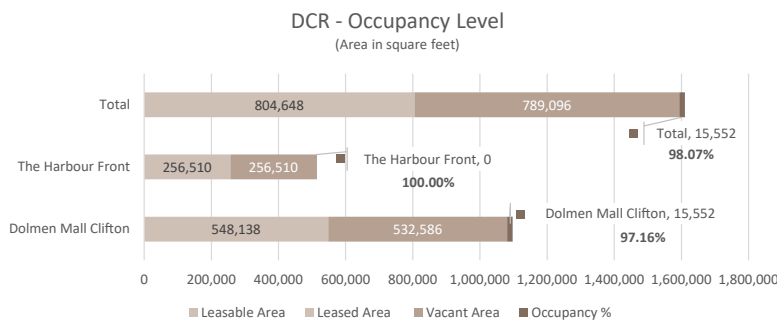
COVID-19 کی وباء کے پھیلاؤ کا مقابلہ

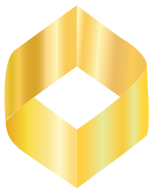
کورونا کے اثرات سے کاروباری سرگرمی میں کمی ہوئی اور انسانی قدموں کی آمد کم ہو گئی، منتخب شدہ گروپ میں آنے والے کرایہ داروں کے نقصان کا احاطہ کرنے کے لئے چھوٹ/رعایت دی گئی اور کرایہ میں اضافوں کو موخر کر دیا گیا۔ خاص طور پر رعایت غذائی شعبہ سے تعلق رکھنے والوں کو دی گئی۔ تاہم گزشتہ سال کی بہ نسبت اس سال رعایتیں اور چھوٹ میں کمی ہوئی۔

کاروباری کارکردگی

2015 میں DCR کے کاروبار جائیداد کے آغاز ہی سے اس میں مسلسل کرایہ داری سکونت کا مشاہدہ کیا گیا۔ جون 2022 کے اختتام پر سکونت 98.07 فیصد (30 جون 2021 کو 94.71 فیصد) رہی۔

اگرچہ کہ کرایوں میں چھوٹ/اضافہ کو موخر کرنے کے نتیجے میں کرایہ جاتی آمدن میں کم نمو ہوئی، تاہم ہم اسے کرایہ داروں کے ساتھ شراکت داری کو مضبوط کرنے کے طویل مدتی کلیدی قدم اور مستقبل میں بہترین کارکردگی کے نصب العین کے طور پر دیکھتے ہیں۔ کرایہ داروں کی سکونت پذیری کو برقرار رکھنے میں سرمایہ کاری سے ماہانہ کرایہ داری کی چھوٹ میں قابل ذکر کمی ہوئی اور نئے کرایہ داروں میں دیگر کے علاوہ گلو ریاجینز، ڈیزل، ٹیسورو، ہیما نی ہریل، دی کلوزٹ اور لامی کی آمد شامل ہے۔ رخصت ہونے والے کرایہ داروں میں





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