



ARIF HABIB DOLMEN  
REIT MANAGEMENT LIMITED

# **DOLMEN CITY REIT**

## **Corporate Briefing Session 2022**



# Table of Contents

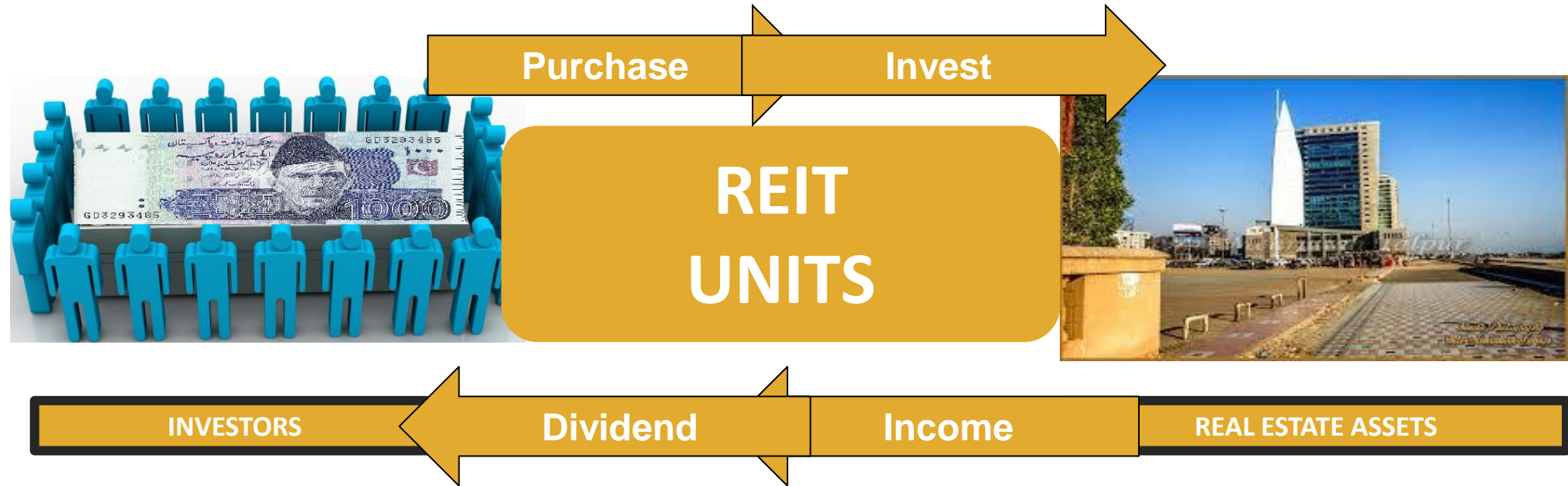
**01** Introduction – Sector Overview

**02** Introduction - Company Overview

**03** Operational and Financial Highlights

# 1. Introduction - Sector Overview

A highly regulated and disciplined corporate structure to pool funds for the purpose of real estate investment.



Ownership of the Real Estate is represented through REIT Units. Investors can invest according to their financial ability. Units can be converted into cash through sale to other investors via stock exchange.

# How REITs Work



Investment

Public and Private Investors



Stock Exchange Listing



Dividends and Capital Appreciation

Income Distribution

## REIT SCHEME



Holds Property Title and Accounts as Custodian of REIT Assets



Rent and Sale Proceeds

Trust Deed

**RMC**  
Establishes and Manages the REIT



ARIF HABIB DOLMEN  
REIT MANAGEMENT LIMITED

Books of Accounts, Appointments, Investment Decision Making, Regulator Reporting and Income Distribution



Sharia Advisor



Property Valuer



Auditors / REIT Accountant / Rating Agency



Development Advisor / Property Manager



# 1. Introduction - Sector Overview

## Types of REITs in Pakistan

- **Developmental REIT:** Established with the objective of development, construction or refurbishment of real estate for industrial, commercial, residential or a combination of uses.
- **Rental REIT:** Established with the purpose of generating rental income from Real Estate.
- **Hybrid REIT:** A REIT Scheme, which has both development and rental components.

Developmental



Rental



Hybrid



## 2. Introduction – Company Overview

- Country's Finest Mix-Use Development; revolutionized the retail landscape of Pakistan.
- Karachi's Favorite destination - the Dolmen Mall, Clifton integrates the best in food, fashion and leisure.
- Delighted Customers, Reputed Tenants, Growing Rents, Happy Unit-holders, and Vigilant Regulators



### Components of Dolmen City Project:

- **Harbour Front:** Nineteen storeys state-of-the art office building
- **Dolmen Mall:** Three storey international standard mall

## 2. Introduction - Company Overview

<b>Nature of the Scheme</b>	Perpetual, Rated, Listed, Closed-end <b>Shariah Compliant</b> Rental REIT
<b>Real Estate</b>	<ul style="list-style-type: none"> <li>• Dolmen Mall Clifton      548,138 sq.ft.</li> <li>• The Harbour Front      256,510 sq.ft.</li> <li><b>Total</b>                              <b>804,648 sq.ft.</b></li> </ul>
<b>Fund Size</b>	<b>PKR 22,237 Million (at inception)</b> <b>PKR 64,029 Million as at June 30, 2022</b>
<b>Trustee</b>	Central Depository Company of Pakistan Limited
<b>Rating</b>	“ <b>AAA (rr)</b> ” by VIS Credit Rating Agency
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>• Dolmen Mall Clifton      <b>97.16%</b></li> <li>• The Harbour Front      <b>100.00%</b></li> </ul>
<b>Net Asset Value</b>	<b>PKR 28.79</b> per unit (June 30, 2022)
<b>Market Price</b>	<b>PKR 13.99</b> per unit (December 16, 2022)
<b>Dividend Yield (on face value)</b>	<b>12.00%</b> (June 2018) <b>13.20%</b> (June 2019) <b>12.50%</b> (June 2020) <b>12.40%</b> (June 2021) <b>15.00%</b> (June 2022)

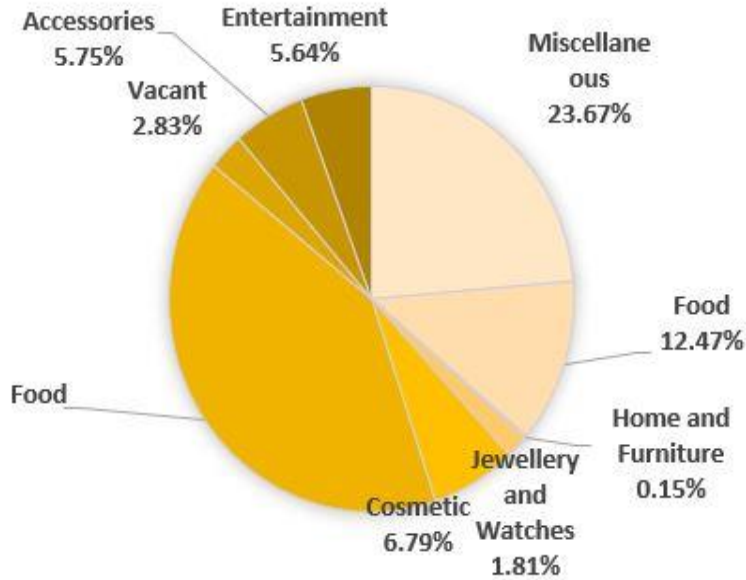


# 3. Operational and Financial Highlights

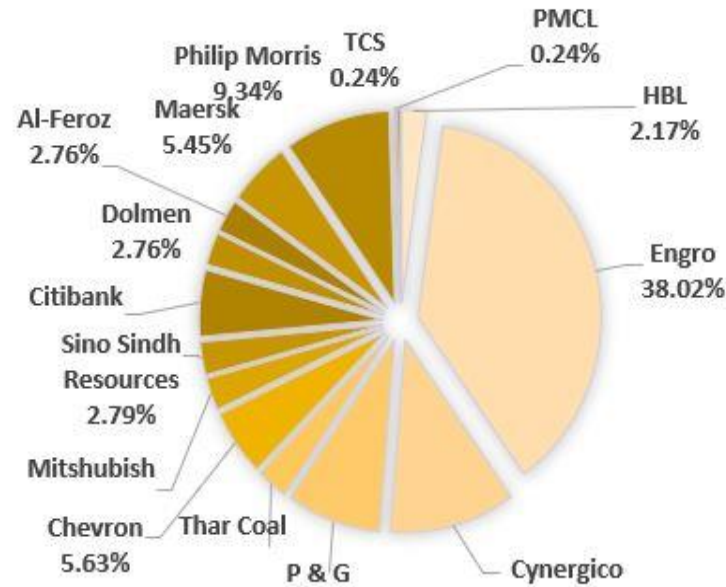
- Currently Operating with the finest brands and Companies in Pakistan.
- Tenants include:



**MALL - TENANCY PROFILE (AS AT JUNE 2022)**



**HARBOUR FRONT - TENANCY PROFILE (AS AT JUNE 2022)**



# 3. Operational and Financial Highlights

## Overview

- FY22 was predicted to be a year in which the world moved back to normalcy from extremely challenging period.
- The pioneering Rental REIT of Pakistan - DCR continues to deliver strong results amidst the pandemic and weathered the challenges with prudent property management.
- Group of tenants were facilitated with waivers / discounts and deferment of rent escalations to cover their losses. However, this year discounts and waivers allowed were much lower compared to those given in the last year.
- 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%).
- long-term strategic measure to strengthen our partnership with tenants and envision robust performance resulted new tenants coming in including Gloria Jeans, Diesel, Tesoro, Hemani Herbal, The Closet, and Lamy among others.

## Outlook






- Number of potential, well selected tenancies in the pipeline for both Mall and the Harbour Front.
- Footfall and sale activities are progressively returning to normal. We expect more robust performance in the coming quarters.
- With professional property management, long lease expiries, extensive marketing activities and renowned tenants, we remain confident that Dolmen City will remain the destination of choice for shoppers, retail operators and corporations alike.

### 3. Operational and Financial Highlights

	30 June 2022 ----- (Rupees in '000) -----	30 June 2021	%
<b>Revenue</b>			
Rental income	3,573,664	2,938,661	21.61
Marketing income	221,536	147,393	50.30
	3,795,200	3,086,054	22.98
Administrative and operating expenses	(504,781)	(421,684)	19.71
Impairment loss on rent receivables	(11,589)	-	-
<b>Net operating income</b>	3,278,830	2,664,370	23.06
Other income	126,748	130,272	(2.71)
	3,405,578	2,794,642	21.86
Management fee	(98,365)	(79,931)	23.06
Sindh sales tax on management fee	(12,787)	(10,391)	23.06
Trustee fee	(16,394)	(13,322)	23.06
Sindh sales tax on trustee fee	(2,131)	(1,732)	23.04
	(129,677)	(105,376)	23.06
<b>Profit before change in fair value of Investment property</b>	3,275,901	2,689,266	21.81
Unrealised gain on remeasurement of fair value of Investment property	6,486,992	5,920,721	9.56
<b>Profit before taxation</b>	9,762,893	8,609,987	13.39

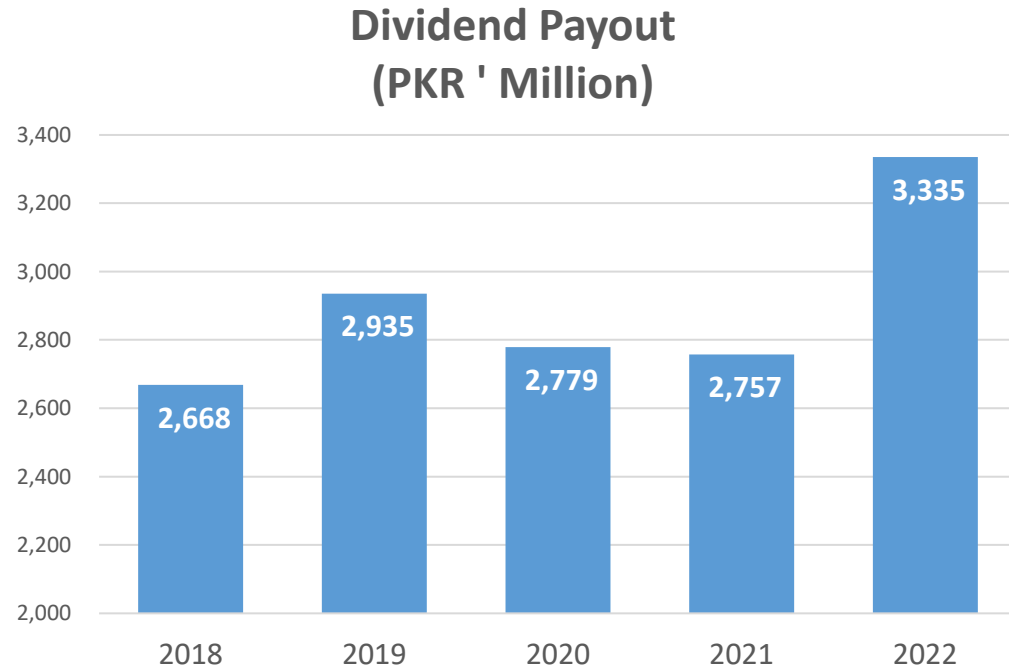
### 3. Operational and Financial Highlights

#### Summarized Performance of 1<sup>st</sup> Quarter

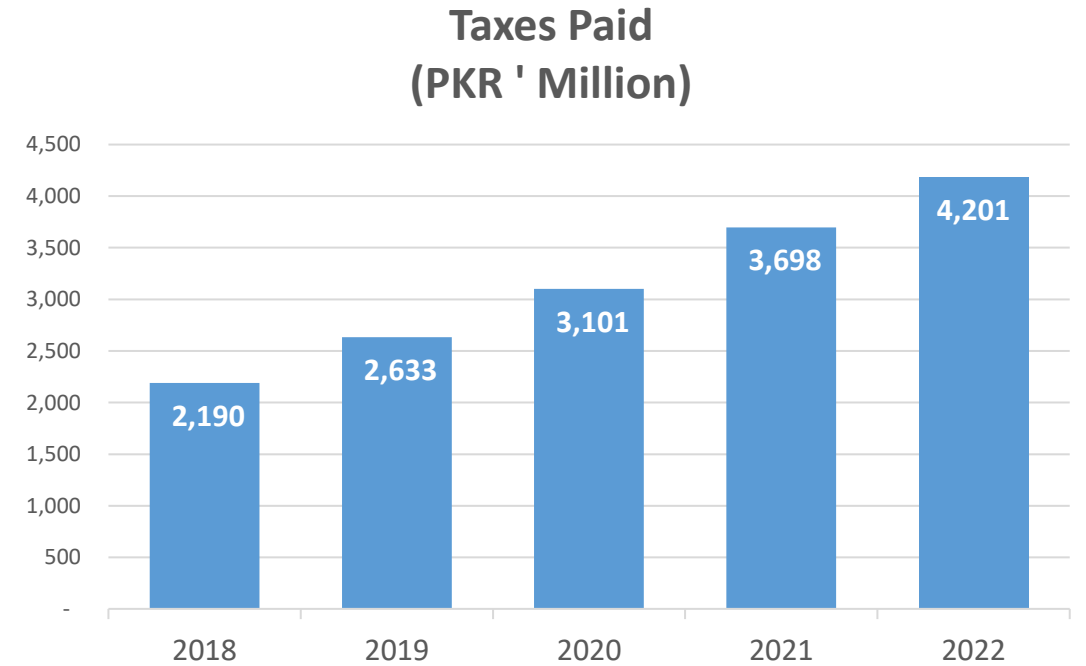
	30 Sept. 2022	30 Sept. 2021		%
	----- (Rupees in '000) -----			
<b>Income</b>	<b>1,078,111</b>	810,070		33.09
<b>Net operating income</b>	<b>944,459</b>	711,896		32.67
<b>Net Profit</b>	<b>957,620</b>	705,862		35.67
	----- (Rupees) -----			
<b>Earnings per unit</b>	<b>0.43</b>	0.32		35.67
<b>Dividend per unit</b>	<b>0.43</b>	0.33		30.30

# 3. Operational and Financial Highlights

## Dividend Payout (Year on Year)



## Cumulative Contribution to Government in terms of Federal and Provincial Taxes





Thank You