



MANAGED BY



ARIF HABIB DOLMEN  
REIT MANAGEMENT LIMITED

# A DECADE OF TRUST

## DOLMEN CITY REIT

QUARTERLY REPORT SEP 30, 2025



A DECADE OF TRUST

QUARTERLY 20  
REPORT 25

Arif Habib Centre, 23, M.T.Khan Road, Karachi | 021-111-245-111 | [www.arifhabibdolmenreit.com](http://www.arifhabibdolmenreit.com)

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## SCHEME’S INFORMATION

Management Company	Arif Habib Dolmen REIT Management Limited	
Board of Directors	Mr. Arif Habib Mr. Nadeem Riaz Mr. Naeem Ilyas Ms. Aaiza Khan Mr. Muhammad Noman Akhter Mr. Abdus Samad A. Habib Mr. Faisal Nadeem Mr. Sajidullah Sheikh Mr. Muhammad Ejaz	Chairman Director Independent Director Independent Director Independent Director Director Director Director Chief Executive Officer
Audit Committee	Mr. Naeem Ilyas Mr. Abdus Samad A. Habib Mr. Sajidullah Sheikh Mr. Muhammad Noman Akhter	Chairman Member Member Member
Human Resource & Remuneration Committee	Ms. Aaiza Khan Mr. Abdus Samad A. Habib Mr. Sajidullah Sheikh Mr. Muhammad Ejaz	Chairperson Member Member Member





# SCHEME’S INFORMATION

Other Executives	Mr. Razi Haider Mr. Muhammad Hassan Mr. Safi Ullah	CFO & Company Secretary Head of Internal Audit & Compliance Shariah Compliance Officer
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block “B” S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.	Bankers Bank Al Habib Limited Fasal Bank Limited Habib Metropolitan Bank Limited United Bank Limited Bank Alfalah Limited National Bank of Pakistan Askari Bank Limited Habib Bank Limited Meezan Bank Limited Allied Bank Limited Dubai Islamic Bank Limited
Share Registrar	CDC Share Registrar Services Limited CDC House, 99-B, Block “B” S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.	
External Auditor	KPMG Taseer Hadi & Co. Chartered Accountant, Sheikh Sultan Trust Building No.2, Beaumont Road, Civil Lines, Karachi, 75530.	
Internal Auditor	Junaidy Shoaib Asad & Co. Chartered Accountants, 1/6-P, P.E.C.H.S., Mohtarma Laeeq Begum Road, Off Shahrah-e-Faisal, Karachi.	
Legal Advisor	Mohsin Tayabaly & CO. Corporate Legal Consultants, 1st Floor, Dime Center, BC -4 Block 9, Kekashan, Clifton Karachi.	
Property Manager	Dolmen Real Estate Managemet (Private) Limited	
Property Valuer	MYK Associates (Pvt.) Limited MYK HOUSE, 52-A, Block ‘B’, Street # 5, Muslim Cooperative Housing Society (S.M.C.H.S.), Karachi.	
Shariah Advisor	Alhamd Shariah Advisor Service (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.



# DIRECTORS' REPORT





# DIRECTORS’ REPORT

**Dear Unitholders of Dolmen City REIT,**

The Board of Directors of Arif Habib Dolmen REIT Management Limited are pleased to present the Director’s Review Report of Dolmen City REIT (“DCR” or “the Scheme”) for the three months ended September 30, 2025, of financial year 2025-26.

**The REIT Asset**

Dolmen City Clifton is a 3.4 million sq.ft. mixed-use, waterfront development at the junction of Karachi’s Defence and Clifton areas. It includes office towers and an upcoming hotel: Sky Tower A & B, The Harbour Front, and Executive Tower, alongside the three-level Dolmen Mall Clifton.

The REIT assets comprise Dolmen Mall Clifton, Pakistan’s premier retail destination and The Harbour Front, Pakistan’s best regarded office building.

Dolmen Mall Clifton offers 542,847 sq.ft. of leasable space, featuring over 130 local and international retail outlets, a hypermarket, and a 1,200-seat food court. As Pakistan’s first mall of international standards, it has redefined retail with brands like Aldo, Tag Heuer, Carrefour, Khaadi, and Nike.

The Harbour Front, a 19-floor tower with 257,162 sq.ft. of leasable area, provides premium office space with modern design and waterfront views. It houses leading multinational and local corporations, combining functionality with a prestigious business address.

**Financial and Operational Performance**

Summary of financial performance – three months ended September 30 , 2025:

Description	Sep 25 PKR (million)	Sep 24 PKR (million)
Rental Income	1,532.66	1,286.26
Marketing Income	31.841	83.587
Administrative and Impairment Expense	(172.281)	(304.922)
Net Operating Income	1,392.22	1,064.93
Other Income	49.042	90,813
Distributable Profit	1,385.22	1,112.87

DCR exhibited strong financial and operational performance. It has consistently maintained occupancy over 98%.

As on September 30, 2025, the Weighted Average Lease Expiry ‘WALE’ of Dolmen City Mall (68% of the total leasable area) is around 2.40 years and that of the Harbour Front (32% of the total leasable area) is around 4.13 years.

Occupancy levels at Dolmen Mall Clifton and Harbour Front at end of three months are as follows:

Lease Occupancy	Leasable Area	30-Sep-25		Occupancy %
		Leased Area	Vacant Area	
Dolmen Mall Clifton	542,847	530,180	12,667	97.7%
The Harbour Front	257,162	257,162	-	100%
Total	800,009	787,342	12,667	98%

Lease Occupancy	Leased Area		Occupancy Variation	Occupancy Variation %
	30-Sep-25	30-Jun-25		
Mall	530,180	530,810	(630)	-0.1%
THF	257,162	257,162	-	0%
	787,342	787,972	(630)	-0.1%

**Marketing Activities**

Dolmen City remains customers destination spot in Karachi. The success is proven by consistently high footfall of 25,000 to 29,000 customers per day.

Footfall for the six months ended September 30, 2025		
Month	*Daily Average	Total for the Month
July	28,664	888,599
August	29,097	902,011
September	26,145	784,361

\* Calculated based on operational days.

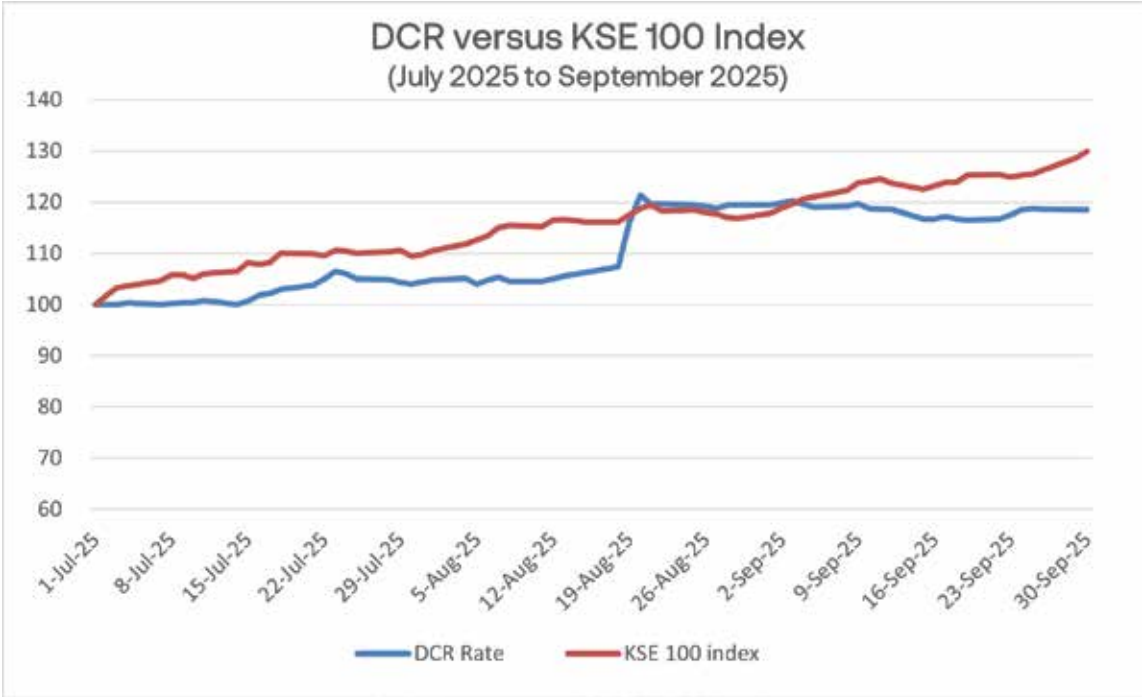
Footfall is maintained through a sequence of well-planned events. The objective of these activities is to create a consistent pull of customers into the mall throughout the year. Events are announced though social media and the quarterly Dolmen Magazine with visitors encouraged by brand advertisements and discount offerings. Here are the events organized by scheme:

- Dolmen Pop Up (17th – 27th July)
- Independence Day (8th – 17th Aug)
- Pinktober(11thOct)
- Dolmen Auto Show (30th Sep to 18th Oct)

**Unit Performance**

Key Metrics	Q1 FY26	Q1 FY25
Opening Price	PKR 27.00	PKR 16.50
Closing Price	PKR 32.09	PKR 17.14
Average Price	PKR 29.94	PKR 16.74
Total Dividend	PKR 0.63	PKR 0.50
Price Return	18.85%	3.88%
Total Return	21.19%	6.91%

During the three months under review, DCR reached a high of PKR 34.00 and a low of PKR 26.50 per unit. Total return saw a significant 3.06x increase from 6.91% in Q1 FY2025 to 21.19% in Q1 FY2026. As of September 30, 2025, DCR's Net Asset Value (NAV) was PKR 34.40 per unit, with the unit trading at a 6.72% discount to its NAV.



The KSE-100 index fluctuated within a range of 126,113.27 to 166,556.29, during which DCR demonstrated upward momentum, accompanied by a low beta of 0.44.

**Dividend Distribution**

The Board of Directors has declared an interim cash dividend of PKR 0.63 per unit for the quarter ending September 30, 2025.

For the Period	Total Distributed Dividend	Total Units	PKR / Unit
Q1 FY26	PKR 1,400,931,000	2,223,700,000	PKR 0.63
FY25	PKR 4,958,851,000	2,223,700,000	PKR 2.23
FY24	PKR 4,447,400,000	2,223,700,000	PKR 2.00
FY23	PKR 4,024,897,000	2,223,700,000	PKR 1.81
FY22	PKR 3,335,550,000	2,223,700,000	PKR 1.50

**Shariah Compliance**

Shariah advisor, in his semi-annual Shariah Review Report, has confirmed compliance with Shariah principals in all aspects.

**Business Environment**

Demand for quality office and retail space in Pakistan remains strong. Rapid growth in the technology sector is driving the need for modern, collaborative offices for startups and established firms. Meanwhile, a rising middle class and urbanization are fueling retail expansion, increasing the importance of malls that offer diverse, engaging experiences. As competition intensifies, properties that emphasize flexibility, innovation, and customer-focused design are best positioned for success.

**Outlook**

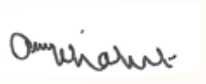
Pakistan’s retail and office space sectors are set for continued growth. Success will hinge on adaptability; businesses and retailers that innovate and align with shifting consumer behaviors and work patterns will lead the way. For investors and developers, the focus should be on building flexible, sustainable, and customer-focused environments that cater to the evolving needs of the modern market.

**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  
Date: 29 October, 2025



**ALHAMD SHARIAH ADVISORY SERVICES**

**(PVT) LIMITED**

## Shariah Review Report

*For the period ended on September 2025*

**Dolmen City REIT**, a Shariah Compliant Real Estate Investment Trust (REIT), was launched in June 2015. This REIT is structured on the principles of Shirkah and Ijarah, which represent the foundations of its design. Under this structure, all unit holders collectively share ownership of the project, encompassing both The Harbor Front and Dolmen Mall Clifton. The distribution of dividends to unit holders is derived from the rental income generated. Both Shirkah and Ijarah adhere to the principles of Shariah, ensuring compliance with Islamic finance principles.

In our role as the Shariah Advisor, we have conducted a comprehensive review of the transactions executed throughout the period. Based on our assessment, we confirm that all investment activities and matters pertaining to the rentals of **Dolmen City REIT** have been consistently conducted in accordance with the rules and principles of Shariah. Consequently, we affirm that the income generated for the unit holders of this REIT is both HALAL and SHARIAH COMPLIANT.

We extend our gratitude to the Directors, Management of Arif Habib Dolmen REIT Management Company, the trustee, property manager, and all other stakeholders for their unwavering support and cooperation in ensuring the adherence to Shariah principles and our special thanks to all unit holders who invested in this REIT and showed full trust in this project.

May Allah bestow abundant rewards upon the management of the REIT for their dedicated services, and may He bless their endeavors with continued prosperity and sincerity. Ameen.

**Mufti Muhammad Ibrahim Essa**  
C.E.O. & Director  
Alhamd Shariah Advisory Services (Pvt.) Limited

27<sup>th</sup> October 2025

**Mufti Ubaid ur Rahman Zubairi**  
Director  
Alhamd Shariah Advisory Services (Pvt.) Limited



**Address:** Flat 503, 8<sup>th</sup> Floor Ibrahim Residency, C.P & Berar Society, Karachi.

+92 322 2671867 | [www.alhamdshariahadvisory.com](http://www.alhamdshariahadvisory.com) | [info@alhamdshariahadvisory.com](mailto:info@alhamdshariahadvisory.com)



**ALHAMD SHARIAH ADVISORY SERVICES**

**(PVT) LIMITED**

## شریاء ریویو رپورٹ

برائے ستمبر 2025

ڈولمین سٹی REIT ایک شریاء کمپلائنٹ REIT ہے، جو جون 2015 میں شروع ہوئی۔ ڈولمین REIT کی بنیاد شرکت اور اجارہ پر ہے، جس کے مطابق، تمام یونٹ ہولڈرز، پراجیکٹ (ہاربر فرنٹ اور ڈولمین مال، کلکٹن) 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 سرمایہ کاری اور کرایے 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 سرمایہ کاری اور کرایے کے 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۔

**مفتی عبید الرحمن زبیری**

ڈائریکٹر

الحمد شریاء ایڈوائزری سروسز (پرائیویٹ) لمیٹڈ

**مفتی محمد ابراہیم عیسیٰ**

سی، ای، او، - ڈائریکٹر

الحمد شریاء ایڈوائزری سروسز (پرائیویٹ) لمیٹڈ



27 اکتوبر 2025

**Address:** Flat 503, 8<sup>th</sup> Floor Ibrahim Residency, C.P & Berar Society, Karachi.

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# FINANCIAL STATEMENTS





Dolmen City REIT  
Condensed Interim Financial Position  
As of 30 September 2025

	Note	Unaudited 30 September 2025 ----- (Rupees in '000) -----	Audited 30 June 2025
<b>ASSETS</b>			
<b>Non-current asset</b>			
Investment property	6	74,755,713	74,755,713
<b>Current assets</b>			
Rent and marketing receivables	7	156,897	112,428
Prepayments, advances and deposits	8	52,658	13,957
Advance tax	9	225,764	224,327
Accrued profit on deposits		11,975	10,023
Bank balances	10	2,286,141	2,344,422
<b>Total current assets</b>		<b>2,733,435</b>	<b>2,705,157</b>
<b>Total assets</b>		<b>77,489,148</b>	<b>77,460,870</b>
<b>UNIT HOLDERS' FUND AND LIABILITIES</b>			
<b>REPRESENTED BY:</b>			
<b>Unit holders' fund</b>			
Issued, subscribed and paid up units (2,223,700,000 units of Rs. 10 each)		22,237,000	22,237,000
Capital reserves		52,800,059	52,800,059
Revenue reserves		1,458,379	1,474,084
<b>Total unit holders' fund</b>		<b>76,495,438</b>	<b>76,511,143</b>
<b>Current liabilities</b>			
Payable to REIT Management Company - <i>related party</i>	11	49,211	47,950
Security deposits		579,912	562,895
Accrued expenses and other liabilities	12	345,080	320,785
Unclaimed dividend		19,507	18,097
<b>Total current liabilities</b>		<b>993,710</b>	<b>949,727</b>
<b>Contingencies and commitments</b>			
13			
<b>Total unit holders' fund and liabilities</b>		<b>77,489,148</b>	<b>77,460,870</b>
		----- (Rupees) -----	
<b>Net asset value per unit</b>		<b>34.40</b>	<b>34.41</b>

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

  
Chief Financial Officer

  
Chief Executive

  
Director

Dolmen City REIT  
Condensed Interim Statement of Profit and Loss (Unaudited)  
For the three months period ended 30 September 2025

		Three months period ended	
	Note	30 September 2025	30 September 2024
		----- (Rupees in '000) -----	
<b>Revenue</b>			
Rental income	14	1,532,661	1,286,261
Marketing income		31,841	83,587
		<u>1,564,502</u>	<u>1,369,848</u>
Administrative and operating expenses	15	<u>(172,281)</u>	<u>(304,922)</u>
<b>Net operating income</b>		<b>1,392,221</b>	<b>1,064,926</b>
Other income	16	49,042	90,813
		<u>1,441,263</u>	<u>1,155,739</u>
Management fee	11.2	(41,767)	(31,948)
Sindh sales tax on management fee	11.2	(6,265)	(4,792)
Trustee fee	12.3	(6,961)	(5,325)
Sindh sales tax on trustee fee	12.3	(1,044)	(799)
		<u>(56,037)</u>	<u>(42,864)</u>
<b>Profit before change in fair value of investment property</b>		<b>1,385,226</b>	<b>1,112,875</b>
Unrealised gain on remeasurement of fair value of investment property	6	-	-
<b>Profit before taxation</b>		<b>1,385,226</b>	<b>1,112,875</b>
Taxation	17	-	-
<b>Profit for the period</b>		<b>1,385,226</b>	<b>1,112,875</b>
----- (Rupees) -----			
Earnings per unit - Distributable income		0.6229	0.5005
Earnings per unit - Undistributable Income / Unrealised fair value gains		-	-
<b>Earnings per unit - Basic and diluted</b>	19	<b>0.6229</b>	<b>0.5005</b>

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

  
Chief Financial Officer

  
Chief Executive

  
Director



Dolmen City REIT  
Condensed Interim Statement of Comprehensive Income (Unaudited)  
For the three months period ended 30 September 2025

	Three months period ended	
	30 September 2025	30 September 2024
	----- (Rupees in '000) -----	
Profit for the period	1,385,226	1,112,875
Other comprehensive income	-	-
Total comprehensive income for the period	1,385,226	1,112,875

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

  
Chief Financial Officer

  
Chief Executive

  
Director

Dolmen City REIT  
Condensed Interim Statement of Changes In Unit Holders' Fund (Unaudited)  
For the three months period ended 30 September 2025

	Issued, subscribed and paid up units	Reserves			Revenue reserve Unappropriated profit	Total unit holders' fund
		Premium on issue of units - net	Capital reserves	Total		
			Fair value reserve			
			(note 19.1.1) (Rupees in '000)			
Balance as at 1 July 2024	22,237,000	281,346	49,434,881	49,716,227	1,235,775	73,189,002
Transactions with owners						
Cash dividend for the period ended 30 June 2024 (Re. 0.50 per unit)	-	-	-	-	(1,111,850)	(1,111,850)
	-	-	-	-	(1,111,850)	(1,111,850)
Total comprehensive income for the three months period ended	-	-	-	-	1,112,875	1,112,875
Reclassification adjustment relating to changes in fair value of investment property	-	-	-	-	-	-
Balance as at 31 March 2024	22,237,000	281,346	49,434,881	49,716,227	1,236,800	73,190,027
Balance as at 30 September 2024	22,237,000	281,346	52,518,713	52,800,059	1,474,084	76,511,143
Transactions with owners						
Cash dividend for the period ended 30 June 2024 (Re. 0.63 per unit)	-	-	-	-	(1,400,931)	(1,400,931)
	-	-	-	-	(1,400,931)	(1,400,931)
Total comprehensive income for the three months period ended	-	-	-	-	1,385,226	1,385,226
Reclassification adjustment relating to changes in fair value of investment property	-	-	-	-	-	-
Balance as at 30 September 2025	22,237,000	281,346	52,518,713	52,800,059	1,458,379	76,495,438

  
Chief Financial Officer

  
Chief Executive

  
Director



Dolmen City REIT  
Condensed Interim Statement of Cash Flows (Unaudited)  
For the three months period ended 30 September 2025

		Three months period ended	
	Note	30 September 2025	30 September 2024
		----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period		1,385,226	1,112,875
<b>Adjustments for non cash items:</b>			
Unrealised gain on remeasurement of fair value of			
Liability written back	16	-	(9,661)
Profit on bank deposits and TDRs	16	(49,042)	(81,152)
		<u>1,336,184</u>	<u>1,022,062</u>
<b>Working capital changes</b>			
<i>(Increase) / decrease in current assets</i>			
Receivables		(44,469)	(40,720)
Prepayments, advances and deposits		(38,701)	132,105
		<u>(83,170)</u>	<u>91,385</u>
<i>Increase / (decrease) in current liabilities</i>			
Payable to the REIT Management Company - related party		1,261	(37,162)
Security deposits		17,017	17,912
Accrued expenses and other liabilities		24,295	13,150
		<u>42,573</u>	<u>(6,100)</u>
<b>Cash generated from operations</b>		<u>1,295,587</u>	<u>1,107,347</u>
Tax paid		(1,437)	(98)
<b>Net cash generated from operating activities</b>		<u>1,294,150</u>	<u>1,107,249</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Profit on deposits received		47,090	83,661
<b>Net cash generated from investing activities</b>		47,090	83,661
<b>CASH FLOW FROM FINANCING ACTIVITY</b>			
Dividend paid		(1,399,521)	(1,110,836)
<b>Net cash used in financing activity</b>		<u>(1,399,521)</u>	<u>(1,110,836)</u>
Net increase in cash and cash equivalents		<u>(58,281)</u>	<u>80,074</u>
Cash and cash equivalents at beginning of the period		2,344,422	1,852,164
Cash and cash equivalents at end of the period	22	<u>2,286,141</u>	<u>1,932,238</u>

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

		
Chief Financial Officer	Chief Executive	Director

Dolmen City REIT  
Notes to the Condensed Interim Financial Statements (Unaudited)  
Statements (Unaudited)  
For the three months period ended 30 September 2025

**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, 2022 (REIT Regulations, 2022) (previously REIT Regulation, 2015), promulgated and amended from time to time by the Securities and Exchange Commission of Pakistan (SECP).

The Trust Deed of the Scheme was registered on dated 20 January 2015, as amended by the First Supplemental Restated Trust Deed dated 14 October 2019, and further amended by the Trust Deed dated 09 July 2021, whereas approval of the registration of the REIT Scheme has been 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 02 December 2024, VIS Credit Rating Company Limited assigned rating "AAA(rr)" to the Scheme. Similarly, on 10 January 2025, VIS Credit Rating Company Limited assigned rating "AM2+" to RMC.

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

**1.2** The Scheme commenced its commercial activities on 01 June 2015. The Scheme's 75% of the units were directly held by International Complex Projects Limited (ICPL). 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-Feroz (Private) Limited, as envisaged in the said Scheme of arrangement in equal proportion.

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard IAS 34 "Interim Financial Reporting" issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 and Part VIIIA of the repealed Companies Ordinance, 1984; and
- The Real Estate Investment Trust Regulations 2022 (the REIT Regulations, 2022).

Where the provision of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance 1984 and REIT Regulations, 2022 differ from IAS 34, the provisions of and directives issued under the Companies Act, 2017 and REIT Regulations, 2022 have been followed.

**2.1.1** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Scheme for the year ended 30 June 2024. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of changes in the Scheme's financial position and performance since the last annual financial statements.

**2.2 Basis of measurement**

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



**2.3 Functional and presentation currency**

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

**2.4 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period:**

There are certain amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after 1 July 2024 but are considered not to be relevant or do not have any significant effect on the Scheme's operations and are, therefore, not detailed in these condensed interim financial statements.

**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 January 2025:

i) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend 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. Early adoption continues to be permitted

ii) Lack of Exchangeability (amendments to IAS 21) clarify:

- when a currency is exchangeable into another currency; and
- how an entity estimates a spot rate when a currency lacks exchangeability.

Further, entities will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the entity because the currency is not exchangeable.

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

iii) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:

- Financial Assets with ESG-Linked features:

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

Although the new amendments are more permissive, they apply to all contingent features, not just ESG-linked features. While the amendments may allow certain financial assets with contingent features to meet the SPPI criterion, companies may need to perform additional work to prove this. Judgement will be required in determining whether the new test is met.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g., where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

The amendments apply for reporting periods beginning on or after 1 January 2026. Entities can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

- Recognition / Derecognition requirements of Financial Assets / liabilities by Electronic Payments:

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Entities generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the entity to derecognize its trade payable before the settlement date, potentially on the date when payment cannot be cancelled, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

- Other related amendments:

Contractually linked instruments (CLIs) and non-recourse features:

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a entity needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments:

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

iv) Annual Improvements to IFRS Accounting Standards – Amendments to:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;

- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows

The amendments to IFRS 9 address:

'- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables:

Under IFRS 15, a trade receivable may be recognized at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that entities initially measure trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15; and

- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9:

When lease liabilities are derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

The amendment on trade receivables may require some entities to change their accounting policy.

The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended 30 June 2024.

4 USE OF ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Scheme's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by the management in applying the Scheme's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the annual audited financial statements of the Scheme for the year ended 30 June 2024.

5 FINANCIAL RISK MANAGEMENT

The Scheme's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2025.

INVESTMENT PROPERTY		Unaudited 30 September 2025	Audited 30 June 2025	
	Note	(Rupees in '000)		
Carrying amount at beginning of the period / year		74,755,713	71,671,881	
Add: Unrealized gain on remeasurement of fair value of investment property		-	3,083,832	
Carrying amount at end of the period / year	6.2	74,755,713	74,755,713	
		2025		
	Note	Dolmen Mall	Harbour Front	Total
Projected net operating income of 2026 (Rs'000)		3,946,838	1,178,926	5,125,764
Capitalisation rate (%)	6.2.1	6.86%	6.86%	6.86%
Fair value (Rs'000)		57,561,899	17,193,814	74,755,713
		2024		
		Dolmen Mall	Harbour Front	Total
Projected net operating income of 2025 (Rs'000)		3,515,434	1,050,065	4,565,499
Capitalisation rate (%)	6.2.1	6.37%	6.37%	6.37%
Fair value (Rs'000)		55,187,348	16,484,533	71,671,881
Property wise movement of unrealized gain on remeasurement of fair value of investment property:				
		2025		
		(Rupees in '000)		
		Dolmen Mall	Harbour Front	Total
Balance at 1 July 2024		55,187,348	16,484,533	71,671,881
Add: Unrealized gain on remeasurement of fair value of investment property		2,374,552	709,280	3,083,832
Balance at 30 June 2025		57,561,899	17,193,814	74,755,713
6.1	The investment property comprises of the 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 twentieth 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 2025 amounted to Rs. 5,780 million and Rs. 94 million (2024: Rs. 5,079 million and Rs. 80 million) respectively.Rental income and marketing income earned from investment property for the period ended 31 December 2024 amounted to Rs. 2,610 million and Rs. 174 million (31 December 2023: Rs. 2,411 million and Rs. 136 million) respectively.			
	Direct operating expenses arising from investment property have been disclosed in note 20.4 to these financial statements.			
6.1.1	The Scheme as a lessor has entered into operating leases with the tenants on its investment property consisting of Dolmen Mall Clifton ("DMC") and The Harbour Front ("THF"). These leases have terms of one to five years with non-cancellable period ranges from six to twelve months. Moreover, tripartite agreements were entered between the Scheme, tenant and property manager, where common area management services were delegated to property manager namely Dolmen Real Estate Management (Private) Limited. Accordingly, the Scheme is not the principal for their services as it is not engaged / involved in the provision of these services.			
6.1.2	Rental income is recognized on a straight line basis over the non-cancellable lease term. Non-cancellable lease term includes only the period in which both parties do not have the right to cancel / terminate the agreement. Due to the fact that it is more likely that the tenants may substitute their business place from the Scheme's managed premises to other premises, the management has recognized rental considering the non-cancellable period of six to twelve months.			
	The future aggregate minimum rentals receivable including non-cancellable period under operating leases as at:			
		2025	2025	
		(Rupees in '000)		
No later than one year - non cancellable		2,721,889	4,154,047	
Later than one year but not later than five years - cancellable		3,027,235	5,264,108	
Later than five years - cancellable		207,765	340,380	
		5,956,889	9,758,535	
6.2	The investment property has been valued by MYK Associates ('the Valuer') as at 30 June 2025, who is an independent valuer. The valuer is enlisted with Pakistan Bank's Association and Pakistan Engineering Council and has recent experience in the location and category of the property being valued.			
		2025	2025	
		(Rupees in '000)		
Cost approach:		36,297,357	36,643,772	
- Dolmen Mall		7,713,955	7,801,921	
- The Harbour Front		44,011,312	44,445,693	
Sales comparison approach:		77,687,963	75,497,848	
- Dolmen Mall		12,314,112	12,185,840	
- The Harbour Front		90,002,075	87,683,688	
Income capitalization approach - using capitalization rate of		6.86%	6.37%	



(a) Valuer's assessment of **net operating income**

Net operating income (Rs'000)  
Capitalisation rate (%)  
Fair value (Rs'000)

2025		
Dolmen Mall	Harbour Front	Total
3,559,685	1,004,832	4,564,517
6.86%	6.86%	6.86%
51,915,541	14,654,779	66,570,320

(b) On projected **net operating income** based on existing rental agreements

Net operating income (Rs'000)  
Capitalisation rate (%)  
Fair value (Rs'000)

2025		
Dolmen Mall	Harbour Front	Total
3,946,838	1,178,926	5,125,764
6.86%	6.86%	6.86%
57,561,899	17,193,813	74,755,713

**6.2.1** The valuer in its valuation report has stated that out of three approaches "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 of following year 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 6.86% capitalisation rate on projected NOI based on the existing rental agreements and expected rent for the vacant area. In the current year, the management in consultation with its valuer evaluated the capitalisation rate and accordingly revised the same to 6.86% (2024: 6.37%) by adjusting the capitalisation rate of 5.70% (2024: 5.21%) (based on sales comparison approach) to incorporate the average buffer rate of 1.16% for the last 4 years to arrive at the capitalisation rate of 6.86%. Capitalization rate has been calculated by dividing the projected NOI of the following year with the market value of Dolmen Mall and Harbour Front as detailed below in the calculation.

The forced sales value of the investment property is assessed to be Rs. 72,001 million (30 June 2024: Rs. 70,147 million).

**Fair value hierarchy**

The details of the investment property and information about its fair value hierarchy as at the end of the reporting year are as follows:

The fair value measurement for the investment property has been categorized 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:

	Level 3	Fair value as at 30 June 2025
	----- (Rupees in '000) -----	
<b>Dolmen Mall Clifton and The Harbour Front</b>	<b>74,755,713</b>	<b>74,755,713</b>
	Level 3	Fair value as at 30 June 2024
	----- (Rupees in '000) -----	
Dolmen Mall Clifton and The Harbour Front	71,671,881	71,671,881
<b>Significant unobservable inputs</b>	2025	2025
	----- (Rupees in '000) -----	
Projected income of the following year	6,377,579	5,710,340
Projected operating cost of the following year	(1,251,816)	(1,144,841)
Projected NOI of the following year	5,125,764	4,565,499
	----- (Percentage) -----	
Capitalization rate	6.86%	6.37%

**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 statement for the year ended 30 June 2024.

		Effect on fair value	
		-	-
		-	-
	Change	2025	2025
		----- (Rupees in '000) -----	
- Projected income (based on existing leasing contracts)	+ 5%	4,650,629	4,482,214
- Projected income (based on existing leasing contracts)	- 5%	(4,650,629)	(4,482,214)
- Projected operating costs	+ 5%	(912,843)	(898,620)
- Projected operating costs	- 5%	912,843	898,620
- Capitalization rate	+ 1%	(9,514,918)	(9,724,814)
- Capitalization rate	- 1%	12,764,169	13,346,719

**Contents of the valuation report**

The full scope valuation report has been prepared in accordance with the International Valuation Standards (IVS).

**Dolmen City Mall**

The Dolmen Mall having a built-up area of approximately 1 million square feet 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 multi-national corporations. With an area of over 270,270.67 square feet of office space spread over 17 levels, The Harbour Front provides spacious and inspirational environment to conduct their everyday business.

The Dolmen City Mall and Harbour Front is constructed on amalgamated HC-3, Block No: 04, Scheme No: 05, Marine Drive, Clifton, Karachi measuring total area of 37,666.65 Square Yards and REIT shared area 15,201.68 square yards in an irregular shape. The vertically skywards triangular complex Harbour Front (Offices) comprises of three to nineteen floors.

**Valuation approaches**

Approach	Summary	Pros	Cons
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 building. 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 multistory building.	This approach provides basis for determining replacement value of the asset or property or any other fixed item or utility service in the premise. Indeed, for consideration in such approach the final shape of the project should have similarity along with similar utilities / facilities in construction.	This approach does not take into account the loss of income during construction up till the completion of project achieving desired occupancy. Then true picture of cost approach can emerge.
Sales comparison approach	The "Sales Comparison Approach" is to compare recently-sold properties (local similar) with the other similar property. Price adjustments are made for differences in the comparable factors of the property. In fact, the "Sales Comparison Approach" is the basic foundation knowledge for the real estate professionals.	This approach is commonly used in the real estate comparison or appraisals for similar type of property.	True Sale Comparison Approach is emerged when there is any such process of sale/purchase in near past however, in case of the Scheme, there is no similar building in the vicinity and at present there has been no deal or transaction of similar size project or property in Karachi for comparison with Dolmen City project. This approach is generally suitable where the business is buying and selling of property.
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. This usually appears in percentage. A method that appraises 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): Net operating income (I) ÷ capitalization rate (R) = value (V)	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 most common used approach to determine the value of income generating real estate and it can be regarded as the most appropriate valuation basis for income generating real estate as compared to two other approaches as the said approach is based upon principle that reflects the value of property based on the income generated from it and 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 the long period of time.	The approach relies heavily on assumptions about future net operating income (NOI) and capitalization rates which can be subjective. Income Capitalization Approach assumes stable market conditions. It may not account for market volatility, such as sudden shifts in demand, rental rates, or interest rates, which can affect property values.

Approach	Basis and explanation of valuation
Cost Approach	<b>Basic calculation of land:</b> Sea view road is the most prestigious and prime real estate location mostly throughout the world and Karachi is also no different in this too. The Sea View road is fastly becoming the business hub of Karachi and it is almost impossible to find a plot on the main road or on the sea side.  To assess the value of the land in the area the survey of estate agents / property dealers was carried out. At present, the cost of the land on sea side and around this area has become very attractive and observed increasing trend in the cost between the range of Rs. 950,000 To Rs. 1,050,000 per square yard depending upon the location and size of the plot. Therefore, the valuer has taken the land value of Rs. 1,000,000 per square yard on similar parameters.
	<b>Calculation of cost of structure:</b>  i) Dolmen City Shopping Mall:  Dolmen City Shopping Mall comprises of lower and upper basement, ground, mezzanine and three upper floors (including earth work finishes of concealed roofing, flooring, paint, door and windows, lift system, internal and external electrical work) by considering all these parameters. The construction cost for Dolmen city shopping mall is approximately between Rs 20,000 to Rs 30,000 per square foot including all services depending upon the finishes and architectural design of floors.
	ii) Harbour Front Office Building:  The construction cost of Harbour Front Office Building has been taken approximately between Rs. 25,000 to Rs 30,000 per square foot due to present market condition and depending upon the finishes and architectural design of floors. The valuer has taken an average base cost of Rs 27,500 per square foot.
	All possible factors have been taken critically into consideration to evaluate and determine the value of the REIT Properties "Dolmen City Mall And 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, availability of utilities connection in the premises and Government's future development measures to boost the commercial activities, reliability in return of investment in short term or long term plan basis.

Approach	Basis and explanation of valuation
Sale Comparison Approach	This approach compares the subject property characteristics with those of comparable properties which 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 valuer's market survey, no standard comparable building / project is available in the vicinity of the "Dolmen City Mall and Harbour Front" Clifton for sale comparison, so the valuer cannot compare it for comparison approach. Whereas, at some distance from "Dolmen City Mall and Harbour Front" some other project having the same facilities, fitting and fixtures such as "The Centre Point", "Ocean Tower" and "Park Tower" which have almost the similar rates as in the valuation report.
Income Capitalization Approach - as per projected Net Operating Income (NOI)	<p>Arif Habib Dolmen REIT Management Limited has shared the occupancy projected status of the REIT property (Dolmen City Mall and Harbour Front) with the projected rent and expenses for the assessment of value based on the Income Capitalization Approach. The tenancy profile of Dolmen Mall is based on long term agreements with built in rent escalation thus representing a clear picture of future revenue.</p> <p>Out of the three approaches identified in REIT Regulations 2022, Income Capitalization Approach is generally based on the principle that the value of the property reflects the quality and quantity of income it is expected to generate over time. It is the most typical approach used for income producing properties i.e. rental properties.</p> <p>Being based on actual agreements, this in comparison to income as per valuer's assessment represents the more representative determination for rental properties. Accordingly it is the most relevant approach for determination of valuation of property for reporting purposes.</p> <p>Generally, the expenditure is between the range of 18% to 22% of gross rental income based on the experience of the valuer which is taken as 20% on average basis and capitalization rate should be in the range between 6% - 6.5%. In the year ended 30 June 2024, the valuer evaluated the capitalisation rate and accordingly revised the same to 6.37% by adjusting the capitalisation rate of 5.21% (based on sales comparison approach) to incorporate the average buffer rate of 1.16% for the last 3 years to arrive at the capitalisation rate of 6.37% to determine the value of property.</p> <p>Valuer's assessment is computed with the assumption of market variables which influenced the value which may vary unexpectedly time to time.</p>

Summary of the valuation report:

Description	Assessment
Average base cost of land	Rs 1,000,000 per square yard
Construction cost of shopping mall	Rs 20,000 to Rs 30,000 per square foot
Construction cost of office building	Rs 27,500 per square foot (except 20th Floor) Rs 20,000 per square foot (for 20th Floor)
Depreciation on structure	@ 3% per annum for 12 years by diminishing method
Dolmen Mall sales market value	Rs 77,687,963,000
Harbour Front sales market value	Rs 12,314,112,000
Dolmen Mall average rental rate	Upper basement = 0.52% of total value Ground floor = 0.48% of total value First floor = 0.48% of total value Second floor = 0.47% of total value Second floor storage = 0.45% of total value
Per annum growth	10%
Harbour Front average rental rate	0.85% of total value (average of all floors)
Per annum growth	10%
Operation cost	20% of yearly rental
Occupancy	100%
Capitalization rate	6.86%

7 RENT AND MARKETING RECEIVABLES

	Note	Unaudited 30 September 2025 (Rupees in '000)	Audited 30 June 2025
Rent and marketing receivables		237,897	203,853
Receivable from related party		10,425	-
		248,322	203,853
Less: impairment allowance	7.1	(91,425)	(91,425)
		156,897	112,428
7.1 Movement of impairment loss on receivables:		Unaudited 30 September 2025 (Rupees in '000)	Audited 30 June 2025
Balance at the beginning of the period / year		91,425	60,541
Charge for the period		-	30,884
Write off		-	-
Balance at the end of the period / year		91,425	91,425

8 PREPAYMENTS, ADVANCES AND DEPOSITS

	Note	Unaudited 30 September 2025 (Rupees in '000)	Audited 30 June 2025
Advances			
Advance to vendors		-	-
Advance to Central Depository Company	8.1	13,846	12,436
		13,846	12,436
Security deposits		1,521	1,521
Prepayments		37,291	-
Others		-	-
		38,812	1,521
		52,658	13,957

8.1 This represents advance to CDC for processing of unclaimed dividend payments to unit holders.

9 ADVANCE TAX

	Note	Unaudited 30 September 2025 (Rupees in '000)	Audited 30 June 2025
Advance tax	9.1	230,492	229,055
Provision for impairment	9.2	(4,728)	(4,728)
		225,764	224,327

9.1 This pertains to tax deducted by tenants due to unavailability of tax exemption certificate at the time of payment of rental and marketing invoices raised by the Scheme.

9.2 This represents advance tax deducted by delinquent tenants whose outstanding balance were fully provided in prior years.

10 BANK BALANCES

	Note	Unaudited 30 September 2025 (Rupees in '000)	Audited 30 June 2025
Saving accounts	10.1	2,286,141	2,344,422

10.1 This represents deposits held in riba free saving accounts carrying expected profit rates ranging from 6% to 10.50% (30 June 2025: 6% to 18.5%) per annum.

11 PAYABLE TO REIT MANAGEMENT COMPANY - related party

	Note	Unaudited 30 September 2025 (Rupees in '000)	Audited 30 June 2025
Management fee payable		41,686	40,589
Sindh sales tax on management fee	11.1	7,217	7,053
Other payable		308	308
	11.2	49,211	47,950

11.1 This includes an amount of Rs. 1.69 million (30 June 2024: Rs. 1.69 million) pertaining to Sindh sales tax charged on Federal Excise Duty (FED) (refer note 15.3).

11.2 Under the provisions of the REIT Regulations, 2022 (previously REIT Regulations, 2015), the RMC is entitled to a management fee as specified in the Offering Document and Information Memorandum. The Management Company charges a fee at the rate of 3% of the Scheme's Net Operating Income (NOI) in accordance with the Business Plan. This management fee is payable quarterly in arrears. The Sindh Government, through the Sindh Sales Tax on Services Act, 2011 (effective from 1 July 2014), has levied Sindh Sales Tax on the management fee of the RMC. The applicable sales tax rate, which had been 13% since 1 July 2016, has been revised to 15% in the current year.



12	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	Unaudited 30 September 2025	Audited 30 June 2025
			----- (Rupees in '000) -----	
	Unearned rental income		145,227	154,378
	Accrued expenses		56,616	60,738
	Payable to associated undertakings	12.1	54,425	52,228
	Federal excise duty	12.2	11,980	11,980
	Monitoring fee payable to SECP		27,796	22,237
	Trustee fee	12.3	7,879	7,797
	Sales tax and withholding income tax payable		37,838	6,817
	Shariah advisory fee		124	61
	Takaful payable		-	1,151
	Other liabilities		3,195	3,398
			<u>345,080</u>	<u>320,785</u>
12.1	Payable to associated undertakings		Unaudited 30 September 2025	Audited 30 June 2025
			----- (Rupees in '000) -----	
	- Dolmen Real Estate Management (Private) Limited		54,345	52,148
	- Al-Feroz (Private) Limited		40	40
	- Dolmen (Private) Limited		40	40
			<u>54,425</u>	<u>52,228</u>
12.2	As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the fee of the RMC has been applied. The RMC is of the view that since the management fee 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 Sindh High Court (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 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 on CP No. D-3547 of 2013 in respect of constitutional petition filed by management companies of mutual funds maintained the aforesaid order on the FED.			
	The Sindh Revenue Board (SRB) and the Federal Board of Revenue (FBR) have filed appeals before Supreme Court of Pakistan (SC) against the SHC's decision dated 02 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. 11.98 million (30 June 2024: 11.98 million) has been maintained in the Scheme's Financial			
12.3	This relates to accrual on account of property expense against which challans have not yet been received.			
12.3	Under the provisions of REIT Regulations, 2022 (previously REIT Regulations, 2015), the Trustee is entitled to an annual fee for services rendered, payable on quarterly basis in arrears. Accordingly, the Trustee charged an annual fee at a rate of 0.5% (30 June 2025: 0.5%) of the 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 applicable sales tax rate, which had been 13% since 1 July 2016, has been revised to 15% in the current year.			
13	CONTINGENCIES AND COMMITMENTS			
13.1	Contingencies			
	On 23 August 2024, the Scheme has received a show cause notice bearing reference No. SRB/COM/VII/SWWF/2024-25/586626 from the Sindh Revenue Board (SRB) demanding payment under the Sindh Workers Welfare Fund (SWWF) Act, 2014. The notice refers to clause (vi-a) of section 2(g) of the Act, which includes establishments governed by the Sindh Shops and Commercial Establishment Act, 2015, within the definition of "industrial establishment." Based on this clause and the profit before tax of Rs. 9.29 billion reported for the year ended 30 June 2023, SRB has determined a SWWF liability of Rs. 185.84 million (calculated at 2% of profit before tax), payable under the Government of Sindh's head of account "G-06313 – Workers Welfare Fund (Sindh)."			
	The management of the Scheme, through its legal counsel, is contesting the applicability of SWWF to Dolmen City REIT. Management's view is that the REIT does not have any employees, as all operational and administrative functions are performed by Arif Habib Dolmen REIT Management Limited, a separate legal entity. Accordingly, management believes that the provisions of the SWWF Act, 2014, are not applicable to the Scheme.			
	Further, the Sindh Revenue Board (SRB), through its letter dated August 12, 2021, intimated the Mutual Funds Association of Pakistan (MUFAP) that mutual funds do not qualify as Financial Institutions or Industrial Establishments and are, therefore, not liable to pay SWWF contributions. This communication further supports the stance taken by the management of the Scheme.			

13.2

Commitments

The Scheme is required to provide a Gas Supply Deposit (GSD) to Sui Southern Gas Company Limited (SSGC). To meet this requirement, the Company has arranged a bank guarantee from Askari Bank Limited in favor of SSGC. As at 30 September 2025, the bank guarantee amounts to Rs. 193.45 million.

14

RENTAL INCOME

Unaudited

30 September 2025

Unaudited

30 September 2024

(Rupees in '000)

Minimum rent	1,532,661	1,369,848
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15

ADMINISTRATIVE AND OPERATING EXPENSES

Note

Unaudited

30 September 2025

Unaudited

30 September 2024

(Rupees in '000)

Property management fee	15.2	90,677	81,860
Renovation expense		7,453	148,083
Marketing expenses	15.2	12,762	13,532
Takaful fee	15.2	16,033	15,263
Ancillary income collection fee	15.2	17,703	15,032
Common area maintenance charges	15.2	6,245	6,726
SECP monitoring fee	15.1	5,559	5,559
Property and advertisement taxes	15.2	4,657	4,314
Legal and professional charges		5,430	7,323
Auditor's remuneration		2,732	1,800
Annual listing fee paid to PSX		815	674
Utility expenses	15.2	73	690
Shariah advisory fee		63	63
Others		2,079	4,003
		172,281	304,922

15.1

Under the provision of REIT Regulation 2022 (previously REIT Regulation 2015), the scheme is required to pay an annual SECP equal to 0.1% of the average fund size.

15.2

These represent direct operating expenses arising from investment property.

16

OTHER INCOME

Unaudited

30 September 2025

Unaudited

30 September 2024

(Rupees in '000)

Profit on bank deposits and TDRs	49,042	81,152
Liability written back	-	9,661
	49,042	90,813

17

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

The REIT Management Company intends to distribute more than 90% of the Scheme's accounting income for the year ending 30 June 2025 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash to avail the exemption. Accordingly, no tax provision has been made in these interim financial statements for the period ended 30 September 2025.

18

TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include Arif Habib Dolmen REIT Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee to the Scheme, Dolmen Real Estate Management (Private) Limited, being Property Manager and connected person, associated companies, directors and key executives of the RMC, trustee and promoter of RMC including their close relatives.

Transactions with related parties are in the normal course of business, at agreed terms.

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

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

18.1 Transactions during the period:

Transactions during the period:			Unaudited	Unaudited
Name of the related party	Relationship and/or percentage unitholding	Nature of transaction during the period	30 September	30 September
			2025	2024
			----- (Rupees in '000) -----	-----
Dolmen Real Estate Management (Private) Limited	Property Manager	Common area maintenance charges	6,245	6,726
		Common area maintenance paid	1,719	6,667
		Expenses incurred on behalf of the Scheme	82	27
		Reimbursement of expenses incurred on behalf of the Scheme	82	233
		Withheld security deposit of tenants	-	1,161
		Paid withheld security deposit of tenants	-	-
		Rental income	9,649	-
		Rental received	9,368	-
		Property management fee	108,380	96,892
		Property management fee paid	110,709	95,737
Retail Avenue (Private) Limited	Common directorship	Rental and marketing income	5,185	4,292
		Rental received	4,359	4,292
Al-Feroz (Private) Limited	Associated company holding 37.5% units	Rental income	9,649	8,516
		Rental received	9,368	8,516
		Dividend paid	525,349	416,944
Dolmen (Private) Limited	Associated company holding 37.5% units	Rental income	-	8,516
		Rental received	-	11,097
		Dividend paid	525,349	416,944
Sindbad Wonderland (Private) Limited	Common directorship	Rental and marketing income	26,417	23,316
		Amount received	17,098	15,544
Arif Habib Dolmen REIT Management Limited	Management Company	Expenses incurred on behalf of the Scheme	2,500	3,035
		Reimbursement of expenses incurred on behalf of the Scheme	2,500	-
		Management fee	48,032	36,740
		Management fee paid	40,670	76,740
Central Depository Company of Pakistan Limited	Trustee	Trustee fee	8,005	6,124
		Trustee paid	7,923	6,306

18.2 Balances outstanding at the period / year end:

Balances outstanding at the period / year end:			Unaudited 30 September 2025	Audited 30 June 2025
Name of the related party	Relationship and/or percentage shareholding	Period / year end balances	----- (Rupees in '000) -----	
Dolmen Real Estate Management (Private) Limited	Property Manager	Common area maintenance charges payable	8,461	3,934
		Expenses payable incurred on behalf of the Scheme	156	156
		Payable of withheld security deposit of tenants	1,161	1,161
		Rent receivable	281	-
		Property management fee payable	46,133	48,462
Al-Feroz (Private) Limited	Associated company holding 37.5% units	Rent receivable	281	-
		Payable against purchase of equipment for maintenance	40	40
Dolmen (Private) Limited	Associated company holding 37.5% units	Rent receivable	-	-
		Payable against purchase of equipment for maintenance	40	40
Retail Avenue (Private) Limited	Common directorship	Rent and marketing receivable	826	-
Sindbad Wonderland (Private) Limited	Common directorship	Rent and marketing receivable	9,318	-
Arif Habib Dolmen REIT Management Limited	Management Company	Expenses payable incurred on behalf of the Scheme	308	308
		Management fee payable	48,903	47,950
Central Depository Company of Pakistan Limited	Trustee	Trustee fee payable	7,879	7,797

19 EARNINGS PER UNIT - BASIC AND DILUTED

EARNINGS PER UNIT - BASIC AND DILUTED		Unaudited	
		Three months period ended	
	Note	30 September 2025	30 September 2024
----- (Rupees in '000) -----			
Profit for the period		<u>1,385,226</u>	<u>1,112,875</u>
----- (Number of Units) -----			
Weighted average number of or units during the period		<u>2,223,700,000</u>	<u>2,223,700,000</u>
----- (Rupees) -----			
Earnings per unit - Basic and diluted	19.1	<u>0.6229</u>	<u>0.5005</u>
Earnings per unit comprises as follows:			
Distributable income - earnings per unit		0.6229	0.5005
Undistributable unrealised fair value gains - earnings per unit		-	-
	19.1.1	<u>0.6229</u>	<u>0.5005</u>

19.1.1 Under the provisions of Trust Deed, the amount available for distribution shall be total of income and realised gain net off expenses. Accordingly, unrealised fair value gain is not distributable.

20.1.2 There is no impact of dilution on earnings per unit as the Scheme did not have any convertible instruments in issue as at 30 September 2025 and 30 June 2025 which would have had any effect on the earnings per unit if the option to convert had been exercised.

20 CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS		Unaudited	Audited
	Note	30 September	30 June
		2025	2024
		----- (Rupees in '000) -----	
Short-term investments	10	-	-
Bank balances	10	2,286,141	2,344,422
		2,286,141	2,344,422

21 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 follow

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 assets or liabilities, either directly or indirectly.

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


22.1 The fair value of all the financials assets and liabilities at the reporting date approximate to their carrying value.Fair value of the investment property is shown under note no. 6.

22 NON ADJUSTING EVENT AFTER BALANCE SHEET DATE

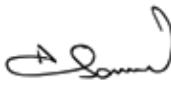
The Board of Directors of the RMC in their meeting held on 15 July 2025 have declared and approved final cash dividend for the year ended 30 June 2025 of Re. 0.63 per unit amounting to Rs. 1,400.931 million. These financial statements do not include the effect of above announcement which will be accounted for in the financial statements of the Scheme for the year ending 30 June 2026.

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors of the REIT Management Company on 29 October, 2025 .

  
Chief Financial Officer

  
Chief Executive

  
Director



