



ARIF HABIB DOLMEN REIT MANAGEMENT LIMITED

Arif Habib Centre,
23, M.T.Khan Road, Karachi.

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www.arifhabibdolmenreit.com



DOLMEN CITY REIT

HALF YEARLY REPORT
DECEMBER, 31 2023



ARIF HABIB DOLMEN
REIT MANAGEMENT LIMITED

SAPPHIRE



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SCHEME'S INFORMATION

Management Company

Arif Habib Dolmen REIT Management Limited

Board of Directors

Mr. Arif Habib	Chairman
Mr. Nadeem Riaz	Director
Mr. Naeem Ilyas	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Muhammad Noman Akhter	Independent Director
Mr. Abdus Samad A. Habib	Director
Mr. Faisal Nadeem	Director
Mr. Sajid Ullah Sheikh	Director
Mr. Muhammad Ejaz	Chief Executive Officer

Audit Committee

Mr. Naeem Ilyas	Chairman
Mr. Abdus Samad A. Habib	Member
Mr. Sajid Ullah Sheikh	Member
Mr. Muhammad Noman Akhter	Member

Human Resource & Remuneration Committee

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



Dolmen Mall

Other Executives	Mr. Razi Haider Mr. Murtaza Shabbir	CFO & Company Secretary Head of Internal Audit & Compliance
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block "B" S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.	
Share Registrar	CDC Share Registrar Services Limited CDC House, 99-B, Block "B" S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.	
Bankers	Bank Al Habib Limited Faysal 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
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

Dear Unit holders

The Board of Directors of Arif Habib Dolmen REIT Management Limited is pleased to present the Directors' Review report of the Scheme for the half year ended December 31, 2023.

Financial and Operational Performance

Summary of financial performance - Six months ended December 31, 2023:

Description	Dec 23 PKR (million)	Dec 22 PKR (million)
Rental Income	2,412	2,056
Marketing Income	136	116
Administrative and Impairment Expense	(369)	(298)
Net Operating Income	2,179	1,874
Other Income	167	113
Unrealized gain on remeasurement of fair value of investment property	2,923	488
Distributable Profit	2,260	1,913

DCR continued to exhibit strong financial and operational performance. It has consistently maintained occupancy of over **98%**. As on December 31, 2023, the Weighted Average Lease Expiry 'WALE' of Dolmen City Mall (66% of the total leasable area) is around **2.78 years** and that of the Harbour Front (34% of the total leasable area) is around **4.29 years**.

Occupancy levels at Dolmen Mall Clifton and Harbour Front at December 31, 2023 are as follows:

Description	Dolmen Mall Clifton	Harbour Front	Total
Leasable Area as at December 2023 (in Sq ft)	548,138	257,162	805,300
Leased Area in December 2023 (Sq ft)	539,262	249,962	789,224
Occupancy Percentages (December 2023)	98.4%	97.2%	98.0%
Leased Area as at June 2023	538,906	249,962	788,868
Occupancy Percentages (June 2023)	98.1%	97.2%	97.8%
Occupancy variation in six months	356	-	356

Marketing Activities

Dolmen City remains customers' destination spot in Karachi. The success is proven by consistently high footfall of 18,000 to 30,000 customers per day.

Footfall for the six months ended December 31, 2023		
Month	*Daily Average	Total for the Month
July	23,582	731,037
August	24,887	771,505
September	22,265	667,949

Footfall for the six months ended December 31, 2023		
Month	*Daily Average	Total for the Month
October	22,196	688,085
November	22,590	677,692
December	29,450	883,502

* Calculated on the basis of 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 through social media and the quarterly Dolmen Magazine with visitors encouraged by brand advertisements and discount offerings.

Summer Carnival: Dolmen Summer Surprises has consistently proven to be a resounding success each year. Once again, this event has been thoughtfully scheduled for the month of July, aligning with the traditional summer festivities enjoyed globally.

Independence Day: The 14th of August marks Independence Day, a pivotal and eagerly awaited event celebrated each year at Dolmen Mall to foster a sense of patriotism among our valued customers. The event offers customers the opportunity to win enticing prizes through both lucky draws and Dolmen Malls' social media platforms.

Dolmen Whatsapp for Business: Dolmen WhatsApp delves into the exciting world of WhatsApp Chatbots, discovering how this transformative technology can redefine the way to connect with the audience, improve customer support, and drive business forward in a digital age.

Beauty Festival: The event's core aim was to bring together premier brands from the beauty and personal care industry, offering customers the opportunity to interact with experts representing various brands and engage in activities for a chance to win gift hampers. Ultimately, the event's objective was to foster and deepen customer loyalty towards Dolmen.

Investor Week: In an effort to continue the momentum of Investor Week CDC – Central Depository Company of Pakistan Limited, in collaboration with SECP, planned to elevate the joint investor awareness campaign to the next level by organizing the first ever Investor engagement event at Dolmen Mall Clifton, where the entire Main Atrium showcased the Capital market participation comprising of leading Asset Management Companies and Brokerage Houses along with CDC.

Pinktober: Pinktober is an annual event held throughout October to raise awareness and support for breast cancer. The month-long initiative involves various activities such as fundraisers, awareness campaigns, and educational events. Dolmen mall Clifton setup an awareness session at food court this year along with Born to Run, Task Force by Samina Alvi & Ms. Azra Maqsood.

Dolmen Wedding Exhibit: Dolmen Wedding Exhibit turned out to be a great success. The purpose of the event is to bring the best brands from the Fashion, home décor & Furniture industry under one roof and give customers a chance to interact with experts through the platform of different brands. The objective of the event and engagements was to enhance the customer's loyalty towards Dolmen. Banners were placed to create a good communication of the event within Mall.

Dolmen Shopping Festival: Like every year, Dolmen Shopping Festival' 2023-24 was the biggest campaign not just for Dolmen Malls but for the entire mall industry in Pakistan that concocted the shopping, entertainment, mega setups, alluring décor and unlimited giveaways. This time the event theme was different from past DSF's "Unleash The Magic". The 30th version of DSF boarded from 16th Dec 2023 to 7th Jan, 2024.

The event was comprised of the following:

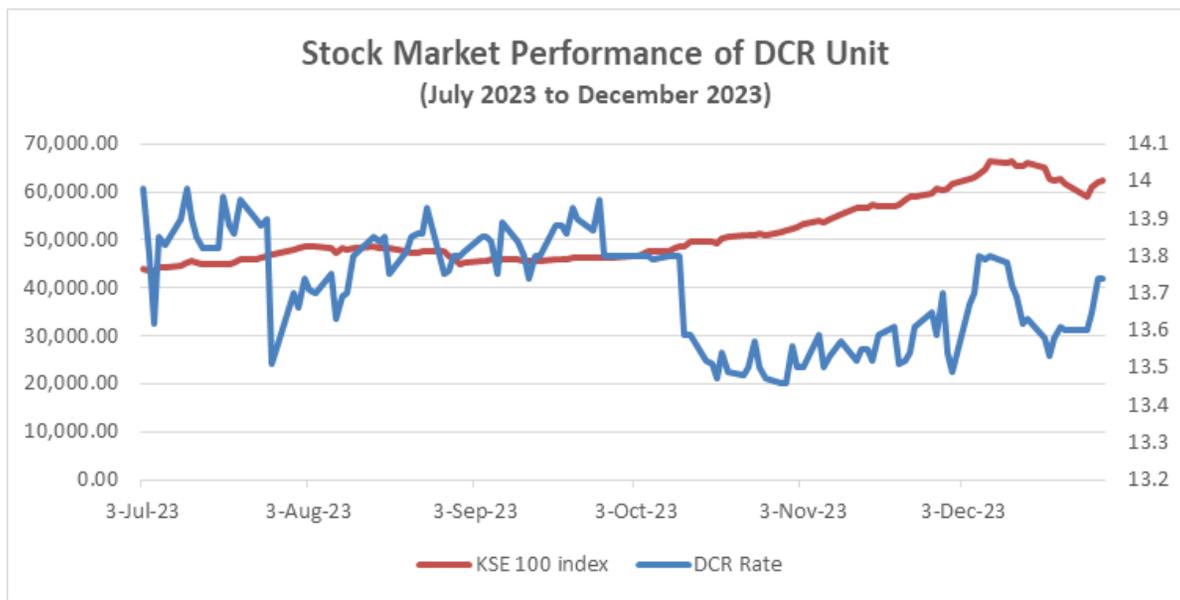
- Thematic Mall Ambiance
- Creative Installations
- Entertainment & Games
- External Communication & Community Engagement
- Lucky Draws & Exciting Gifts

With this Festival, we have created a shopping paradise for customers where they could shop with mega discounts and instantly win exciting prizes and get rewarded for their every spent during the festival.

DCR Unit's Performance

During the six months period under review, DCR units traded at an average price of **PKR 13.72** touching a high of **PKR 13.98** and a low of **PKR 13.46** per unit. During the same period KSE100 index moved in the range between **43,552.83** to **51,394.46**. The units of DCR remained stable with beta of **0.17** (which means for every **1** percent change in the value of benchmark index; DCR price would likely change by only **0.17 percent**, beta here represents low volatility).

The Net Asset Value 'NAV' per Unit of DCR is **PKR 32.58** as on December 31, 2023, which was **PKR 31.25** as at June 30, 2023.



Dividend Distribution

The board of directors have declared and approved an interim cash dividend of **Re 0.5 per unit** for the quarter ended December 31, 2023. This is in addition to dividend distributed for first quarter ended September 30, 2023 of **Re 0.5 per unit**. It will translate into annual dividend yield of 20% on face value.

Outlook

Dolmen City exclusively accommodates financially stable tenants, and DCR's performance indicates consistently high occupancy and rental levels with our tenants. With expert property management, extended lease durations, comprehensive marketing efforts, a diverse tenant mix, and strong landlord-tenant relationships, we are confident that Dolmen City will remain the preferred destination for shoppers, retail operators, and corporations.

Rigorous oversight by the Trustee, RMC, Shariah Advisor, and SECP ensures compliance with REIT Regulations and other relevant laws and standards, delivering a consistently rewarding investment experience to DCR's Unit Holders.

Acknowledgement

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

Muhammad Arif Habib
Chairman

Karachi
February 27, 2024



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

Bi-Annual Shariah Review Report

For the half year ended December 2023

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 year. It is our pleasure to confirm that all investment activities and matters pertaining to rentals adhere to Shariah principles.

Based on our assessment, we are pleased to state that the business operations of Dolmen City REIT have been consistently conducted in alignment with the rules and regulations of Shariah. Consequently, we can affirm that the income generated for the unit holders within 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
24th February, 2024

Mufti Ubaid ur Rahman Zubairi

Director

Alhamd Shariah Advisory Services (Pvt.) Limited



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ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

شریعہ ریویو رپورٹ

برائے دسمبر ۲۰۲۳

ڈولپمنٹ سٹی REIT ایک شریعہ کمپلائنسٹ REIT ہے، جو جون 2015 میں شروع ہوئی۔ ڈولپمنٹ REIT کی بنیاد شرکت اور اجارہ پر ہے، جس کے مطابق، تمام پونٹ ہولڈرز، پراجیکٹ (ہاربر فرنٹ اور ڈولپمنٹ مال، کانٹینر) 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 ڈولپمنٹ سٹی REIT کے معاملات کا شرعی نقطہ نگاہ سے جائزہ لیا، REIT کی آمدنی کا بنیادی ذریعہ کرایہ ہے، جو مختلف کرایہ داروں سے حاصل ہوتا ہے۔

ہماری رائے میں، ڈولپمنٹ سٹی REIT کے کاروباری معاملات مجموعی طور پر شرعی قواعد و ضوابط کے مطابق انجام دیے گئے ہیں، لہذا ہم اس بات کی تصدیق کرتے ہیں کہ اس REIT کی آمدنی حلال اور شریعت کے مطابق ہے۔ ہم ان تمام معاملات کو شریعت کے مطابق رکھنے میں، عارف حبیب ڈولپمنٹ REIT مینجمنٹ کمپنی، ٹرسٹی، پراپرٹی مینجمر اور دیگر تمام حصہ داروں کی حمایت اور تعاون کا شکریہ ادا کرتے ہیں، ساتھ ہی ساتھ ان پونٹ ہولڈرز کے بھی شکر گزار ہیں جنہوں نے اس REIT پر اعتماد کیا اور اس میں سرمایہ کاری کی ہے۔ آخر میں ہم ڈولپمنٹ سٹی REIT کی مزید ترقی اور خوشحالی کے لئے اپنی نیک خواہشات کا اظہار کرتے ہیں۔



مفتی عید الرحمن زبیری

ڈائریکٹر

الحمد شریعہ ایڈوائزرز سروسز (پرائیویٹ) لمیٹڈ



مفتی محمد ابراہیم عیسیٰ

سی، ای، او، - ڈائریکٹر

الحمد شریعہ ایڈوائزرز سروسز (پرائیویٹ) لمیٹڈ

۲۳ فروری ۲۰۲۳ء



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KPMG Taseer Hadi & Co.
Chartered Accountants
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Independent Auditors' Review Report

To the Unit Holders of Dolmen City REIT

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Dolmen City REIT ("the Scheme") as at **31 December 2023** and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in unit holders' fund, the condensed interim statement of cash flows, and notes to the financial statements for the six months period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



KPMG Taseer Hadi & Co.

Other matter

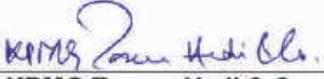
The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the three months period ended **31 December 2023**, have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' review report is Aryn Malik.

Date: 28 February 2024

Karachi

UDIN: RR202310096LWrFI4yZq


KPMG Taseer Hadi & Co.
Chartered Accountants

Dolmen City REIT
Condensed Interim Statement of Financial Position
As at 31 December 2023

	Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----			
ASSETS			
Non-current asset			
Investment property	6	70,969,867	68,046,859
Current assets			
Receivables	7	167,307	106,175
Prepayments, advances and deposits	8	78,792	24,132
Advance tax	9	226,825	215,590
Accrued profit on deposits		8,790	20,314
Short-term investments	10	802,196	750,700
Bank balances	11	1,037,007	1,131,446
Total current assets		2,320,917	2,248,357
Total assets		73,290,784	70,295,216
UNIT HOLDERS' FUND AND LIABILITIES			
REPRESENTED BY:			
Unit holders' fund			
Issued, subscribed and paid up units (2,223,700,000 units of Rs. 10 each)		22,237,000	22,237,000
Capital reserves		49,014,213	46,091,205
Revenue reserve		1,204,814	1,168,142
Total unit holders' fund		72,456,027	69,496,347
Current liabilities			
Payable to REIT Management Company - <i>related party</i>	12	39,285	39,305
Security deposits		509,510	497,688
Accrued expenses and other liabilities	13	268,593	247,049
Unclaimed dividend		17,369	14,827
Total current liabilities		834,757	798,869
Contingencies and commitments	14		
Total unit holders' fund and liabilities		73,290,784	70,295,216
----- (Rupees) -----			
Net asset value per unit		32.58	31.25

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



Chief Financial Officer



Chief Executive Officer



Director

Dolmen City REIT

Condensed Interim Statement of Profit or Loss Account (Unaudited)

For the six months period and quarter ended 31 December 2023

	Note	Six months period ended		Quarter ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
----- (Rupees in '000) -----					
Revenue					
Rental income		2,411,888	2,055,584	1,211,647	1,031,272
Marketing income		136,433	116,160	76,142	62,361
		<u>2,548,321</u>	<u>2,171,744</u>	<u>1,287,789</u>	<u>1,093,633</u>
Administrative and operating expenses	15	(356,311)	(291,051)	(189,844)	(157,399)
Impairment loss on receivables	7.1	(12,793)	(6,586)	(12,793)	(6,586)
Net operating income		<u>2,179,217</u>	<u>1,874,107</u>	<u>1,085,152</u>	<u>929,648</u>
Other income	16	167,343	112,621	82,016	62,107
		<u>2,346,560</u>	<u>1,986,728</u>	<u>1,167,168</u>	<u>991,755</u>
Management fee	12.2	(65,377)	(56,223)	(32,555)	(27,889)
Sindh sales tax on management fee	12.2	(8,499)	(7,309)	(4,232)	(3,626)
Trustee fee	13.1	(10,896)	(9,371)	(5,426)	(4,649)
Sindh sales tax on trustee fee	13.1	(1,416)	(1,218)	(705)	(604)
		<u>(86,188)</u>	<u>(74,121)</u>	<u>(42,918)</u>	<u>(36,768)</u>
Profit before change in fair value of investment property		<u>2,260,372</u>	<u>1,912,607</u>	<u>1,124,250</u>	<u>954,987</u>
Unrealised gain on remeasurement of fair value of investment property	6	2,923,008	488,201	2,923,008	488,201
Profit before taxation		<u>5,183,380</u>	<u>2,400,808</u>	<u>4,047,258</u>	<u>1,443,188</u>
Taxation	17	-	-	-	-
Profit for the period		<u>5,183,380</u>	<u>2,400,808</u>	<u>4,047,258</u>	<u>1,443,188</u>
----- (Rupees) -----					
Earnings per unit - Basic and diluted	19	<u>2.33</u>	<u>1.08</u>	<u>1.82</u>	<u>0.65</u>

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



Chief Financial Officer



Chief Executive Officer



Director

Dolmen City REIT

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the six months period and quarter ended 31 December 2023

	Six months period ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- (Rupees in '000) -----			
Profit for the period	5,183,380	2,400,808	4,047,258	1,443,188
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>5,183,380</u>	<u>2,400,808</u>	<u>4,047,258</u>	<u>1,443,188</u>

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



Chief Financial Officer



Chief Executive Officer



Director

Dolmen City REIT

Condensed Interim Statement of Changes In Unit Holders' Fund (Unaudited)

For the six months period ended 31 December 2023

	Issued, subscribed and paid up units	Reserves			Revenue reserve Unappropriated profit	Total unit holders' fund
		Capital reserves		Total		
		Premium on issue of units - net	Fair value reserve			
(note 19.1.1) ----- (Rupees in '000) -----						
Balance as at 1 July 2022	22,237,000	281,346	40,584,189	40,865,535	926,757	64,029,292
Transactions with owners						
Cash dividend for the period ended 30 June 2022 (Re. 0.41 per unit)	-	-	-	-	(911,717)	(911,717)
Cash dividend for the period ended 30 September 2022 (Re. 0.43 per unit)	-	-	-	-	(956,191)	(956,191)
	-	-	-	-	(1,867,908)	(1,867,908)
Total comprehensive income for the six months period ended	-	-	-	-	2,400,808	2,400,808
Reclassification adjustment relating to changes in fair value of investment property	-	-	488,201	488,201	(488,201)	-
Balance as at 31 December 2022	22,237,000	281,346	41,072,390	41,353,736	971,456	64,562,192
Balance as at 1 July 2023	22,237,000	281,346	45,809,859	46,091,205	1,168,142	69,496,347
Transactions with owners						
Cash dividend for the period ended 30 June 2023 (Re. 0.50 per unit)	-	-	-	-	(1,111,850)	(1,111,850)
Cash dividend for the period ended 30 September 2023 (Re. 0.50 per unit)	-	-	-	-	(1,111,850)	(1,111,850)
	-	-	-	-	(2,223,700)	(2,223,700)
Total comprehensive income for the six months period ended	-	-	-	-	5,183,380	5,183,380
Reclassification adjustment relating to changes in fair value of investment property	-	-	2,923,008	2,923,008	(2,923,008)	-
Balance as at 31 December 2023	22,237,000	281,346	48,732,867	49,014,213	1,204,814	72,456,027

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



Chief Financial Officer



Chief Executive Officer



Director

Dolmen City REIT
Condensed Interim Cash Flow Statement (Unaudited)
For the six months period ended 31 December 2023

	Note	Six months period ended	
		31 December 2023	31 December 2022
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		5,183,380	2,400,808
Adjustments for non cash items:			
Unrealised gain on remeasurement of fair value of Investment property	6	(2,923,008)	(488,201)
Liability written back	16	-	(647)
Impairment loss on receivables	7.1	12,793	6,586
Profit on bank deposits and TDRs	16	(167,343)	(111,974)
		<u>2,105,822</u>	<u>1,806,572</u>
Working capital changes			
<i>(Increase) / decrease in current assets</i>			
Receivables		(73,925)	21,834
Prepayments, advances and deposits		(54,660)	(18,621)
		<u>(128,585)</u>	<u>3,213</u>
<i>Increase / (decrease) in current liabilities</i>			
Payable to the REIT Management Company - related party		(20)	686
Security deposits		11,822	728
Accrued expenses and other liabilities		21,544	29,292
		<u>33,346</u>	<u>30,706</u>
Cash generated from operations		<u>2,010,583</u>	<u>1,840,491</u>
Tax paid		(11,235)	(6,626)
Net cash generated from operating activities		<u>1,999,348</u>	<u>1,833,865</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Profit on deposits received		178,867	101,319
Purchase of short-term investments - net of maturity		50,700	(3,197)
Net cash generated from investing activities		<u>229,567</u>	<u>98,122</u>
CASH FLOW FROM FINANCING ACTIVITY			
Dividend paid		(2,221,158)	(1,867,031)
Net cash used in financing activity		<u>(2,221,158)</u>	<u>(1,867,031)</u>
Net increase in cash and cash equivalents		7,757	64,956
Cash and cash equivalents at beginning of the period	20	1,831,446	1,567,795
Cash and cash equivalents at end of the period	20	<u>1,839,203</u>	<u>1,632,751</u>



Chief Financial Officer



Chief Executive Officer



Director

Dolmen City REIT

Notes to the Condensed Interim Financial information (Unaudited)

For the six months period and quarter ended 31 December 2023

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 20 January 2015 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 29 November 2023, VIS Credit Rating Company Limited assigned rating "AAA(rr)" to the Scheme. Similarly, on 11 December 2023, 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 was the subsidiary of International Complex Projects Limited (ICPL) directly holding 75% of the units. The Board of Directors of the ICPL in its meeting held on 22 April 2021 approved the Scheme of arrangement for re-organization / re-arrangement of the Dolmen Group comprising restructuring of ICPL. The arrangement became effective on 01 July 2021 as sanctioned by the Honorable High Court of Sindh vide its Order dated 03 November 2021. Consequently, units held by ICPL were transferred to its associated undertakings i.e. Dolmen (Private) Limited and Al-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 differs 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 2023. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of changes in the Schemes' 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 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 2024:

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after 1 January 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the entity must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, entities will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. These amendments also specify the transition requirements for entities that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).
- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.

- 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.
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for an entity to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the entity's liabilities and cash flows, and the entity's exposure to liquidity risk. Under the amendments, entities also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors an entity might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.
- 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, companies 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. Earlier application is permitted.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 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 2023.

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 2023.

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 2023.

6 INVESTMENT PROPERTY

	Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----			
Carrying amount at beginning of the period/year		68,046,859	62,821,189
Add: Unrealised gain on remeasurement of fair value of investment property		2,923,008	5,225,670
Carrying amount at end of the period/year	6.1	<u>70,969,867</u>	<u>68,046,859</u>

- 6.1 The Investment property comprises of the buildings named as the "DOLMEN CITY MALL" and "THE HARBOUR FRONT", comprising of two basements (460,438 square feet), ground floor (241,052 square feet), mezzanine floor (19,879 square feet), first floor (275,399 square feet), second floor (272,972 square feet), plant and transformer rooms (27,667 square feet), third to 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 period ended 31 December 2023 amounted to Rs. 2,412 million and Rs. 136 million (31 December 2022: Rs. 2,056 million and Rs. 116 million) respectively.

The investment property has been valued by MYK Associates ('the Valuer') as at 31 December 2023 and 30 June 2023 who is an independent valuer. The Valuer is enlisted with Pakistan Bank's Association and Pakistan Engineering Council and have recent experience in the location and category of the property being valued. The Valuer used the following approaches:

	Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----			
Cost approach		44,281,754	43,597,876
Sales comparison approach		83,309,700	82,392,388
Income capitalisation approach - using capitalisation rate of 6% (30 June 2023: 6%)			
(a) Valuer's assessment of rental income		67,579,438	66,751,153
(b) On projected Net Operating Income (NOI) based on existing rental agreements and expected rent for the vacant area		70,969,867	68,046,859

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 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 condensed interim financial statements under income capitalisation approach using 6% capitalisation rate on projected NOI based on the existing rental agreements and expected rent for the vacant area.

The forced sales value of the investment property is assessed to be Rs. 66,547 million (30 June 2023: Rs. 65,914 million).

Fair value hierarchy

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

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

	Level 2	Level 3	Fair value as at 31 December 2023
	----- (Rupees in '000) -----		
Dolmen Mall Clifton and The Harbour Front	-	70,969,867	70,969,867
	Level 2	Level 3	Fair value as at 30 June 2023
	----- (Rupees in '000) -----		
Dolmen Mall Clifton and The Harbour Front	-	68,046,859	68,046,859

Significant unobservable inputs

The fair value has been carried out considering following inputs:

	Unaudited 31 December 2023	Audited 30 June 2023
	----- (Rupees in '000) -----	
Projected income	5,270,470	5,028,376
Projected operating cost	1,012,278	945,565
	----- (Percentage) -----	
Capitalisation rate	6%	6%

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 audited financial statements for the year ended 30 June 2023.

	Change in input	Effect on fair value	
		Unaudited 31 December 2023	Audited 30 June 2023
		----- (Rupees in '000) -----	
- Projected income (based on existing leasing contracts)	+ 5%	4,392,059	4,190,314
- Projected income (based on existing leasing contracts)	- 5%	(4,392,059)	(4,190,314)
- Projected operating costs	+ 5%	(843,565)	(787,971)
- Projected operating costs	- 5%	843,565	787,971
- Capitalisation rate	+ 1%	(10,138,552)	(9,720,978)
- Capitalisation rate	- 1%	14,193,973	13,609,369

RECEIVABLES

	Note	Unaudited 31 December 2023	Audited 30 June 2023
		----- (Rupees in '000) -----	
Rent and marketing receivables		240,246	164,720
Receivable from related party		10,286	11,887
		250,532	176,607
Less: impairment allowance	7.1	(83,225)	(70,432)
		167,307	106,175

7.1	Movement of impairment loss on receivables:	Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----				
	Balance at the beginning of the period/year		70,432	52,744
	Charge for the period/year		12,793	17,688
	Balance at the end of the period/year		<u>83,225</u>	<u>70,432</u>
8	PREPAYMENTS, ADVANCES AND DEPOSITS			
	Unsecured			
	<i>Considered good</i>			
	Prepayments		41,006	-
	Advances	8.1	36,827	23,173
	Security deposits		959	959
			<u>78,792</u>	<u>24,132</u>
8.1	This includes advance to CDC amounting to Rs. 11.71 million (30 June 2023: Rs. 9.18 million) for processing of unclaimed dividend payments to unit holders.			
9	ADVANCE TAX			
		Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----				
	Advance tax	9.1	231,553	220,318
	Provision for impairment	9.2	(4,728)	(4,728)
			<u>226,825</u>	<u>215,590</u>
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	SHORT-TERM INVESTMENTS			
		Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----				
	At amortized cost			
	Term deposit receipts having original maturity			
	- less than three months		802,196	700,000
	- more than three months		-	50,700
		10.1	<u>802,196</u>	<u>750,700</u>
10.1	This represents term deposit receipts (TDRs) with Askari Bank Limited, carrying expected profit rates ranging from 19.5% to 21.0% (30 June 2023: 14% to 20%) per annum with maturities up to 19 March 2024.			
11	BANK BALANCES			
		Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----				
	Saving accounts	11.1	1,037,007	1,131,446
11.1	This represents deposits held in riba free saving accounts carrying expected profit rates ranging from 7.5% to 20.5% (30 June 2023: 6.75% to 19.0%) per annum.			
12	PAYABLE TO REIT MANAGEMENT COMPANY - related party			
		Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----				
	Management fee payable		33,164	33,246
	Sindh sales tax on management fee	12.1	5,998	6,008
	Other payable		123	51
		12.2	<u>39,285</u>	<u>39,305</u>

- 12.1** This includes an amount of Rs. 1.69 million (30 June 2023: Rs. 1.69 million) pertaining to Sindh sales tax charged on Federal Excise Duty (FED) (refer note 13.3).
- 12.2** Under the provisions of REIT Regulations, 2022 (previously REIT Regulations, 2015), RMC is entitled to a management fee as stated in the Offering Document and Information Memorandum. The Management Company charges fee at the rate of 3% of Net Operating Income (NOI) of the Scheme as per the Business Plan. The management fee is payable on quarterly basis in arrears. The Sindh Government has levied Sindh Sales Tax on the management fee of RMC through Sindh Sales Tax on Services Act 2011, effective from 01 July 2014. The current applicable sales tax rate is 13% being effective from 1 July 2016.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----			
Unearned rental income		104,904	142,260
Payable to associated undertakings	13.2	64,115	33,874
Accrued expenses		51,066	24,579
Trustee fee	13.1	18,573	6,261
Federal excise duty	13.3	11,980	11,980
Monitoring fee payable to SECP		11,069	22,237
Sales tax and withholding income tax payable		4,017	3,315
Shariah advisory fee		124	124
Other liabilities		2,745	2,419
		<u>268,593</u>	<u>247,049</u>

- 13.1** 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 2023: 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 current applicable rate is 13% being effective from 1 July 2016.

13.2 Payable to associated undertakings

	Unaudited 31 December 2023	Audited 30 June 2023
----- (Rupees in '000) -----		
- Dolmen Real Estate Management (Private) Limited	64,035	31,975
- Al-Feroz (Private) Limited	40	950
- Dolmen (Private) Limited	40	949
	<u>64,115</u>	<u>33,874</u>

- 13.3** 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 2023: 11.98 million) has been maintained in the Scheme's Financial Statements.

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 December 2023 and 30 June 2023.

15 ADMINISTRATIVE AND OPERATING EXPENSES

Note	Unaudited			
	Six months period ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- (Rupees in '000) -----			
Property management fee	155,617	144,139	81,335	71,347
Renovation expense	60,660	22,500	35,239	17,890
Marketing expenses	37,290	26,876	20,400	17,644
Takaful fee	32,908	16,429	15,767	8,214
Ancillary income collection fee	22,064	20,062	13,529	9,625
Common area maintenance charges	16,913	26,578	8,695	12,709
SECP monitoring fee	15.1 11,119	11,119	5,560	5,560
Property and advertisement taxes	8,722	8,722	4,361	4,361
Legal and professional charges	5,414	6,423	2,020	4,032
Auditor's remuneration	2,573	2,573	1,287	1,616
Utility expenses	735	869	486	615
Shariah advisory fee	124	124	62	62
Others	2,172	4,637	1,103	3,724
	356,311	291,051	189,844	157,399

15.1 Under the provision of REIT Regulation 2022 (previously REIT Regulations, 2015), the Scheme is required to pay an annual fee to SECP equal to 0.1% of the average Fund size.

16 OTHER INCOME

	Unaudited			
	Six months period ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- (Rupees in '000) -----			
Profit on bank deposits and TDRs	167,343	111,974	82,016	62,107
Liability written back	-	647	-	-
	167,343	112,621	82,016	62,107

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 income distributed through bonus units shall not be taken into account.

The REIT Management Company has distributed 1st interim cash dividend of Rs. 1,111.85 million (Re. 0.50 per unit) during the month of September 2023 and has declared 2nd interim cash dividend based on result for the six months period ended 31 December 2023 (refer note no. 22). The REIT Management Company intends to distribute more than 90% of the Scheme's accounting income for the year ending 30 June 2024 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 six months period ended 31 December 2023.

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 during the period.

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:

Name of the related party	Relationship and percentage unitholding	Transactions during the period	Unaudited			
			Six months period ended		Quarter ended	
			31 December 2023	31 December 2022	31 December 2023	31 December 2022
(Rupees in '000)						
Dolmen Real Estate Management (Private) Limited	Property Manager	- Common area maintenance charges	16,913	26,578	8,695	12,709
		- Common area maintenance paid	17,001	31,948	11,514	13,553
		- Expenses incurred on behalf of the Scheme	1,398	170	359	-
		- Reimbursement of expenses incurred on behalf of the Scheme	1,398	667	398	148
		- Property management fee	177,681	164,201	94,864	80,972
		- Property management fee paid	145,534	141,447	61,259	60,312
Retail Avenue (Private) Limited	Common directorship	- Rental and marketing income	7,229	7,929	3,572	3,822
		- Rental received	7,273	6,374	3,602	3,199
Al-Feroz (Private) Limited	Associated company holding 37.5% units	- Rental income	15,485	14,077	7,743	7,039
		- Rental received	15,485	14,077	7,743	7,039
		- Dividend paid	833,888	700,465	416,944	358,571
Dolmen (Private) Limited	Associated company holding 37.5% units	- Rental income	15,485	14,077	7,743	7,039
		- Rental received	17,596	14,077	5,161	7,039
		- Dividend paid	833,888	700,465	416,944	358,571
Sindbad Wonderland (Private) Limited	Common directorship	- Rental and marketing income	43,032	38,538	21,836	19,269
		- Amount received	42,392	32,115	21,196	12,846
Arif Habib Dolmen REIT Management Limited	Management Company	- Expenses incurred on behalf of the Scheme	1313	901	74	-
		- Reimbursement of expenses incurred on behalf of the Scheme	1,240	-	1,240	-
		- Management fee	73,876	63,532	36,787	31,516
		- Management fee paid	73,968	-	73,968	-
Central Depository Company of Pakistan Limited	Trustee	- Trustee fee	12,312	10,589	6,131	5,253

18.2 Balances outstanding at the period / year end:

Name of the related party	Relationship and percentage shareholding	Period / year end balances	Unaudited	Audited
			31 December 2023	30 June 2023
			(Rupees in '000)	
Dolmen Real Estate Management (Private) Limited	Property Manager	- Common area maintenance charges	2,472	2,590
		- Expenses payable incurred on behalf of the Scheme	-	1,752
		- Payable of withheld security deposit of tenants	754	458
		- Property management fee payable	61,563	29,415
Al-Feroz (Private) Limited	Associated company holding 37.5% units	- Rent receivable	-	85
		- Net payable in respect of purchase consideration of investment property	-	910
		- Payable against purchase of equipment for maintenance	40	40
Dolmen (Private) Limited	Associated company holding 37.5% units	- Rent receivable	2,581	4,692
		- Net payable in respect of purchase consideration of investment property	-	909
		- Payable against purchase of equipment for maintenance	40	40
Retail Avenue (Private) Limited	Common directorship	- Rent and marketing receivable	-	45
Sindbad Wonderland (Private) Limited	Common directorship	- Rent and marketing receivable	7,705	7,065
Arif Habib Dolmen REIT Management Limited	Management Company	- Expenses payable incurred on behalf of the Scheme	123	51
		- Management fee payable	38,162	39,254
Central Depository Company of Pakistan Limited	Trustee	- Trustee fee payable	18,573	6,261

19 EARNINGS PER UNIT - BASIC AND DILUTED

Note	Unaudited			
	Six months period ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	(Rupees in '000)			
Profit for the period	5,183,788	2,400,808	4,047,258	1,443,188
	(Number of Units)			
Weighted average number of ordinary units at 31 December	2,223,700,000	2,223,700,000	2,223,700,000	2,223,700,000
	(Rupees)			
Earnings per unit - Basic and diluted	19.1	2.33	1.82	0.65

19.1 Earnings per unit comprises as follows:

Distributable income - earnings per unit		1.02	0.86	0.51	0.43
Undistributable unrealised fair value gains - earnings per unit	19.1.1	1.31	0.22	1.31	0.22
		2.33	1.08	1.82	0.65

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

19.1.2 There is no impact of dilution on earnings per unit as the Scheme did not have any convertible instruments in issue for the period and quarter ended 31 December 2023 and 31 December 2022 which would have had any effect on the earnings per unit if the option to convert had been exercised.

20 CASH AND CASH EQUIVALENTS

Note	Unaudited 31 December 2023	Audited 30 June 2023
	(Rupees in '000)	
Short-term investments	10	802,196
Bank balances	11	1,037,007
		1,839,203

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 follows:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for 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).

21.1 Accounting classifications and fair values of financial instruments

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

Note	Unaudited								
	31 December 2023					Fair value			
	Financial assets at fair value through other comprehensive income ^a	Financial assets at fair value through profit or loss ^a	Financial assets at amortised cost ^a	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets - not measured at fair value									
Receivables	-	-	167,367	-	167,367				
Security deposit	-	-	959	-	959				
Accrued profit on deposits	-	-	8,790	-	8,790				
Short-term investments	-	-	802,196	-	802,196				
Bank balances	-	-	1,037,007	-	1,037,007				
21.1.1	-	-	2,016,259	-	2,016,259				
Financial liabilities - not measured at fair value									
Payable to REIT Management Company - related party	-	-	-	39,285	39,285				
Security deposits	-	-	-	509,510	509,510				
Accrued expenses and other liabilities	-	-	-	147,692	147,692				
Unclaimed dividend	-	-	-	17,369	17,369				
21.1.1	-	-	-	713,856	713,856				
	(Rupees in '000)								
	Audited					Fair value			
	30 June 2023								
	Financial assets at fair value through other comprehensive income ^a	Financial assets at fair value through profit or loss ^a	Financial assets at amortised cost ^a	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets - not measured at fair value									
Receivables	-	-	105,175	-	105,175				
Security deposit	-	-	969	-	969				
Accrued profit on deposits	-	-	20,314	-	20,314				
Short-term investments	-	-	750,700	-	750,700				
Bank balances	-	-	1,131,446	-	1,131,446				
21.1.1	-	-	2,009,594	-	2,009,594				
Financial liabilities - not measured at fair value									
Payable to REIT Management Company - related party	-	-	-	39,305	39,305				
Security deposits	-	-	-	407,688	407,688				
Accrued expenses and other liabilities	-	-	-	89,494	89,494				
Unclaimed dividend	-	-	-	14,827	14,827				
21.1.1	-	-	-	541,314	541,314				

21.1.1 The Scheme has not disclosed fair values for these financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

21.1.2 Fair value hierarchy of the investment property has been disclosed in note no. 6 to these condensed interim financial statements.

22 NON ADJUSTING EVENT AFTER BALANCE SHEET DATE

The board of directors of the RMC in their meeting held on 11 January 2024 have declared and approved an interim cash dividend for the quarter ended 31 December 2023 of Re. 0.5 per unit (December 2022: Re. 0.43 per unit) amounting to Rs. 1,111.85 million (December 2022: Rs. 956.19 million). These condensed interim 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 2024.

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the REIT Management Company on February 27, 2024.



Chief Financial Officer



Chief Executive Officer



Director