Arif Habib Dolmen REIT Management Limited

Condensed Interim Financial Statements for the period ended **March 31, 2023**

Arif Habib Dolmen REIT Management Limited
Directors' Report
For the Nine Months Ended 31st March 2023

The Board of Directors of Arif Habib Dolmen REIT Management Limited (RMC) is pleased to present the condensed interim financial statements of the Company for the nine months ended on 31st March 2023.

Operational and Financial Results

After a successful FY22 in which company was able to register five new REITs, FY23 also started in a promising way where four new REITs were registered during the period,

REIT Schemes that were registered with the SECP, during the period by the Company include:

#	Name of the REIT Scheme	REIT Category	SECP Registration Date	Indicative Fund Size (PKR Billion)	Location
1	Rahat Residency REIT '**RRR**'	Developmental	Aug 03, 2022	1.000	Naya Nazimabad, Karachi
2	Naya Nazimabad Apartment REIT '**NNAR**'	Developmental	Aug 03, 2022	5.875	Naya Nazimabad, Karachi
3	DHA Dolmen Lahore REIT '**DDLR**'	Rental	Aug 03, 2022	36.396	DHA Lahore
4	Signature Residency REIT '**SRR**'	Developmental	March 22, 2023	0.825	Naya Nazimabad, Karachi

Company is under mandate for three more REITs with different sponsors, these REITs will be in Lahore and Karachi. Management is confident that deals will be closed during the financial year 2023.

This proliferation in portfolio of the Company necessitated equipping the organization with tools and human resources to optimally and diligently maintain performance standards that the industry associates the Company with.

Construction work for Globe Residency REIT is in full swing under supervision of Development Advisor and Project Manager. As at period end, 57% inventory is already sold and proceeds are utilized for construction work. Scheme entered into Musharaka agreement with Meezan Bank Limited ("MEBL") for 3 out of 9 towers of the project. During the period, two installments for contribution was disbursed by MEBL.

The Company commenced vicinity development work planned for SIDR in last year for which consultants were hired and are working under supervision by a team of engineers of project manager. Concept design is being finalized with development advisor and operations are expected to commence in April 2023.

Although new REIT Schemes cumulatively had a positive impact on company's revenue contributing PKR 127.289 million out of PKR 234.574 million, constituting 54.26% of total revenue, Dolmen City REIT 'DCR' still remained the backbone of RMC's income contributing PKR 86.019 million which account for 45.74% of total revenue. The Company also earned income of PKR [] from advisory services during the current period. Other contributors other than DCR were Silk World Islamic REIT amounting to Rs. 46.243 million and DHA Dolmen Lahore REIT amounting to Rs. 30 million. Remaining income pertains to Silk Islamic Development REIT, Globe Residency REIT and Rahat Residency REIT. During the period, the company also earned Rs 21.270 million through advisory services.

A summary of financial results is tabulated below:

Line Items	**March 2023 (in Rs millions)**	**March 2022 (in Rs millions)**
Operating Revenue – net	237.014	131.833
Administration Expenses	(94.936)	(60.087)
Other Income	11.327	11.471
Finance Cost	49.978	(32.474)
Profit Before Tax	98.035	48.963
Profit After Tax	67.628	33.614
EPS – in rupees	3.38	1.68

Business outlook

We are witnessing growing interest from the market in considering REIT modality for their rental and developmental real estate business. Currently there is a healthy pipeline of business and during the ongoing year, the Company successfully registered four REIT Schemes with SECP. It is imperative that the regulatory and taxation framework for REITs continues unobstructive. REITs offer the most viable route to bring the real estate business within the documented economy fold.

Related Party Transaction

In order to comply with REIT Regulations and the Code of Corporate Governance, the RMC presented all related party transactions before the Audit Committee and the Board for their review and approval.

Acknowledgement

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

For and on behalf of the Board

Muhammad Ejaz
Chief Executive Officer

Arif Habib
Chairman

Karachi
April 27, 2023

Arif Habib Dolmen REIT Management Limited

Condensed Interim Statement of Finanicial Position

As at March 31, 2023

	Note	(Unaudited) March 31, 2023	(Audited) June 30, 2022
		Rupees	
ASSETS			
Non-current assets			
Property and equipment	5	**4,974,640**	5,469,546
Right-of-use asset		**-**	1,212,364
Intangible asset	6	**401,176**	533,116
Long term investment	7	**600,000,000**	600,000,000
Long term advances and deposits	8	**8,114,188**	4,486,017
		613,490,004	611,701,043
Current assets			
Mark-up accrued on bank deposits		**1,061,910**	2,243,726
Receivable from schemes	9	**434,363,887**	216,212,083
Loans and advances	10	**6,854,838**	6,853,397
Prepayments and other receivables	11	**22,815,423**	5,995,756
Short term investments		**17,600**	-
Cash and bank balances	12	**45,549,427**	184,175,378
		510,663,085	415,480,340
Total assets		**1,124,153,089**	1,027,181,383
EQUITY AND LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital (20,000,000 shares of Rs. 10 each)		**200,000,000**	200,000,000
Revenue reserve			
Unappropriated profits		**113,375,729**	65,747,480
		313,375,729	265,747,480
LIABILITIES			
Non-current liabilities			
Long term loan from a banking company	13	**400,000,000**	400,000,000
Deferred tax liability - net		**258,793**	451,851
		400,258,793	**400,451,851**
Current liabilities			
Advance from a banking company	14	**305,876,802**	305,876,802
Accrued expenses and other payables	15	**57,831,703**	19,224,708
Current maturity of lease liability		**-**	803,706
Accrued mark up		**29,834,301**	33,647,338
Taxation - net		**16,975,761**	1,429,498
		410,518,567	360,982,052
Contingencies and commitments	16		
Total equity and liabilities		**1,124,153,089**	1,027,181,383

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

Chief Financial Officer | **Chief Executive Officer** | **Director**

Arif Habib Dolmen REIT Management Limited

Condensed Interim Statement of Profit or Loss

For the nine months period and quarter ended March 31, 2023

	Note	Nine Months Ended		Quarter ended	
		March 31, 2023	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
		Amount in Rupees			
Operating revenue - net	17	**237,014,604**	131,833,443	93,458,324	55,655,358
Administrative expenses	18	**(94,936,654)**	(60,087,617)	(39,639,467)	(22,766,118)
		142,077,950	71,745,826	53,818,857	32,889,240
Other Expenses	19	**(5,390,986)**	(1,778,976)	(2,000,000)	(559,000)
Finance costs	20	**(49,978,455)**	(32,474,738)	(17,102,465)	(12,468,947)
		86,708,509	37,492,112	34,716,392	19,861,293
Other income	21	**11,327,112**	11,471,852	2,651,296	4,147,644
Profit before taxation		**98,035,621**	48,963,964	37,367,688	24,008,937
Taxation	22	**(30,407,372)**	(15,349,334)	(12,571,597)	(6,160,715)
Profit after taxation		**67,628,249**	33,614,630	24,796,091	17,848,222
Earning per share - basic and diluted		**3.38**	1.68	1.24	0.89

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

Chief Financial Officer | **Chief Executive Officer** | **Director**

Arif Habib Dolmen REIT Management Limited

Condensed Interim Statement of Changes in Equity

For the nine months period and quarter ended March 31, 2023

	Share Capital	Reserves: Capital — Fair Value Reserves	Reserves: Revenue — Accumulated Profit / (Loss)	Sub Total	Shareholder's Equity
	-----	-----	Amount in Rupees	-----	-----
Balance as at June 30, 2021	**200,000,000**	-	**24,430,432**	**24,430,432**	**224,430,432**
Total comprehensive income for the period					
Profit for the period			41,317,048	41,317,048	41,317,048
Other comprehensive income		-		-	-
Total comprehensive income for the period	-	-	41,317,048	41,317,048	41,317,048
Balance as at June 30, 2022	**200,000,000**	-	**65,747,480**	**65,747,480**	**265,747,480**
Total comprehensive income for the period					
Profit for the period	-	-	67,628,249	67,628,249	67,628,249
Dividend	-	-	(20,000,000)	(20,000,000)	(20,000,000)
Total comprehensive income for the period	-	-	47,628,249	47,628,249	47,628,249
Balance as at March 31, 2023	**200,000,000**	-	**113,375,729**	**113,375,729**	**313,375,729**

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

Chief Financial Officer	Chief Executive Officer	Director

Arif Habib Dolmen REIT Management Limited

Condensed Interim Statement of Comprehensive Income

For the nine months period and quarter ended March 31, 2023

	Nine months ended		Quarter ended	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
	---------- Rupees ----------			
Profit after taxation	**67,628,249**	33,614,630	**37,633,543**	17,848,222
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the period	**67,628,249**	33,614,630	**37,633,543**	17,848,222

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

Chief Financial Officer	**Chief Executive Officer**	**Director**

Arif Habib Dolmen REIT Management Limited

Condensed Interim Statement of Cash Flows

For the period ended 31 March 2023 (unaudited)

	March 31, 2023	March 31, 2022
	-----------Rupees-----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	98,035,621	48,963,964
Adjustment for:		
Depreciation on property and equipment	1,109,939	735,115
Depreciation on right-of-use assets	-	1,818,548
Amortisation of intangible assets	224,430	11,498
Finance cost	49,978,455	32,474,738
Dividend income	-	(666,523)
(Gain)/loss on sale of short term investments	-	(602,000)
Mark-up on bank deposit	(11,327,112)	(10,203,329)
	39,985,712	23,568,047
Cash generated from operating activities before working capital changes	138,021,333	72,532,011
Working capital changes		
(Increase) / decrease in current assets		
Receivable from schemes	(218,355,398)	(126,489,167)
Current portion of long term loans to employees and advances	(1,441)	(4,363,346)
Advance for purchased of units	-	600,000,000
Short term investment	(17,600)	602,614
Prepayments and other receivables	(16,819,667)	(7,500,550)
	(235,194,106)	462,249,551
Increase / (decrease) in current liabilities		
Accrued expenses and other payables	38,606,995	3,293,110
Cash generated from operations	(58,565,778)	538,074,672
Finance cost paid	(49,496,324)	(12,708,679)
Long term advances and deposits	(3,628,171)	(991,800)
Taxes paid	(15,054,167)	(11,377,674)
Net cash generated from operating activities	(126,744,440)	512,996,519
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(755,534)	(5,026,171)
Acquisition of Intangible assets	-	(587,106)
Proceed from disposal of property and equipment	140,501	32,769
Long term loan to employees recovered / (disbursed)	-	14,000
Investment in units of Silk Islamic Development REIT	-	(600,000,000)
Dividend received	-	666,523
Markup received	12,508,928	9,429,282
Net cash (used in) / generated from investing activities	11,893,895	(595,470,703)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from banking Company - net	-	231,275,273
Dividend Paid	(20,000,000)	
Repayments of lease liabilities against right-of-use asset	(3,775,406)	(1,774,432)
Net cash used in financing activities	(23,775,406)	229,500,841
Net decrease in cash and cash equivalents	(138,625,951)	147,026,657
Cash and cash equivalents at beginning of the period	184,175,378	30,493,213
Cash and cash equivalents at end of the period	45,549,427	177,519,870

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.

Chief Financial Officer | **Chief Executive Officer** | **Director**

1 STATUS AND NATURE OF BUSINESS

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

The principal business of the Company is to launch Real Estate Investment Trust (REIT) Schemes and provide REIT management services in accordance with the Real Estate Investment Trust Regulations, 2015. As on June 30, 2022 the Company has been rated AM2+ (RMC) by VIS Credit Rating Company Limited.

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. The accounting and reporting standards as applicable in Pakistan comprises of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017;
- The Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (the NBFC Rules 2003); and
- The Real Estate Investment Trust Regulations 2015 (the REIT Regulations 2015).

Where the provisions of and directives issued under Companies Act, 2017, Part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules 2003, the REIT Regulations 2015 differ from IFRS standards, the provisions of and directives issued under Companies Act, 2017, the NBFC Rules 2003, the REIT Regulations 2015 have been followed.

2.2 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention, except:

- Lease liability and the related right-of-use asset which are initially measured at the present value of the lease payments that are not paid at the commencement date; and
- Short term investments which are carried at fair value.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized 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.

	Note
- Useful lives, depreciation method and residual values of property and equipment;	4.1
- Useful lives, amortisation method and residual values of intangible assets;	4.3
- Provision for taxation; and	4.7
- Lease liability and right-of-use assets.	4.2

2.5 New accounting pronouncements

2.5.1 *Amendments to approved accounting standards and interpretations which became effective during the year ended June 30, 2020*

During the year, certain new accounting and reporting standards / amendments / interpretations became effective and applicable to the Company. However, since such updates (except for those disclosed in note 3 to these financial statements) were not considered to be relevant to the Company's financial reporting, the same have not been disclosed here.

2.5.2 *New / revised accounting standards, amendments to published accounting standards and interpretations 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 the date specified below;

- Amendment to IFRS 3 'Business Combinations' - Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after January 01, 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The application of the amendment is not likely to have an impact on the Company's financial statements.

- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (effective for annual periods beginning on or after January 01, 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards. The amendments are not likely to affect the financial statements of the Company.

- Interest rate benchmark reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after January 01, 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has, in turn, led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Company.

- Amendments to IFRS-16- IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after June 01, 2020 with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

a. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
b. any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
c. there is no substantive change to the other terms and conditions of the lease.

The above amendments are not likely to affect the financial statements of the Company.

- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after January 01, 2022. These amendments in the standards have been added to further clarify when a liability is classified 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 shall apply those amendments retrospectively in accordance with IAS 8. The amendments are not likely to affect the financial statements of the Company.

- Onerous Contracts Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after January 01, 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. 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 amendments are not likely to affect the financial statements of the Company.

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after January 01, 2022 clarifies that sales proceeds and cost 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. The amendments are not likely to affect the financial statements of the Company.

- Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after January 01, 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.
- 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.

The above amendments are not likely to affect the financial statements of the Company.

3 INITIAL APPLICATION OF IFRS 16 'LEASES'

An overview of the new lease accounting requirements for lessees

With effect from July 01, 2019, the Company has adopted the International Financial Reporting Standard (IFRS) 16 *Leases* which replaced the previous lease accounting requirements contained in IAS 17 *Leases*, IFRIC Interpretation 4 *Determining whether an Arrangement contains a Lease*, SIC Interpretation 15 *Operating Leases—Incentives* and SIC Interpretation 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease.*

IFRS 16 introduces a single on-balance sheet lease accounting model for lessees whereby, at the date of commencement of a lease, a lessee is required to recognize a right-of -use asset and a lease liability (except in case short term leases and leases of low value assets). The right-of-use asset represents the lessee's right of use an underlying asset during the lease term and the corresponding lease liability represents the lessee's obligation to make payments to the lessor for providing the right to use that asset. In the IASB's view, this new lessee accounting model reflects the economics of a lease because, at the commencement date, a lessee obtains the right to use an underlying asset for a period of time, and the lessor had delivered that right by making the asset available for use by the lessee.

The aforesaid new accounting model materially differs from the previous lease accounting requirements for lessees whereby a lessee was required to classify its leases either as finance leases or operating leases based on whether the risks and rewards incidental to ownership were substantially transferred to the lessee. Under the previous standard, at the commencement of the lease term, the lessee recognized finance leases as assets and liabilities in its statement of financial position. However, the lessee recognized the payments made under operating leases as an expense on a straight line basis over the lease term unless another systematic basis was more representative of the time pattern of the user's benefit.

Method of transition to the new lease accounting model

IFRS 16 specifies that a lessee shall apply the standard to its leases either retrospectively to each prior reporting period presented applying IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* ('the full retrospective method') or retrospectively with the cumulative effect of initially applying the standard recognized as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application without restating comparative information ('the cumulative catch-up transition method').

The Company has applied IFRS 16 to the lease arrangements in which it is a lessee (which previously were classified as operating leases under IAS 17) by following the cumulative catch-up transition method using the following practical expedients as permitted under paragraph C10 of IFRS 16:

(a) The Company has applied a single discount rate (i.e. its incremental borrowing rate of 16% per annum as of July 01, 2019) to its portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment);

(b) The Company has relied on its assessment of whether the aforesaid lease arrangements are onerous applying IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as on June 30, 2019 as an alternative to perform an impairment review of right-of-use asset. The said assessment performed by the Company as on June 30, 2019 had not identified any onerous lease arrangements; and

(c) The Company has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Because, in its financial statements for the year ended June 30, 2019, the Company was not required to disclose operating lease commitments under IAS 17, no such explanation as is required under paragraph C12(b) of IFRS 16 has been disclosed in these financial statements.

Initial measurement of the right-of-use asset and the corresponding lease liability

As of the date of initial application (i.e. of July 01, 2019), the Company measured the right-of use asset and the related lease liability (arising from its rights under lease arrangements existing as of that date) as follows:

(a) As permitted under paragraph C8(b) of IFRS 16, the Company measured the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of related prepaid lease payments recognized in its statement of financial position as of June 30, 2019.

(b) The Company measured the lease liability at the present value of the remaining lease payments, discounted using its aforementioned incremental borrowing rate of 16% per annum as of July 01, 2019.

Subsequent measurement of the right-of-use asset and the corresponding lease liability

The accounting policy with respect to subsequent measurement of the right-of-use asset and the corresponding lease liability is described in note 4.2 to these financial statements.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented except for the change in accounting policy as described in note 3 to these financial statements:

4.1 Property and equipment

These are stated at cost less accumulated depreciation and impairment losses, if any. Cost include expenditures that are directly attributable to the acquisition of an asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and its cost can be measured reliably. Cost incurred to replace a component of an item of property and equipment is capitalized, the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to statement of profit or loss account during the period in which they are incurred. Depreciation on all property and equipment is charged to statement of profit or loss account using the reducing balance method at the rates stated in note 5.

In respect of additions and disposals during the year, depreciation is charged from the date when the asset is available for use upto the date till the asset is disposed off.

Assets' residual values, depreciation methods and their useful lives are reviewed at each reporting date and adjusted, if appropriate.

Gains or losses on disposal of an item of property and equipment are recognized in the statement of profit or loss.

4.2 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The company applies a single recognition and measurement approach for lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying asset.

i) **Right-of-use assets**

The Company recognises right-of-use asset at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use asset are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset, as follows:

• Office Premises 10 years

ii) **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments (the fixed payments) to be made over the lease term. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, or a change in the lease payments The company's lease liabilities are included in interest-bearing loans.

4.3 Intangible asset

Intangible assets acquired separately are initially recognized at cost. After initial recognition, these are measured at cost less accumulated amortization and accumulated impairment losses. Costs associated with routine maintenance of intangible assets are recognized as an expense when incurred. However, costs that are directly attributable to identifiable intangible assets and which enhance or extend the performance of intangible assets beyond the original specification and useful life is recognized as capital improvement and added to the original cost of the software.

Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the reducing balance method at the rates specified in note 7 to the financial statements.

4.4 Advances, prepayments and other receivables

These are recognised initially at fair value and subsequently measured at amortized cost, using the effective interest rate method. Provision is made on the basis of lifetime Expected Credit Losses (ECL) that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts are written off when considered irrecoverable.

4.5 Provisions

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

4.6 Revenue recognition

Management fee for providing REIT Management services and REIT advisory services are recognised when services are rendered.

Markup on bank deposits

Markup on bank deposits is recognised on a time proportion basis that takes into account the effective yield.

Dividend Income

Dividends received from investments measured at fair value through profit or loss. Dividends are recognized in the statement of profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

4.7 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilised. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.8 Financial assets

4.8.1 Initial recognition

The Company classifies its financial assets into either of the following three categories:

(a) financial assets measured at amortized cost;
(b) financial assets measured at fair value through other comprehensive income (FVOCI); and
(c) financial assets measured at fair value through profit or loss (FVTPL).

(a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within 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 principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) Financial assets at fair value through other comprehensive income

A financial asset is classified as at fair value through other comprehensive income when either:

(a) 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; or
(b) it is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company at initial recognition.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) Financial assets at fair value through profit or loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid.
Such financial assets are initially measured at fair value.

4.8.2 Subsequent measurement

(a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the statement of profit or loss.

(b) *Financial assets at fair value through other comprehensive income*

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and is recognised in profit or loss.

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

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in statement of profit or loss.

4.8.3 Impairment

The Company's financial assets that are subject to the impairment requirements of IFRS 9 are trade receivables, and other receivables.

The Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance for all above mentioned financial assets. The Company measures expected credit losses in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit and loss account, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

4.9 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortized cost. For the purpose of the statement of cash flows and cash equivalents comprise cash and bank balances.

4.11 Staff retirement benefit

The Company contributes to Voluntary Pension Scheme (VPS) managed by an associated undertaking i.e. MCB Arif Habib Savings and Investment Limited for its permanent employees. Both the employer and employee contribute 10% of salary to the scheme on monthly basis.

5 PROPERTY AND EQUIPMENT

	Owned Assets					
	Furniture & fixtures	Office equipment	Computer and allied equipment	Telecommu-nication equipment	Vehicles	Total
	Rupees					
As at June 30, 2022						
Cost	1,863,654	130,500	4,818,978	875,708	453,000	8,141,840
Accumulated depreciation	(120,339)	(59,882)	(1,793,641)	(478,430)	(220,002)	(2,672,294)
Net book value	1,743,315	70,618	3,025,337	397,278	232,998	5,469,546
Movement during the period ended March 31, 2023						
Opening net book value	1,743,315	70,618	3,025,337	397,278	232,998	5,469,546
Additions during the year	-	488,713	226,821	40,000	-	755,534
Deletion during the year	-	-			-	-
Cost	-	-	-	(132,500)	(202,500)	(335,000)
Accumulated Depreciated	-	-	-	49,524	144,975	194,499
	-	-	-	(82,976)	(57,525)	(140,501)
Depreciation for the year	(196,110)	(33,189)	(768,289)	(86,026)	(26,325)	(1,109,939)
Closing net book value	1,547,205	526,142	2,483,869	268,276	149,148	4,974,640
As at March 31, 2023						
Cost	1,863,654	619,213	5,045,799	783,208	250,500	8,562,374
Accumulated depreciation	(316,449)	(93,071)	(2,561,930)	(514,932)	(101,352)	(3,587,734)
Net book value	1,547,205	526,142	2,483,869	268,276	149,148	4,974,640
Annual rate of depreciation	15%	15%	33%	33%	20%	

		Note	Unaudited March 31, 2023	Audited June 30, 2022
			----------Rupees--------	
6	**INTANGIBLE ASSET**			
	Computer Software		401,176	533,116
	Opening written down value as at 1 July		533,116	6,477
	Addition		-	587,106
	Less: Amortization during the year		(131,940)	(60,467)
	Written down value		401,176	533,116
	Amortization rate		33%	33%
7	**LONG TERM INVESTMENT**			
	Investments in Silk Islamic Development REIT	7.1	600,000,000	600,000,000

7.1 This represents investment made in 60 million units of Silk Islamic Development REIT (SIDR) at cost of Rs 10/- each. The REIT Scheme is being created for investing in undeveloped land in Karachi with the objective of up-liftment of area and development of the Real Estate (once acquired) including construction and sale of residential apartments and commercial units (together referred as 'End Product') by the RMC, for generating income for Unit holders. SIDR is a developmental REIT over a land area of 59.54 acre, with Central Depository Company as its Trustee. The approval of this project has been granted by SECP on June 30, 2021. These units have been acquired for a period of three years.

8	**LONG TERM ADVANCES AND DEPOSITS**			
	Unsecured-considered good			
	Long term advances	8.1	8,114,188	4,473,517
			8,114,188	4,473,517

8.1 These represent the amounts extended to employees in accordance with the terms of employment and Company's policy to facilitate employees to obtain motor vehicles on lease or on any other Islamic mode of financing.

9	**RECEIVABLE FROM SCHEMES**			
	Management fee	9.1	200,144,469	99,997,332
	Scheme set up costs	9.2	228,473,520	116,214,751
	Other receivables		5,745,898	-
			434,363,887	216,212,083

9.1 This represents receivable from the Dolmen City REIT Scheme, Silk Islamic Development REIT Scheme, Silk World Islamic REIT Scheme and Globe Residency REIT Scheme in respect of management fee.

9.2 These represent the aggregate of amounts receivable from new REIT Schemes launced during the period in relation to certain preliminary expenditures incurred by the Company on their behalf.

10	**CURRENT PORTION OF LONG TERM LOANS TO EMPLOYEES AND ADVANCES**			
	Unsecured - considered good			
	Current portion of loans to employees		35,763	252,332
	Advances to:			
	Advance to employees	10.1	6,819,075	6,601,075
			6,854,838	6,853,407

10.1 These advances are receivable on demand.

		Note	Unaudited March 31, 2023	Audited June 30, 2022
			----------Rupees--------	
11	**PREPAYMENTS AND OTHER RECEIVABLES**			
	Prepayments		**4,252,019**	2,181,091
	Other receivable			
	Unsecured considered good			
	- Javedan Corporation limited - a related party		**3,354,187**	3,333,337
	- Dolmen City REIT scheme - a related party		**950,974**	50,085
	- Arif Habib Real Estate Services (Private) Limited - a related party		**14,010,000**	-
	- Others		**248,243**	431,243
			18,563,404	3,814,665
			22,815,423	5,995,756
12	**CASH AND BANK BALANCES**			
	Cash in hand		**30,000**	30,000
	Cash at bank			
	- Saving accounts		**45,509,720**	184,134,828
	- Current accounts		**9,707**	10,550
			45,519,427	184,145,378
			45,549,427	184,175,378

13 ***LONG TERM LOAN FROM A BANKING COMPANY***

The company has obtained long term diminishing musharka financing, amounting to Rs. 400 million, from M/S Bank Al Habib Limited in order to fund the two-third portion of the companies 20% investment in the units of Silk Islamic Development REIT (SIDR). In October 2021, the terms and condition of the facilities which are as follows:

(a) The profit on financing is calculated at 3 month average KIBOR + 1.5% with a floor of 5% p.a. & cap of 18% p.a., the average KIBOR is to be reviewed on the first day of the each calendar quarter. The tenor of financing is 5 years from the date of disbursement (including 2 years grace period). The rental will be recovered on quarterly basis & Bank's share in the shape of units will also be purchased on semi-annual basis.

(b) The arrangement is secured against assignment over management fee from Dolmen City REIT, pledge of shares of M/s. Arif Habib Corporation Limited with 30% margin, title and ownership of the assets in the joint name of the bank, and personal guarantees of Mr. Abdus Samad A. Habib and Mr. Arif Habib.

14 ***ADVANCE FROM A BANKING COMPANY***

This represents amount payable against pre-commencement expenditure and initial expenses of Silk Islamic Development REIT Scheme and Silk World Islamic REIT Scheme. The same shall be reimbursable from such schemes within one year of their formation.

15	**ACCRUED EXPENSES AND OTHER PAYABLES**		
	Preliminary expenses payable	-	522,410
	Advance from Javedan Corporation Limited	**5,000,000**	
	Withholding taxes payable	**199,758**	27,480
	Accrued expenses	**18,333,658**	2,526,071
	Commission payable	-	8,814,000
	Sales tax payable	**21,763,237**	2,482,799
	Others	**12,535,050**	-
		57,831,703	14,372,760

16 *CONTINGENCIES AND COMMITMENTS*

There were no contingencies and commitments as at March 31, 2023.

	Note	Nine months ended		Quarter ended	
		March 31, 2023	*March 31,* 2022	**March 31, 2023**	*March 31,* 2022
17 OPERATING REVENUE - NET					
Management Fees					
Dolmen City REIT		**97,202,229**	80,321,711	**33,670,002**	29,270,006
Silk World Islamic REIT		**52,254,466**	35,472,010	**17,163,876**	17,163,875
DHA Dolmen Lahore REIT		**33,900,000**	-	**11,300,000**	-
Silk Islamic Development REIT		**25,448,219**	24,798,082	**8,358,904**	8,358,904
Globe Residency REIT		**23,751,671**	-	**7,801,644**	-
Rahat Residency REIT		**8,482,739**	-	**2,786,301**	-
		241,039,324	140,591,803	**81,080,727**	54,792,785
Advisory Fees					
REIT advisory fee		**24,035,100**	8,379,988	**21,775,100**	8,097,770
		265,074,424	148,971,791	**102,855,827**	62,890,555
Less: Sindh sales tax on services		**(28,059,820)**	(17,138,348)	**(9,397,503)**	(7,235,197)
		237,014,604	131,833,443	**93,458,324**	55,655,358

17.1 Under the provisions of REIT Regulations 33(4), RMC or its nominee shall be entitled to performance fee computed and paid to the RMC or its nominee as per the mechanism disclosed in the Offering Document, Information Memorandum and the Business Plan.

18 ADMINISTRATIVE EXPENSES

	Note	Nine months ended March 31, 2023	Nine months ended March 31, 2022	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Salaries, allowances and benefits		**65,259,257**	42,858,821	**31,054,379**	15,986,175
Legal and professional		**1,804,746**	3,308,312	**509,668**	1,473,713
Travelling expense		**1,747,127**	2,524,770	**1,086,008**	770,248
Depreciation on right-of-use asset		**1,212,364**	1,818,548	-	606,183
Insurance		**1,279,798**	1,631,169	-	556,468
Office maintenance charges		**3,261,141**	1,613,410	**931,859**	647,342
Director meeting fee		**1,400,000**	1,250,000	**575,000**	400,000
Auditors' remuneration		**662,800**	570,850	**142,850**	206,350
Printing and stationery		**521,305**	439,486	**217,385**	88,978
Depreciation on property and equipment	5	**1,109,939**	735,115	**381,008**	392,654
Communication		**586,020**	549,410	**190,536**	268,530
Professional tax		**29,990**	80,699	-	26,507
Amortisation	6	**131,940**	11,498	**43,980**	10,430
Training and membership expense		**2,044,956**	341,688	-	333,688
Rent expense		**1,409,841**	293,885	**772,752**	293,885
Others		**12,475,430**	2,059,956	**3,734,042**	704,967
		94,936,654	60,087,617	**39,639,467**	22,766,118

Note			Nine months ended		Quarter ended	
			March 31, **2023**	*March 31,* 2022	*March 31,* **2023**	*March 31,* 2022
19	***OTHER EXPENSES***					
	Brokerage and commission		-	535,976	-	-
	Donation		**2,019,000**	608,000	**2,000,000**	259,000
	Advertisement fee		**3,371,986**	600,000	-	300,000
	Feasibility fee		-	35,000	-	-
			5,390,986	1,778,976	**2,000,000**	559,000
20	**FINANCE COST**					
	Mark-up on long term loan		**49,946,306**	32,040,543	**17,102,465**	12,348,493
	Finance cost on lease liability		**32,149**	434,195	-	120,454
			49,978,455	32,474,738	**17,102,465**	12,468,947
21	**OTHER INCOME**					
	Mark-up on bank deposit		**11,327,112**	10,203,329	**3,177,297**	3,649,993
	Liabilities no longer payable written back		-	-	**(522,410)**	-
	Dividend income		-	602,000	-	-
	Gain on sale of fixed asset		-	-	-	-
	Gain on disposal of short term investment		-	666,523	-	497,651
			11,327,112	11,471,852	**2,654,887**	4,147,644
22	**TAXATION**					
	Current tax					
	- for the year	*22.1*	**30,600,430**	14,800,367	**12,513,475**	6,099,176
	- for prior years		-	310,076	-	-
			30,600,430	15,110,443	**12,513,475**	6,099,176
	Deferred		**(193,058)**	238,891	**58,122**	61,539
			30,407,372	15,349,334	**12,571,597**	6,160,715

22.1 The relationship between tax expense and accounting profit has not been presented in these condensed interim financial statements as the Company's tax liability is subject to minimum tax in respect of tax deductible at source under section 153 of the Income Tax Ordinance, 2001.

23 TRANSACTIONS WITH RELATED PARTIES

Name of the related party, relationship with company & Nature of Transaction	31 March 2023	30 June 2022
	Rupees	
Arif Habib Limited		
(Associate Company due to common directorship)		
Transaction during the year		
Brokerage commission paid	-	-
Other payables	**10,556**	10,556
Dolmen City REIT		
(A scheme managed by Arif Habib Dolmen REIT Management Limited)		
Transaction during the year		
Receipt of Expenses	-	1,433,833
Expenses Paid	**900,889**	-
Balance	**950,974**	50,085
Silk Islamic Development REIT		
(A scheme managed by Arif Habib Dolmen REIT Management Limited)		
Transaction during the year		
Formation Cost	-	5,226,023
Expenses Paid	**149,908,745**	114,770,667
Receipt of Formation Cost	-	5,226,023
Receipt of Expenses	**56,289,163**	112,096,334
Purchase of Units	-	600,000,000
Balance	**96,293,915**	2,674,333
Silk World Islamic REIT		
(A scheme managed by Arif Habib Dolmen REIT Management Limited)		
Transaction during the year		
Formation Cost	-	1,111,524
Expenses Paid	**15,344,087**	102,172,789
Receipt of expenses		
Balance	**118,628,400**	103,284,313
Globe Residency REIT		
(A scheme managed by Arif Habib Dolmen REIT Management Limited)		
Transaction during the year		
Formation Cost	-	1,125,524
Expenses Paid	**1,104,200**	2,781,667
Receipt of expenses	**4,284,691**	
Balance	**726,700**	3,907,191
Naya Nazimabad Apartment REIT		
(A scheme managed by Arif Habib Dolmen REIT Management Limited)		
Transaction during the year		
Formation Cost	**6,201,000**	1,271,170
Expenses Paid	-	500,000
Receipt of expenses	-	
Balance	**7,972,170**	1,771,170

Rahat Residency REIT

(A scheme managed by Arif Habib Dolmen REIT Management Limited)

Transaction during the year		
Formation Cost		
Expenses Paid	**6,119,500**	1,271,170
Receipt of expenses	**-**	500,000
Balance	**7,882,025**	
	8,645	1,771,170

DHA Dolmen Lahore REIT

(A scheme managed by Arif Habib Dolmen REIT Management Limited)

Transaction during the year		
Formation Cost		
Expenses Paid	**1,437,115**	1,266,525
Receipt of expenses	**-**	-
Balance		
	2,703,640	1,266,525

Sapphire Bay Islamic Development REIT

(A scheme managed by Arif Habib Dolmen REIT Management Limited)

Transaction during the year		
Formation Cost		
Receipt of expenses	**600,000**	799,524
Balance	**-**	
	1,399,524	799,524

Pakistan Corporate CBD REIT

(A scheme managed by Arif Habib Dolmen REIT Management Limited)

Transaction during the year		
Formation Cost		
Expenses Paid	**-**	-
Receipt of expenses	**1,174,126**	-
Balance	**-**	-
	1,174,126	-

Arif Habib Real Estate Services (Private) Limited

(Associate company due to common directorship)

Transaction during the year		
Expenses paid		
Receipt of expenses	**14,010,000**	269,632
Balance		1,320,077
	14,010,000	-

MCB Arif Habib Savings and Investment Limited

(Associate company due to common directorship)

Transaction during the year		
Employer's VPS contribution paid	**1,437,540**	3,130,782

Javedan Corporation Limited		
(Associate company due to common directorship)		
Transaction during the year		
Expenses paid	**169,500**	-
Advance recevied	**5,000,000**	
Receipt of expenses	-	
Balance	**8,502,837**	3,333,337
Rotocast Engineering Company (Private) Limited		
(Associate company due to common directorship)		
Transaction during the year		
Rent payment	-	5,945,498
Common shared expenses	**1,009,215**	3,574,741
Payment of common shared expenses	**633,705**	3,399,249
Administration charges	**117,067**	232,166
Payment of administration charges	**62,330**	214,911
Office Insuarance	-	71,839
Other payable	**10,556**	401,707

24 **DATE OF AUTHORISATION**

These condensed interim financial statements were authorised for issue on 27 APR 2023 by the Board of Directors of the Company.

25 **GENERAL**

25.1 Figures have been rounded off to the nearest Rupee.

25.2 The Board of Directors of Arif Habib Dolmen REIT Management Limited in their Board Meeting held on 28th September 2022 proposed a cash dividend of Rs.1/share, which will be considered in Annual General Meeting to be held on 27th October 2022 for approval.

Chief Financial Officer **Chief Executive Officer** **Director**