

HALF YEARLY REPORT December 2024



TURNING OUR BLUEPRINTS
GREEN

 TPLREIT Fund I





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December 2024

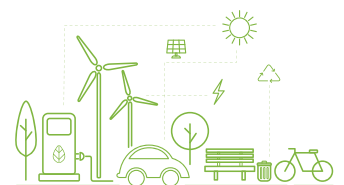


TURNING OUR BLUEPRINTS
GREEN

▣ TPLREIT Fund I

TPL

In our commitment to sustainability, TPL REIT Fund I (TPLRFI) embraces a blueprint that transcends conventional planning, it's a dedication to creating a resilient future. By integrating sustainable practices into every phase of development, TPLRFI is building a future that balances innovation with environmental responsibility. Our approach ensures that, what we design today supports both the needs of our stakeholders and the well-being of future generations. The TPLRFI Half Yearly Report highlights these efforts, demonstrating how our sustainable strategies are shaping projects and setting new standards for environmental responsibility.





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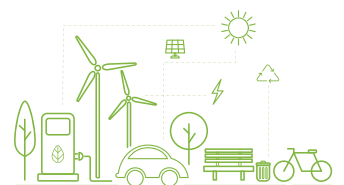
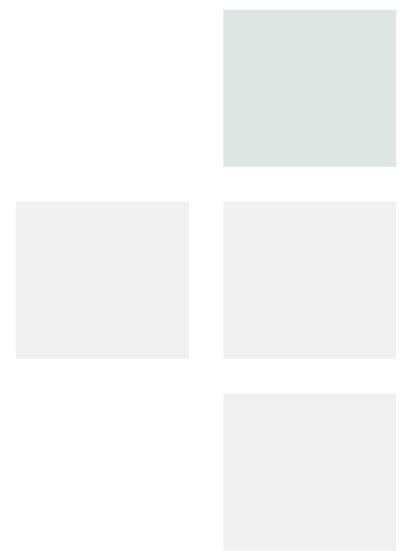




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Hoshang - Flagship Project

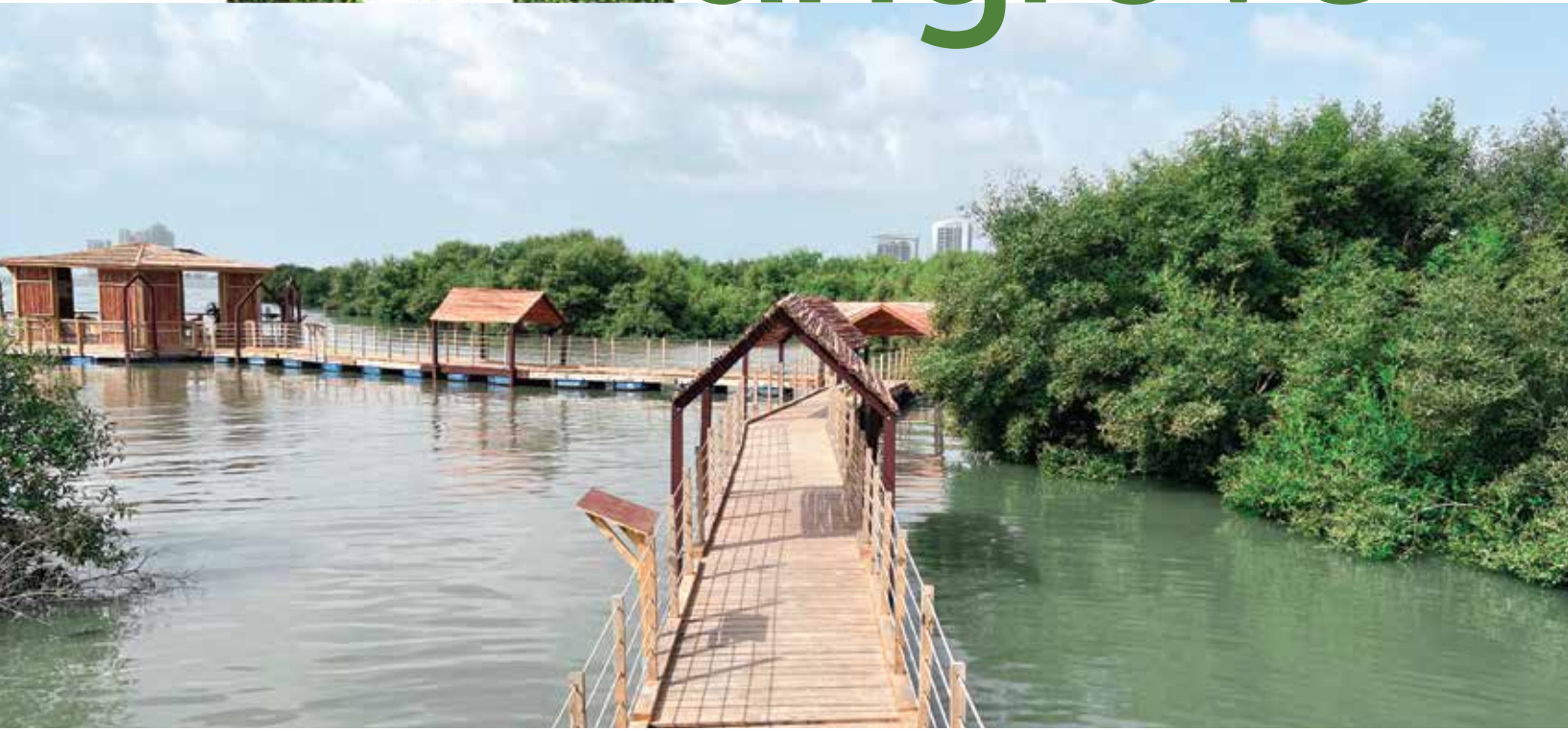
One Hoshang embodies the concept of efficient space utilization and adaptability. By transforming a historic building into Pakistan's ultra high-end residential tower, we effectively merge heritage with modern luxury. This project symbolizes our ability to repurpose and redesign spaces, ensuring both growth and sustainability.



The

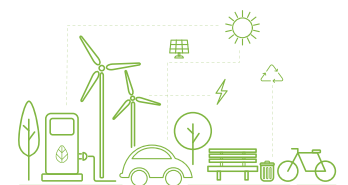
M

angrove





The Mangrove project represents TPL REIT Fund I's unwavering commitment to sustainable development and environmental preservation. By integrating advanced green building practices and energy-efficient systems, the project minimizes its ecological impact while prioritizing the conservation of the mangrove habitat along Korangi Creek. This initiative rejuvenates the ecosystem, fostering biodiversity and creating a green sanctuary for Karachi's residents. With a design that balances development and ecological preservation, TPLRFI ensures that the surrounding natural environment, including the adjacent biodiversity park, thrives as a vital space for nature and community recreation.



VISION

To become the leading asset-focused investment hub in Pakistan and the largest investment provider for local and international investors looking to tap into Pakistan's growing real estate sector.

MISSION

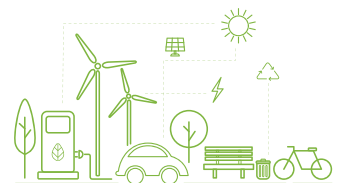
To elevate the real estate landscape of Pakistan by building sustainable communities and workplaces that help in reducing carbon footprint in the country. We aim to enhance the lives and well-being of the Pakistani population while bringing Pakistan to the global forefront of the real estate sector by refining and uplifting the industry.

CORE VALUES

Take Ownership

Pledge to Learn

Lead with Compassion



Company Information

Board of Directors - TPL RMC

Mr. Muhammad Adnan Afaq	Independent Director
Ms. Vanessa Eastham Fisk	Independent Director
Mr. Imran Hussain	Non-Executive Director
Mr. Abdul Wahab Al-Halabi	Non-Executive Director
Mr. Ali Jameel	Non-Executive Director
Mr. Naveed Kamran Baloch	Independent Director
Mr. Osman Asghar Khan	Independent Director

Chief Executive Officer

Mr. Syed Jamal Baquar

Chief Financial Officer

Mr. Imad Zahid Nagi

Company Secretary

Ms. Shayan Mufti

Audit, Risk & Oversight Committee

Mr. Muhammad Adnan Afaq	Chairman
Ms. Vanessa Eastham Fisk	Member
Mr. Ali Jameel	Member
Mr. Hashim Sadiq Ali	Secretary

Human Resource, Nomination and Remuneration Committee

Mr. Imran Hussain	Chairman
Mr. Ali Asgher	Member
Mr. Ali Jameel	Member
Mr. Nader Bashir Nawaz	Secretary

Investment Committee

Mr. Abdul Wahab Al-Halabi	Chairman
Mr. Muhammad Adnan Afaq	Member

Trustee

Digital Custodian Company Limited
4-F Perdesi House, Old Queens Road, Karachi.

Legal Counsel

Jam Naveed Zafar
Lex Firma, Advocates
Barristers and Legal Consultants

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Bank AL Habib Ltd.
National Bank of Pakistan
Faysal Bank Limited

REIT Accountant

Grant Thornton Anjum Rahman

Registrar

Digital Custodian Company Ltd.
4-F Perdesi House,
Old Queens Road, Karachi.

REIT Fund Rating

RFR 3+ (Stable Outlook) by
PACRA Credit Rating Company

REIT Manager Rating

RM 3+ (Stable Outlook) by
PACRA Credit Rating Company

Registered Office

TPL REIT Management Company Ltd.
20th Floor, Sky Tower,
East Wing, Dolmen City, HC-3,
Block 4, Abdul Sattar Edhi Avenue,
Clifton, Karachi

Web Presence

www.tplfunds.com

Board of Directors



Muhammad Adnan Afaq
Independent Director



Imran Hussain
Non-Executive Director



Vanessa Eastham Fisk
Independent Director



Mr. Ali Jameel
Non-Executive Director



Abdul Wahab Al-Halabi
Non-Executive Director



Naveed Kamran Baloch
Independent Director



Osman Asghar Khan
Independent Director



Jamal Baquar
Chief Executive Officer

DIRECTORS' REPORT

The Board of Directors of TPL REIT Management Company Limited is pleased to present its Directors Report together with the Financial Statements of TPL REIT Fund I (the Fund) for the period ended December 31, 2024.

ECONOMIC REVIEW

Global

The World's economy is projected to grow at 3.3% in CY25. During 3QCY24, parts of Asia and Europe experienced slower than expected growth, owing to low manufacturing and industrial activity. However, U.S. economy recorded a growth of 2.7% YoY.

Global headline inflation is projected at 4.2% in CY25 compared to expected inflation of 5.2% in CY24. Advanced economies are likely to stabilize inflation levels sooner due to effective management of monetary policies, while emerging markets and developing economies may experience slower convergence due to persistent inflationary pressures and external factors like commodity price fluctuations and exchange rate volatility.

Pakistan

Pakistan's GDP growth stood at 2.5% during FY24 increasing from a contraction of -0.22% in FY23. Going forward it is projected at 3.2% for FY25. The inflationary pressure started to drop in Q3FY24 after touching a historic high of 38.0% in May FY23, largely due to the impact of monetary tightening and high base effect. The monthly Inflation in Jan 2025 is reported at 2.4%, the lowest in last 9 Years. This significant decline reflects the effectiveness of a strategic policy mix, including fiscal consolidation, targeted interventions by the State Bank of Pakistan (SBP) and exchange rate stability.

The real sectors showed positive trends in 1HFY25, with agriculture maintaining a promising outlook due to strong crop yield. In contrast, Large Scale Manufacturing (LSM) output showed a slight decline of 1.25% during July-November 2025, improving from a 1.9% contraction in the same period last year. Despite the overall decline, key sectors such as textiles, food, pharmaceuticals, beverages, and automobiles displayed resilience and growth potential, indicating a path toward recovery in the manufacturing sector.

The country's fiscal deficit narrowed to 0.04% of GDP during July-November CY24, down from 1.3% last year. On the external front, Pakistan's current account balance turned positive to \$1.2 billion in 1HFY25 from a deficit of \$1.4 billion SPLY. The current account balance was largely supported by an increase in remittances which stood at \$17.8 billion, registering an increase of 33% YoY. Moreover, a 20% increase in direct investment was also witnessed during the same period, which helped the current account balance turn positive.

On the balance of trade, export receipts rose by 7.2% to \$16.2 billion in 1HFY25 from \$15.1 billion SPLY, while Imports grew by 9.3% to \$27.7 billion, up from \$25.4 billion last year, these were mainly driven by higher imports of machinery, transport, metals, and textiles. The 1HFY25 ended with SBP having net foreign reserves of \$ 11.7 billion, as compared to \$8.2 billion in December 2024, registering an increase of 42%. Improvement in the exchange reserves led the exchange rate to appreciate by 1.9%. PKR/USD averaged at 278.1 in 1HFY25, compared to PKR 281.8 SPLY. The stability of the rupee can be attributed to the gradual strengthening of foreign exchange reserves and a series of proactive measures implemented to regulate the foreign exchange market.

The Pakistan Stock Exchange (PSX) emerged as one of the best performing market during 1HFY25, where the benchmark KSE-100 Index posted a staggering 45% return, led by a stable exchange rate, political stability and monetary easing.

The economic outlook for Pakistan is encouraging, underpinned by stabilizing macroeconomic fundamentals and a gradual recovery of key sectors. Inflation is expected to drop in the near to medium-term, fostering conditions conducive to economic growth. This anticipated stability will likely facilitate further reduction in policy rates, lowering borrowing costs for both businesses and consumers, thereby boosting investments and economic momentum.

Global Real Estate

The 3QCY24 proved meaningful in the stabilization of the real estate markets, as inflation moderated and central banks started to ease monetary policy across major markets. Investor sentiment continues to improve compared to CY23, and more signals are emerging of a new liquidity cycle in real estate sector. Debt origination volumes are trending upward as market activity increases, and lower rates are reducing the cost of debt.

The global real estate market is projected to reach \$654.40 trillion by 2025 where, the Residential Real Estate shall remain the dominant segment, with an expected market volume of \$534.40 trillion. The sector is forecasted to grow at a 2.69% annual rate (CAGR 2025-2029), reaching \$727.80 trillion by 2029.

Pakistan's Real Estate

In Pakistan, the real estate sector experienced positive growth in 1HFY25, with property values increasing by an average of 5%-6% across key sectors. The residential sector showed resilience with prices rising in all major cities by an average of 5%. This recovery can be attributed to a partial rebound in economy, which had previously been impacted by economic slowdown.

Previously, the commercial sector growth was sluggish as businesses grappled with inflationary pressures and unfavorable political and economic conditions, suppressing overall demand. However, with economic revival gaining momentum, a decline in the policy rate, and business activity normalizing, the sector is showing signs of recovery. This is reflected by 6% price increase in commercial property prices, signaling improving demand.

The construction industry is poised to show recovery given the decline in inflation and input cost. The steel prices saw a decline from PKR 258,000/Ton in July 2024 to PKR 253,000/Ton in December 2024, while, cement prices declined by 4% during 1HFY25.

Given the recovery in macroeconomic indicators, the Real Estate sector is expected to witness positive investor interest in the medium to long-term.

Real Estate Investment Trusts (REITs):

REITs in Pakistan have shown significant growth in recent years, with 19 licensed Real Estate Management Companies (RMCs), and 3 REIT Funds listed on PSX having a market capitalization of PKR ~78 billion.

The outlook for REITs in Pakistan remains positive, as the government continues to facilitate the sector with policy incentives and tax relaxations. The regulatory environment has been conducive with regular policy interventions to enhance investor confidence and encourage new entrants to the market.

OPERATING RESULTS

TPL REIT Fund I (Unconsolidated)

The financial results of TPL REIT Fund I are as follows:

Description	Rupees '000
Profit after taxation for the period	749,760
Other comprehensive income	-
	<hr/>
Appropriations:	-
	<hr/>
Net profit brought forward	749,760
Earning per unit (Rupees)	0.41

During the period under review total income of the Fund stood at PKR 1,215 million compared to PKR 159 million in the corresponding period last year.

Total operating expenses during the period stood at PKR 450 million compared to PKR 286 million in the corresponding period last year.

The net profit after tax for the period stood at PKR 750 million compared to net loss of PKR 126 million in the corresponding period last year. This translates into Earning per unit of Re. 0.41 per unit.

HKC (Private) Limited

The Development property owned by the Company consists of a land parcel of 2,539 square yards of commercial property situated at corner of Abdullah Haroon Road and Hoshang Road, Karachi.

As of December 31, 2024 the Development property of the Company is valued at PKR 4,975 million. MYK Associates (Private) Limited is the valuator of the Fund for determination of the fair value of the investment property.

National Management and Consultancy Services (Private) Limited

The Investment property owned by the company consists of a land parcel of 40 acres commercial property situated at Korangi Creek, Karachi.

As of December 31, 2024 the Investment property of the Company is valued at PKR 28,360 million out of which PKR 24,732 million pertains to fair value of the land and PKR 3,628 million pertains to the development work at the property. MYK Associates (Private) Limited is the valuator of the Fund for determination of the fair value of the investment property.

TPL Technology Zone Phase - 1 (Private) Limited

The Investment property owned by the company consists of an open industrial plot measuring 10,002 square yards situated at Korangi Industrial Area, Karachi.

As of December 31, 2024 the Held for Sale property of the Company is valued at PKR 2,254 million out of which PKR 1,650 million pertains to fair value of the land and PKR 855 million pertains to the development work at the property. MYK Associates (Private) Limited is the valuator of the Fund for determination of the fair value of the investment property.

PROJECT PROGRESS REPORT

HKC (Private) Limited

The project is progressing with the detailed design finalized and initial construction works including piling, shoring, and excavation completed. All regulatory approvals required for the project have been secured.

Construction of the grey structure has advanced up to the second floor. The project has experienced some delays due to which project completion is expected in Q1-2027.

National Management and Consultancy Services (Private) Limited

The project has made significant progress, achieving key milestones, including completion of the concept master plan design, master plan approval, and infrastructure engineering study. Additionally, required No Objection Certificates (NOCs) related to height and utilities have been secured.

The detailed building design for the 20 towers led by SSH is currently in progress and is expected to be finalized by 3Q 2025. As part of this process, the pre-concept stage for Tower C2 has been completed, while the schematic design for Tower C4 has been finalized, with detailed design work underway.

Furthermore, the tender for the infrastructure works encompassing roadworks, public health engineering, and electrical works, is in the process of being awarded to enable commencement of infrastructure development at the site.

The development of the Biodiversity Park has been successfully completed, and the Sales & Site Office was launched in December 2024. The site, along with Biodiversity Park, is now open to visitors.

TPL Technology Zone Phase - 1 (Private) Limited

As notified in the letter to Pakistan Stock Exchange (PSX) dated 27th December 2024, The Fund has decided to divest from the TPL Tech. Zone (TTZ) Phase 1 (Pvt.) Ltd ('Project SPV') through sale of the Project land, followed by liquidation of the Project SPV, and distribution of the liquidation proceeds to the Unitholders.

With this we aim to relocate the Technology Park to The Mangrove Site, which shall place the Technology Park at the forefront of a thriving and accessible residential and commercial gated community at 'The Mangrove', enhancing its value and appeal.

FUND RATING

PACRA Credit Rating Company has assigned a REIT Fund Rating of RFR 3+ (Stable Outlook) to the Fund.

PACRA Credit Rating Company has assigned REIT Manager Rating of RM 3+ (Stable Outlook) to the Management Company of the Fund.

ACKNOWLEDGEMENT

The Board of Directors of the Company would like to take this opportunity to thank its valued sponsors, Securities & Exchange Commission of Pakistan, State Bank of Pakistan and other regulatory authorities, financial institutions and the auditors for their continued guidance and assistance. The Board also wishes to place on record its deep appreciation for the staff for their commitment and hard work.

On behalf of the Board of
TPL REIT Management Company Limited



Chief Executive Officer

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

TPL REIT مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2024 کو ختم ہونے والی مدت کے لیے TPL REIT فنڈ (فنڈ) کے مالی گوشواروں کے ساتھ اپنی جائزہ رپورٹ پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔

اقتصادی جائزہ گلوبل

مالی سال 25 میں دنیا کی معیشت کی شرح نمو 3.3 فیصد ہونے کا تخمینہ ہے۔ مالی سال 2024 کی تیسری سہ ماہی کے دوران ایشیا اور یورپ کے کچھ حصوں میں مینوفیکچرنگ اور صنعت کی کم سرگرمیوں کی وجہ سے توقع سے کم نمو کا سامنا کرنا پڑا ہے۔ تاہم امریکی معیشت میں سال بہ سال 2.7 فیصد اضافہ ریکارڈ کیا گیا۔

عالمی افراط زر کا تخمینہ مالی سال 25 میں 4.2 فیصد لگایا گیا ہے جبکہ مالی سال 24 میں افراط زر کی شرح 5.2 فیصد رہنے کا امکان ہے۔ مانیٹری پالیسیوں کے مؤثر انتظام کی وجہ سے ترقی یافتہ معیشتیں جلد ہی افراط زر کی سطح کو مستحکم کرنے کا امکان رکھتی ہیں، جبکہ ابھرتی ہوئی مارکیٹوں اور ترقی پذیر معیشتوں کو مسلسل افراط زر کے دباؤ اور بیرونی عوامل جیسے اجناس کی قیمتوں میں اتار چڑھاؤ اور شرح تبادلہ میں اتار چڑھاؤ کی وجہ سے سست ہم آہنگی کا سامنا کرنا پڑ سکتا ہے۔

پاکستان

مالی سال 24 کے دوران پاکستان کی جی ڈی پی نمو 2.5 فیصد رہی جو مالی سال 23 میں منفی 0.22 فیصد سکرنگ تھی۔ آئندہ مالی سال 25 کے لئے اس کا تخمینہ 3.2 فیصد لگایا گیا ہے۔ مالی سال 23 کے مئی میں 38.0 فیصد کی تاریخی بلند ترین سطح کو چھونے کے بعد مالی سال 24 کی تیسری سہ ماہی میں افراط زر کا دباؤ کم ہونا شروع ہوا، جس کی اہم وجہ مانیٹری سختی اور زیادہ بنیادی اثر ہے۔ جنوری 2025 میں ماہانہ افراط زر کی شرح 2.4 فیصد ریکارڈ کی گئی ہے جو گزشتہ 9 سال کی کم ترین سطح ہے۔ یہ نمایاں کمی اسٹریٹجک پالیسی مکس کی تاثیر کی عکاسی کرتی ہے، جس میں مالی استحکام، اسٹیٹ بینک آف پاکستان (ایس بی پی) کی جانب سے نارگنڈ مداخلت اور شرح مبادلہ میں استحکام شامل ہیں۔

17 مئی 2025ء میں ریل سیکٹرنے مثبت رجحانات دکھائے، فصلوں کی مضبوط پیداوار کی وجہ سے زراعت نے اُمید افزاء نقطہ نظر برقرار رکھا۔ اس کے برعکس لارج اسکیل مینوفیکچرنگ (ایل ایس ایم) کی پیداوار میں جولائی تا نومبر 2025 کے دوران 1.25 فیصد کی معمولی کمی دیکھی گئی جو گزشتہ سال کے اسی عرصے میں 1.9 فیصد سکرنگ سے بہتر ہے۔ مجموعی طور پر گراؤٹ کے باوجود ٹیکسٹائل، فوڈ، فارماسیوٹیکل، مشروبات اور آٹوموبائل جیسے اہم شعبوں نے لچک اور نمو کی صلاحیت کا مظاہرہ کیا، جو مینوفیکچرنگ کے شعبے میں بحالی کی راہ کی نشاندہی کرتا ہے۔

جولائی تا نومبر مالی سال 2024ء کے دوران ملک کا مالیاتی خسارہ کم ہو کر جی ڈی پی کا 0.04 فیصد رہ گیا جو گزشتہ سال کے 1.3 فیصد سے کم ہے۔ بیرونی محاذ پر پاکستان کا کرنٹ اکاؤنٹ بیلنس 1.4 بلین ڈالر کے خسارے سے بڑھ کر 1.2 بلین ڈالر ہو گیا۔ کرنٹ اکاؤنٹ بیلنس کو بڑی حد تک ترسیلات زر میں اضافے سے مدد ملی جو سال بہ سال 33 فیصد اضافے کے ساتھ 17.8 بلین ڈالر رہے۔ اس کے علاوہ اسی عرصے کے دوران براہ راست سرمایہ کاری میں بھی 20 فیصد اضافہ دیکھا گیا جس سے کرنٹ اکاؤنٹ بیلنس کو مثبت بنانے میں مدد ملی۔

تجارت کے توازن پر، برآمدات کی وصولیاں گزشتہ سال کی اسی مدت کی 15.1 بلین ڈالر سے 7.2 فیصد بڑھ کر مالی سال کی پہلی ششماہی میں 16.2 بلین ڈالر ہو گئیں، جبکہ درآمدات 9.3 فیصد اضافے کے ساتھ 27.7 بلین ڈالر تک پہنچ گئیں، جو کہ گزشتہ سال 25.4 بلین ڈالر تھیں، ان کی بنیادی وجوہات مشینری، ٹرانسپورٹ، دھاتوں اور ٹیکسٹائل کی درآمدات زیادہ تھیں۔ مالی سال 25 کی پہلی ششماہی کے اختتام پر اسٹیٹ بینک کے پاس 11.7 بلین ڈالر کے خالص زرمبادلہ کے ذخائر تھے جو دسمبر 2024 کے 8.2 بلین ڈالر کے مقابلے میں 42 فیصد اضافہ ہے۔ زرمبادلہ کے ذخائر میں بہتری سے شرح تبادلہ میں 1.9 فیصد اضافہ ہوا۔ مالی سال 25 کی پہلی ششماہی میں روپیہ/ امریکی ڈالر گزشتہ سال 281.8 کے مقابلے میں اوٹھ 278.1 روپے تھا۔ روپیہ کے استحکام کی وجہ زرمبادلہ کے ذخائر میں بتدریج استحکام اور زرمبادلہ مارکیٹ کو ریگولیٹ کرنے کے لئے فعال اقدامات کا تسلسل ہے۔

پاکستان اسٹاک ایکسچینج (پی ایس ایکس) مالی سال 25 کی پہلی ششماہی کے دوران بہترین کارکردگی کا مظاہرہ کرنے والی مارکیٹ کے طور پر ابھری، جہاں بیچ مارک KSE-100 انڈیکس نے مستحکم شرح تبادلہ، سیاسی استحکام اور مالیاتی نرمی کی بدولت 45 فیصد کا حیرت انگیز منافع حاصل کیا۔

پاکستان کے لئے معاشی منظر نامہ حوصلہ افزاء ہے، جس کی بنیاد میکرو اکنامک کے بنیادی اصولوں کا استحکام اور کلیدی شعبوں کی بتدریج بحالی ہے۔ توقع ہے کہ افراط زر میں درمیانی مدت میں کمی آئے گی، جس سے معاشی ترقی کے لئے سازگار حالات پیدا ہوں گے۔ یہ متوقع استحکام مکمل طور پر پالیسی کی شرحوں میں مزید کمی کی سہولت فراہم کرے گا، کاروباری اداروں اور صارفین دونوں کے لئے قرضوں کی لاگت کو کم کرے گا، لہذا سرمایہ کاری اور معاشی رفتار کو فروغ ملے گا۔

گلوبل ریٹیل اسٹیٹ

مالی سال 2024 کی تیسری سہ ماہی ریٹیل اسٹیٹ مارکیٹوں کے استحکام میں معنی خیز ثابت ہوئی، کیونکہ افراط زر میں کمی آئی اور مرکزی بینکوں نے بڑی مارکیٹوں میں مانیٹری پالیسی میں نرمی شروع کر دی۔ مالی سال 23 کے مقابلے میں سرمایہ کاروں کے جذبات میں بہتری آ رہی ہے، اور ریٹیل اسٹیٹ سیکٹر میں ایک نئے لیکوئیٹی بی سائیکل کے مزید اشارے ابھر رہے ہیں۔ مارکیٹ کی سرگرمی میں اضافہ سیکورٹوں کا حجم بڑھ رہا ہے، اور کم شرحیں قرض کی لاگت کو کم کر رہی ہیں۔

عالمی ریٹیل اسٹیٹ مارکیٹ 2025 تک 654.40 ٹریلین ڈالر تک پہنچنے کا تخمینہ لگایا گیا ہے، جہاں، رہائشی ریٹیل اسٹیٹ شعبہ غالب رہے گا، جس کا متوقع مارکیٹ حجم 534.40 ٹریلین ڈالر ہے۔ یہ شعبہ 2.69 فیصد سالانہ شرح (سی اے جی آر 2025-2029) کی شرح سے بڑھے گا، جو 2029 تک 727.80 ٹریلین ڈالر تک پہنچ جائے گا۔

پاکستان کی ریٹیل اسٹیٹ

پاکستان میں ریٹیل اسٹیٹ کے شعبے میں مالی سال 2025 میں مثبت نمودار کیے میں آئی اور اہم شعبوں میں پراپرٹی کی قیمتوں میں اوسطاً 5 سے 6 فیصد اضافہ ہوا۔ تمام بڑے شہروں میں قیمتوں میں اوسطاً 5 فیصد اضافے کے ساتھ رہائشی شعبے نے چمک کا مظاہرہ کیا۔ اس بحالی کی وجہ معیشت میں جزوی بحالی کو قرار دیا جاسکتا ہے، جو پہلے معاشی سست روی سے متاثر ہوئی تھی۔

اس سے قبل تجارتی شعبے کی ترقی سست روی کا شکار تھی کیونکہ کاروباری ادارے افراط زر کے دباؤ اور ناسازگار سیاسی و معاشی حالات سے نبرد آزما تھے جس کی وجہ سے مجموعی طلب میں کمی واقع ہوئی تھی۔ تاہم، معاشی بحالی کی رفتار بڑھنے، پالیسی ریٹ میں کمی اور کاروباری سرگرمیوں کے معمول پر آنے کے ساتھ، اس شعبے میں بحالی کے اشارے مل رہے ہیں۔ اس کی عکاسی کرسٹل پراپرٹی کی قیمتوں میں 6 فیصد اضافے سے ہوتی ہے، جو طلب میں بہتری کا اشارہ دیتا ہے۔

تعمیراتی صنعت افراط زر اور پیداواری لاگت میں کمی کو دیکھتے ہوئے بحالی دکھانے کے لئے تیار ہے۔ سٹیٹ کی قیمتوں میں جولائی 2024 میں 258,000 روپے فی ٹن کی کمی دیکھی گئی جو دسمبر 2024 میں 253,000 روپے فی ٹن ہو گئی، جبکہ سینٹ کی قیمتوں میں مالی سال 25 کی پہلی ششماہی کے دوران 4 فیصد کمی دیکھی گئی۔

میکرو اکنامک اشاروں میں بحالی کو دیکھتے ہوئے، ریٹیل اسٹیٹ سیکٹر میں درمیانی سے طویل مدت میں سرمایہ کاروں کی مثبت دلچسپی نظر آنے کی توقع ہے۔

ریٹیل اسٹیٹ انویسٹمنٹ ٹرسٹ (REITs):

پاکستان میں REITs نے حالیہ برسوں میں نمایاں نمودار دکھائی ہے، جس میں 19 لائسنس یافتہ ریٹیل اسٹیٹ اینجمنٹ کمپنیاں (RMCs) اور تین REIT فنڈز PSX پر مندرج ہیں جن کی مارکیٹ کیپٹلائزیشن 78 بلین روپے ہے۔

پاکستان میں REITs کے لئے نقطہ نظر مثبت ہے، کیونکہ حکومت پالیسی مراعات اور ٹیکس چھوٹ کے ساتھ اس شعبے کو سہولت فراہم کرنا جاری رکھے ہوئے ہے۔ ریگولیٹری ماحول سرمایہ کاروں کے اعتماد کو بڑھانے اور مارکیٹ میں نئے داخل ہونے والوں کی حوصلہ افزائی کے لئے باقاعدگی سے پالیسی مداخلت کے ساتھ سازگار رہا ہے۔

آپریٹنگ نتائج
ٹی پی ایل REIT (غیر مجموعی)
ٹی پی ایل REIT کے مالی نتائج درج ذیل ہیں:

تفصیل	000 روپے
مت کے لیے ٹیکس کے بعد خسارہ	(749,760)
مت کے لیے ٹیکس کے بعد منافع	-
دیگر جامع آمدنی	-
تصرفات	-
آگے لایا گیا خالص منافع	(749,760)
آمدنی فی یونٹ (روپے)	0.41

زیر جائزہ مدت کے دوران فنڈ کی کل آمدنی 1,215 ملین روپے رہی جو گزشتہ سال کی اسی مدت میں 159 ملین روپے تھی۔

اس مدت کے دوران کل آپریٹنگ اخراجات 450 ملین روپے رہے جو گزشتہ سال کی اسی مدت میں 286 ملین روپے تھے۔

اس مدت کے دوران بعد از ٹیکس خالص منافع 750 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں 126 ملین روپے خالص خسارہ تھا۔ اس کے نتیجے میں 0.41 روپے فی یونٹ آمدنی ہوئی ہے۔

HKC (پرائیویٹ) لمیٹڈ

31 دسمبر 2024 کو کمپنی کی ڈولپمنٹ پراپرٹی کی قیمت 4,975 ملین روپے لگائی گئی ہے ایم وائی کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ انویسٹمنٹ پراپرٹی کی مناسب قیمت کے تعین کے لیے فنڈ کا ویلیو ایٹر ہے۔

کمپنی کی ملکیتی جائیداد عبداللہ ہارون روڈ اور ہوشنگ روڈ، کراچی کے کونہ میں واقع کمرشل پراپرٹی 2,539 مربع گز کی اراضی پر مشتمل ہے۔

نیشنل بینچمنٹ اینڈ کنسلٹنسی سروسز (پرائیویٹ) لمیٹڈ

31 دسمبر 2024 کو کمپنی کی انویسٹمنٹ پراپرٹی کی قیمت 28,360 ملین روپے لگائی گئی ہے جس میں سے 24,732 ملین روپے زمین کی مناسب قیمت اور 3,628 ملین روپے جائیداد پر ترقیاتی کاموں سے متعلق ہے۔ ایم وائی کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ انویسٹمنٹ پراپرٹی کی مناسب قیمت کے تعین کے لیے فنڈ کا ویلیو ایٹر ہے۔

کمپنی کی ملکیت میں انویسٹمنٹ پراپرٹی 140 ایکڑ کمرشل پراپرٹی پر مشتمل ہے جو کورنگی کریک، کراچی میں واقع ہے۔

TPL ٹیکنالوجی زون فیئر-1 (پرائیویٹ) لمیٹڈ

31 دسمبر 2024 کو کمپنی کی سٹاک پراپرٹی کی قیمت 2,254 ملین روپے ہے جس میں سے 1,650 ملین روپے زمین کی مناسب قیمت اور 855 ملین روپے جائیداد میں ترقیاتی کام سے متعلق ہے۔ ایم وائی کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ انویسٹمنٹ پراپرٹی کی منصفانہ قیمت کے تعین کے لیے فنڈ کا ویلیو ایٹر ہے۔

کمپنی کی ملکیت میں انویسٹمنٹ پراپرٹی ایک کھلے صنعتی پلاٹ پر مشتمل ہے جس کی پیمائش 10,002 مربع گز ہے جو کورنگی انڈسٹریل ایریا، کراچی میں واقع ہے۔

منصوبے کی پراگریس رپورٹ

HKC (پرائیویٹ) لمیٹڈ

منصوبے نے کافی پیش رفت کا مظاہرہ کیا، جس میں ڈیزائن اور ابتدائی تعمیراتی کام، بشمول پائمنگ، شورنگ، اور کھدائی مکمل ہو گئی ہے۔ منصوبے کے لئے درکار تمام ریگولیٹری منظوریاں حاصل کر لی گئی ہیں۔ اب تک دوسری منزل تک گرے اسٹرکچر مکمل ہو چکا ہے۔ منصوبے میں کچھ تاخیر ہوئی ہے جس کی وجہ سے منصوبے کی تکمیل 2027 کی پہلی سہ ماہی تک متوقع ہے۔

میشل مینجمنٹ اینڈ کنسلٹنسی سروسز (پرائیویٹ) لمیٹڈ

منصوبے نے کئی اہم سنگ میل حاصل کیے ہیں، جن میں تصوراتی ماسٹر پلان ڈیزائن، ماسٹر پلان کی منظوری اور انفراسٹرکچر انجینئرنگ اسٹڈی کی تکمیل شامل ہے۔ مزید برآں، اونچائی اور استعمال سے متعلق مختلف کوئی اعتراض نہیں سرٹیفکیٹس (NOCs) بھی حاصل کر لئے گئے ہیں۔

SSH کی سربراہی میں 20 بیس ٹاورز کا تفصیلی ڈیزائن پر فی الحال کام جاری ہے اور یہ 2025 کی تیسری سہ ماہی تک مکمل ہونے کی توقع ہے۔ اس پرائیس کے حصہ کے طور پر، C2 ٹاور کے پری کنسپٹ مرحلہ مکمل ہو گیا ہے، جبکہ ٹاور C4 کا سکیپیک ڈیزائن حتمی ہو گیا، تفصیلی ڈیزائن کا کام جاری ہے۔

مزید برآں، انفراسٹرکچر ورکس کے لئے ٹینڈر کی تیاری، جس میں روڈ ورکس، پبلک ہیلتھ انجینئرنگ ورکس اور الیکٹریکل ورکس شامل ہیں، جاری ہے اور توقع ہے کہ سائٹ پر بنیادی ڈھانچے کے کام شروع کرنے کے لئے ایوارڈ کیا جا رہا ہے۔

بائیوڈائیورسٹی پارک کی ڈویلپمنٹ کامیابی سے مکمل ہو چکی ہے، اور سیلز اور سائٹ دفتر کا افتتاح دسمبر 2024 میں ہوا۔ سائٹ، معہ بائیوڈائیورسٹی پارک اب وزیٹرز کے لئے کھلی ہے۔

TPL ٹیکنالوجی زون فیئر-1 (پرائیویٹ) لمیٹڈ

27 دسمبر 2024 کو پاکستان اسٹاک ایکسچینج (پی ایس ایکس) کو لکھے گئے مراسلہ میں فنڈ نے پی ایل ٹیک زون (ٹی ٹی زیڈ) فیئر 1 (پرائیویٹ) لمیٹڈ (پروجیکٹ ایس پی وی) سے پروجیکٹ کی زمین کی فروخت، اس کے بعد پروجیکٹ ایس پی وی کو ختم کرنے اور لیکویڈیشن سے حاصل ہونے والی رقم یونٹ ہولڈرز میں تقسیم کرنے کا فیصلہ کیا ہے۔

اس کے ساتھ ہمارا مقصد ٹیکنالوجی پارک کو مینگر و سائٹ پر منتقل کرنا ہے، جو ٹیکنالوجی پارک کو 'دی مینگر وو' میں ایک خوشحال اور قابل رسائی رہائشی اور تجارتی گیٹ وی کیونٹی میں سب سے آگے رکھے گا، جس سے اس کی قدر اور اپیل میں اضافہ ہوگا۔

فنڈ کی درجہ بندی

PACRA کریڈٹ ریٹنگ کمپنی نے فنڈ کو RFR 3+ (مستحکم آؤٹ لک) کی REIT فنڈ ریٹنگ تفویض کی ہے۔

PACRA کریڈٹ ریٹنگ کمپنی نے فنڈ کی مینجمنٹ کمپنی کو RM 3+ (مستحکم آؤٹ لک) کی REIT مینجمنٹ ریٹنگ تفویض کی ہے۔

اظہار تشکر

کمپنی کا بورڈ اپنے قابل قدر سپانسرز، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور دیگر ریگولیٹری اتھارٹیز، مالیاتی اداروں اور آڈیٹرز کی مسلسل رہنمائی اور مدد کے لیے شکر گزار ہے۔ بورڈ عملے کے عزم اور سخت محنت کو بھی سراہتا ہے۔

منجانب بورڈ

ٹی پی ایل REIT مینجمنٹ کمپنی لمیٹڈ

چیف ایگزیکٹو آفیسر

Report and Valuation of Commercial Property owned by National Management and Consultancy Services (Private) Limited



FEBRUARY 2025

EVALUATION REPORT OF "COMMERCIAL PROPERTY"
(PROPOSED MASTER PLANNED FOR COMMUNITY)
TPL REIT MANAGEMENT COMPANY LIMITED (TPL RMC) & TPL FUND-I
PROJECT BEARING PLOT'S SURVEY NOS: 295/1, 296/1, 298/1, 299, 300 AND
301, LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK,
KARACHI EAST



Submitted to,

M/s. TPL RMC & TPL REIT FUND-I
TPL REIT, 20th Floor, Sky Tower - East Wing, Dolmen City,
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Prepared By

MYK ASSOCIATES PRIVATE LIMITED

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VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK, KARACHI EAST TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

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| Evaluations | Consulting Engineers | Collateral Management | Inspections |
| Feasibility Analysis | Investment & Advisory | Clearing Forwarding & Logistics Agents |



**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK, KARACHI EAST
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

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MYK Reference No:	MYK/17867/12/2024
Date of Valuation Report:	February 06, 2025
Date of Visit:	December 26, 2024
Date of Request Received:	Through Email on dated December 24, 2024
Requested By:	Mr. Imran ul Haque (Senior Finance Manager-TPL RMC)
Client Name:	TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I
Address of Property:	The Project Site (Land) bearing Plot's Survey Nos: 295/1, 296/1, 298/1, 299, 300 and 301, located at Deh Dih, Tappo Ibrahim Hyderi, Taluka Korangi Creek, Karachi East
Appraised By:	Team of MYK Associates Private Limited
Identified By:	Team of TPL REIT Management Company Limited & TPL REIT Fund-I
Custodian of the Land:	Conformation Board Korangi Creek
Status of NOC (if any):	Yes
Type of Property:	Open Commercial Land
Property Utilization:	Fully Commercial [] Vacant [v] Fully Industrial []
Type of Title:	Commercial (As per Documents)
Surroundings:	Industrial and Commercial [v] Fully Residential [] Fully Industrial [] Fully Commercial [] Residential cum Commercial []
FAR:	1:8 (As per Provided documents & Approvals)
Value of Land:	PKR. 24,731,895,000.00
CWIP Amount:	PKR. 3,628,321,040.00
Net Present Value:	PKR. 28,360,216,040.00
Valuation Basis:	Sales Comparison Approach [v] Residual Value [v]

HEAD OFFICE: MYK HOUSE, 52-A, Block 'B', Street No. 5, Sindhi Muslim Cooperative Housing Society Karachi-75400, Pakistan.

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MYK/17867/12/2024

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VALUATION INITIATIVE:

In accordance with the provision of REIT Regulations-2015 and amendments – 2018 & 2022, TPL REIT Management Company Limited appointed MYK Associates Pvf Ltd for valuation of Open Commercial Land as a PBA approved "no limit valuer". The of TPL REIT Fund-1 Project Site (Land) bearing Plot's Survey Nos: 295/1, 296/1, 298/1, 299, 300 and 301 located at Deh Dih, Tappo Ibrahim Hyderi, Taluka Korangi Creek, Karachi East.

A team from M/s. MYK Associates Private Limited (comprising of the following officials) visited open Land for survey and inspection to complete the assignment within the stipulated time.

- **Engr. Muhammad Tauqir**
- **Engr. Amir Ali**

Meetings held with the official (representatives) of TPL REIT Management Company Limited & TPL REIT Fund-I. Details & planning information were gathered regarding this property. Thereafter, an extensive and detailed survey of open Land were carried out with reference to the data sharing, documents and information provided by them at the time of survey process.

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MYK Associates Private Limited

(ISO 9001-2015 Accredited)

Service Providers to the Financial, Business & Corporate Sector

BRIEF INTRODUCTION OF VALUATOR:

MYK Associates Private Limited is an ISO-9001-2015 accredited real estate valuator of Pakistan. We ensure the valuation of international standards to the satisfaction of client and as well as the concerned departments / institutions. Upon achieving the accreditation, we are adhering to maintain the customer requirements, establish client's trust and to enable the participation in continual improvement.

MYK has been founded by M. Younas Khan FCA (England & Wales), Ex Country General Manager, Deutsche Bank AG in Pakistan. It was incorporated in September 2000 and is registered under the Pakistan Companies Ordinance 1984. As a professional Survey and Evaluation company, MYK Associates (Pvt.) Limited has over 16 years of experience of conducting evaluation, inspection and muccadam management assignments. It provides services to the Financial and Private Sector in Pakistan and is on the approved panel of Pakistan Banks Association. As a nationwide company, our services comprise of Valuations of Fixed and Current Assets, Inspections of Hypothecated and Pledged Stock and Collateral value (Muccadamage) etc. We are also on the approved panel of NBF and Modarba Association of Pakistan.

Over the years, our valuation assignments cover a wide spectrum in consumer retail, industrial, commercial, agricultural and corporate portfolios that encompass Land, Civil Structures, Tanks & Machinery, commercial Civil Structures, hospitals, residential properties as well as open plots both in rural and urban areas. We currently conduct inspections for all the corporate and commercial clients for different banks. Our muccadam department expertly manages different portfolios including seasonal crops, which include wheat, rice, cotton, as well as ship breaking, molasses, ethanol, sugar, edible oil, and canola.

MYKs' Mission is to provide strategic counsel, creative solutions and responsive services in a timely manner to the Financial Sector. MYKs' vision is to be recognized as a leader in providing seamless services through superior quality and commitment as well as achieving operational excellence, industry-leading clientele satisfaction through superior performance.

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BRIEF INTRODUCTION OF OWNER:

Mr. Muhammad Younas Khan is the Chairman and Chief Executive Officer of MYK Associates (Pvt.) Ltd, a company registered under the law of Pakistan Companies Ordinance 1984 and incorporated September 2000. Mr. Khan has years of professional experience in the banking and corporate sector combined and heads the MYK Group of Companies with other professionals. Formerly Mr. Khan has been the Country General Manager of Deutsche Bank in Pakistan. He has also been on the Board of Directors for the Oil and Gas Development Company Limited (OGDC), and National Refinery Limited (NRL), two of the largest companies in the Oil Sector of Pakistan.

A Chartered Accountant by Qualification from England and Wales (FCA), Mr. Khan is a banker by profession. He is also a Fellow of the Institute of Bankers in Pakistan (IBP), and the Institute of Chartered Accountants of Pakistan (ICAP). He is accredited with having completed his Masters from the University of Punjab. Mr. Khan is well reputed in the Banking and Corporate sector, local business circles and the Government of Pakistan.

OTHER POSITIONS HELD:

- President of the Overseas Investors, Chamber of Commerce and Industry
- Chairman of the German Business Council (Kaufmannsrunde)
- Chairman of the Pakistan Banks' Association
- Member of the Managing Committee of Pakistan Banks' Association
- Member of the Management Association of Pakistan
- Member of the Rotary Club of Karachi Metropolitan
- Member of the Pakistan German Business Forum

PREVIOUS POSITIONS HELD:

- Member of the Pakistan Investment Board (Responsible for attracting Foreign Investment in Pakistan)
- Member of the Investment Council of Pakistan
- Trustee of the Karachi Port Trust
- Chairman of the Banking and Finance Sub-Committee, for Overseas Investor Chamber of Commerce and Industry
- Member of the Managing Committee of Overseas Investor Chamber of Commerce and Industry
- Director of the Pakistan Fund (Foreign Currency Equity Fund)

His management team and associates are professionals with distinguished senior management experience, in the multinational environment and in large corporations, both in Pakistan and overseas.

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Service Providers to the Financial, Business & Corporate Sector

ABOUT KEY PROFESSIONALS OF MYK ASSOCIATES PVT LTD:

SENIOR GENERAL MANAGER:

Engr. Illekhar Ahmed is a Professional Engineer (PEC) and graduated from NED University of Engineering and Technology, Karachi and having vast experience of Power Generation, Transmission and Distribution System. He has acquired training from ABB at Dubai, UAE, in Power Control Management and Assets handling procedure. He also achieved legal qualification LL. B, LL.M. and having expertise of Agreement and Contracts writing as well as to lead the legal team on technical matters to resolve the disputed issues on Legal Forums and Courts. He is fully conversant with Power Generation, Transmission and Distribution System low and high voltage. He also has experience in the field of chain supply, fuel management and other auxiliary supplies for Power Station to avoid load shedding. He has vast experience of Project Supervision and to manage its completion within agreed time and approved cost. He possesses full project management knowledge and verifies the contractor's work and performance, their bill of payments, equipment supplies and its installations. He is well conversant to coordinate private and public authorities and departments to settle the issues and to get matter resolved.

- ✓ Initially, he was engaged with K-Electric, Karachi (Former KESC) in Power Generation, Transmission and Distribution Department and supervised the construction of Grid Stations and Transmission Lines.
- ✓ He Served in Riyadh Electric (the then Saudi Consolidated Electric Company) Riyadh, Saudi Arabia, in their Power Generation, Transmission and Distribution Divisions. He established the modern Control Center to Control Extra High Voltage Power Supply and managed the training to Engineers for SCADA system. Prepare the schedule to maintain the Breakers, Transformers and other allied equipment accordingly to improve the performance.
- ✓ Analyze the System Fault and prepared the maintenance scheme equipment and prepare the scheme for balance Load management System for Central Region.
- ✓ He served Stat Life Insurance Corporation of Pakistan and was Head of the Electrical and Mechanical Engineering Department of its Real Estate Division. He derived the modern system to managed and control its assets. He also served as Head of the Personnel and General Administration Department of State Life Insurance Corporation.
- ✓ He served Dubai Electric and Water Authority, Dubai UAE for more than 10 years and managed their power Generation, Transmission and Distribution system on modern lines. He developed strategy of transformation from High Voltage system to Extra High Voltage System (i.e. from 220 KV to 400 KV systems). Conversion of Grid Stations and Transmission lines from conventional manual operation system to modern SCADA Control and SAP System. He activates the redundant system of Assets Management and Control System to modern system and maintained proper record of all capital and consumable items of all Power Houses, Grid Stations, Transmission Lines, Distribution System and its offices.

AFFILIATIONS:

- I. Professional Engineer (PEC).
- II. Member IEEE (USA) Member IEP Karachi
- III. Member IEP Karachi Pakistan
- IV. Member IEEE (Pak)

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ABOUT CLIENT:

TPL REIT Management Company Limited (TPL RMC), established in 2019, is the leading provider of REIT management services in Pakistan and is regulated by the SECP. TPL RMC is a 100% owned subsidiary of TPL Properties Limited (TPLP) and was established to capitalize on the sustainable real estate development and management expertise of its parent company.

TPL RMC launched its first fund, REIT Fund I, the Sustainable Development Fund, which is a portfolio of diverse real estate asset classes in Pakistan, all targeting to be LEED Certified. The mission of the Fund is to decarbonize Pakistan's cities through sustainable and climate focused developments, supporting technology ecosystems, heritage, and the environment. The projects aim to uplift living standards and address the shortfall in commercial and residential properties due to rapid urbanization in Pakistan.

The Fund is Pakistan's first Shariah Compliant Sustainable Development Impact REIT Fund. It will act as a catalyst for the country's economy and is an opportunity to invest in sustainable assets, seeking to reap the benefits of Pakistan's real estate sector boom.

TPL RMC is committed to operating with the highest levels of international standards, integrity and adheres to the guidelines set out by the Independent Investment Committee, Advisory Board, and Shariah Advisor to ensure effective governance and responsible business practices.

Major Projects Under TPL REIT FUND-I

- **One Hoshang**
One Hoshang will be Pakistan's first Gold LEED Certified residential apartment building.
130-year-old heritage façade of the site to be protected to preserve the heritage and promote the culture
- **Technology Park**
The Technology Park will be the first of its kind Technology Free Zone in Pakistan, equipped with best-in-class technology infrastructure to support the growth of the tech eco-system and lead to the proliferation of technology startups.
- **Mangrove**
Mangrove is a Master Planned Community to be developed over a land parcel of 40 acres on a waterfront locality. The project overlooks and preserves the expansive 115 hectares of mangrove forest and seafront, with world-class amenities and a varied collection of mid-rise Residential Apartment Towers, Commercial Offices, Serviced Apartments, Hotel, and Retail Spaces.

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LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK, KARACHI EAST
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

ASSIGNMENT

TPL REIT Management Company Limited appointed MYK Associates Private Limited "PBA approved no limit category valuer of Panel-I or Panel-II" to evaluate the property by the qualified professional engineers who are registered with Pakistan Engineering Council for the purpose of conducting valuation; ensure that the valuation methodology adopted in line with best practices prevalent in the real estate industry and ensure the valuation carried out objectively and independently of its business or commercial relationship and issuance of the declaration by the competent engineer on the given format duly witnessed by the CEO of the valuer company in this respect.

M/s TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I appointed MYK Associates (Pvt) Limited to evaluate the Open Commercial Land of TPL REIT bearing Survey Nos: 295/1, 296/1, 298/1, 299, 300 and 301, located at Deh Dih, Tappo Ibrahim Hyderi, Taluka Korangi Creek, Karachi East. This commercial land comprise on one piece of 40.00 Acre. The commercial plot is demarcated and their details are outlined on page No: 13.



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DETAILS ABOUT KORANGI CREEK AND THE MANGROVES PROJECT:

Korangi Creek in Karachi offers a unique real estate opportunity, combining sea-facing properties, lush mangroves, and strong connectivity to key urban hubs. Its waterfront location provides serene views, appealing to both residential and commercial developments, while the surrounding mangrove ecosystem contributes to the area's environmental significance. The region's proximity to major roads and industrial zones enhances accessibility, making it an attractive choice for businesses. However, sustainable urban planning is crucial to protect the mangroves and mitigate risks like coastal flooding or sea-level rise, ensuring long-term viability for both residential and commercial uses.

Korangi Creek to become a thriving area, the development of essential amenities and infrastructure significantly enhancing its appeal. Educational institutions, healthcare facilities, retail outlets, and public transport options are making the area more attractive for residents and businesses alike. The natural beauty of the creek, combined with the potential for recreational spaces and waterfront developments, could create a unique lifestyle destination. Additionally, reliable utilities and a secure environment will ensure the long-term sustainability and liveability of the area. With these developments, Korangi Creek has the potential to become a vibrant, self-sustained community and a prime location for both residential and commercial investment.

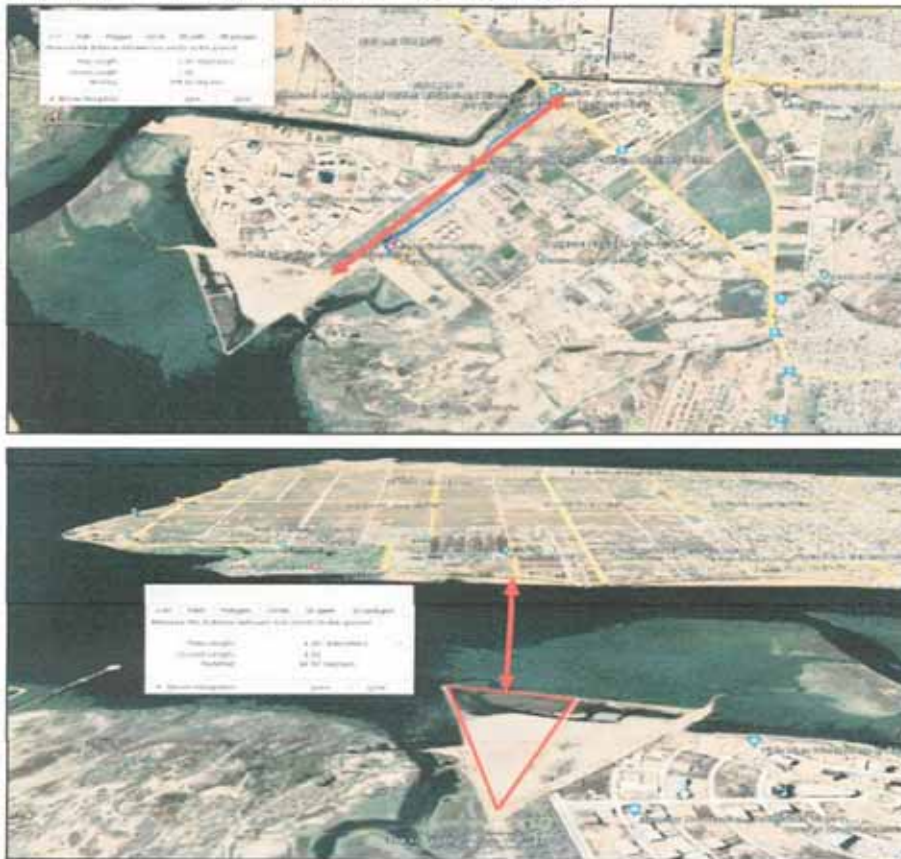
The Mangroves Project in Korangi Creek, initiated by TPL, is a visionary development aimed at creating a unique blend of residential, commercial, and leisure spaces within the area's lush coastal environment. Set against the backdrop of the creek's rich mangrove ecosystem, the project aims to offer a sustainable and eco-friendly living experience, integrating modern amenities while preserving the natural surroundings. This mixed-use development emphasizes green spaces, ensuring the protection and restoration of the mangrove habitat while providing luxury residences, office spaces, and recreational facilities. By prioritizing environmental sustainability alongside urban development, TPL is working to transform Korangi Creek into a vibrant, nature-integrated community, appealing to both investors and residents seeking a balanced lifestyle near the waterfront.

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Location and Roads to Connect TPL REIT Fund-1:

The under evaluated land is surrounded by mangroves on the side facing the water and the other sides surrounded by Creek Industrial Park, Universities and other housing schemes, the site can be accessed from korangi creek main road by passing through Pakistan Refinery Road and Salim Habib University Road, the location map is shown below:



The TPL REIT Commercial Plot is located approx. 1.90 Kilometer distance from main korangi Creek Road and around 1.50 Kilometer distance from Creek Vista through Mangroves.

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The Commercial Land is located around 4.33 Kilometer distance from Bundle Island through Mangroves and Sea Water.



The Amenities/Projects situated in 3 Kilometer surrounding radius of under evaluated commercial plot has shown in the above picture.

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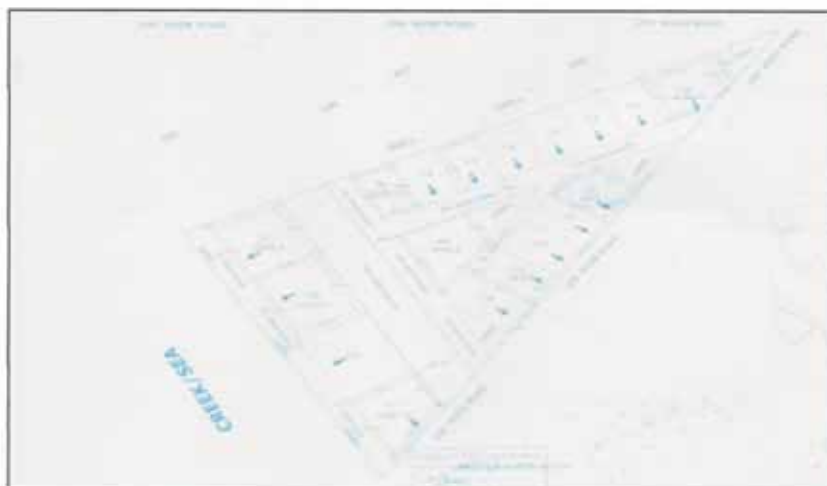
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"DESCRIPTION OF LAND"

Approach: Main Road [] Side Road [x] Inside Road []
Total Area: 40, Acres (As per Documents)

Our assessment of 40.00 Acre Land based on FAR (1:8), and Circulation area is 40% of the FAR the land is further divided into eight categories of sub divided Plots as per details provided by TPL REIT Management Company Limited as following:

Description	Area In Sq Yds	No of Plots
Plot No C-1	10,201.00	1
Plot No C-2	13,155.00	2
Plot No C-3	12,392.00	1
Plot No C-4	5,300.00	10
Plot No C-5	5,910.00	1
Plot No C-6	8,344.00	1
Plot No PB	5,528.00	1
Plot No PB	9,995.00	1



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• COST APPROACH METHOD:

The Cost Approach for property valuation estimates the value by calculating the cost to replace or reproduce the property's improvements and adjusting for depreciation, while separately determining the land value. It is especially useful for new or unique properties, where comparable market data may be scarce. The method involves estimating the land value, calculating the replacement or reproduction cost of the building, applying depreciation for physical wear and obsolescence, and combining these values. While it is effective for specialized properties, its limitations include challenges in accurately estimating depreciation and its failure to account for market demand, making it less suitable for older or income-producing properties.

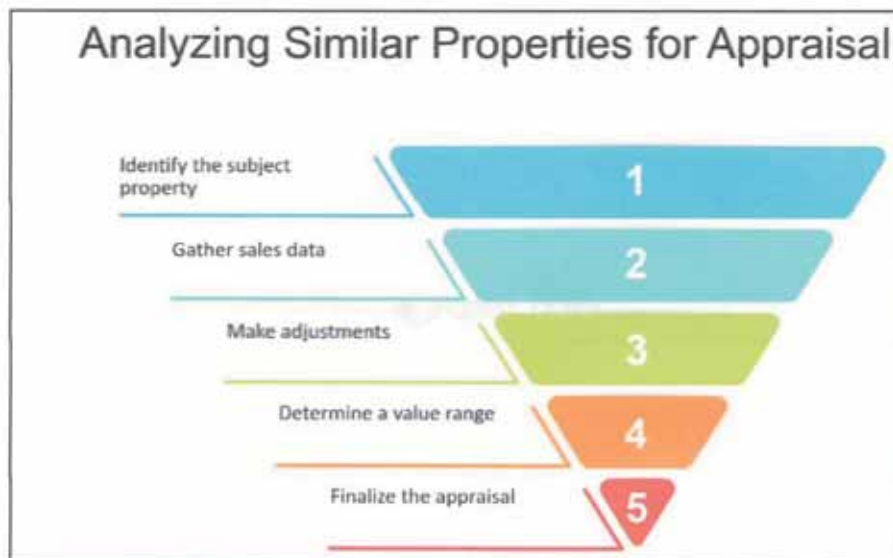


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• SALE COMPARAISON APPROACH

The Sale Comparison Approach (SCA) is a method used to estimate the value of commercial land by analyzing recent sales of similar properties. This approach involves gathering data on comparable properties, adjusting for differences such as location, size, and zoning, and deriving a value estimate based on these comparisons. It is widely used due to its market-based nature, simplicity, and transparency. However, its effectiveness relies on the availability of suitable comparables and the accuracy of adjustments. While the method works well in active markets, its limitations include potential subjectivity in adjustments and market fluctuations, which can affect the final Value.



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CALCULATION OF LAND:

TPL REIT Taluka Korangi Creek land is at the prime real estate location. The development in surrounding area is very fast and becoming the prominent residential cum commercial hub of Karachi.

At present, the cost of the land of this and around this area has become attractive and observed between the range of PKR. 75,000.00 To PKR. 205,000.00 Per Square Yard depending upon the Title, location, parameters, size and FAR (1:8) and circulation area is 40% of FAR of the Land. Therefore, we are taking the land value Per Square Yard according to location of plot on similar parameters as under:

Description	Area In Sq Yds	PKR Per Sq Yds	No of Plots	Assessed Value In PKR
Plot No C-1	10,201.00	200,000.00	1	2,040,200,000.00
Plot No C-2	13,155.00	200,000.00	2	5,262,000,000.00
Plot No C-3	12,392.00	200,000.00	1	2,478,400,000.00
Plot No C-4	5,300.00	205,000.00	10	10,865,000,000.00
Plot No C-5	5,910.00	205,000.00	1	1,211,550,000.00
Plot No C-6	8,344.00	205,000.00	1	1,710,520,000.00
Plot No PB	5,528.00	75,000.00	1	414,600,000.00
Plot No PB	9,995.00	75,000.00	1	749,625,000.00
GRAND TOTAL			18	24,731,895,000.00

Total Assessment of Land: PKR. 24,731,895,000.00
(Rupees Twenty-Four Billion Seven Hundred Thirty-One Million Eight Hundred and Ninety-Five Thousand Only)

CWIP Amount: PKR. 3,628,321,040.00
(Rupees Three Billion Six Hundred Twenty-Eight Million Three Hundred Twenty-One Thousand and Forty Only)

Net Present Value: PKR. 28,360,216,040.00
(Rupees Twenty-Eight Billion Three Hundred Sixty Million Two Hundred Sixteen Thousand and Forty Only)

Note:

The Above CWIP (Capital Work in Process) Amount is provided by the Client, so it is Client's responsibility to provide reasonable amount. As we are not provided the relevant data so we cannot comment on CWIP Amount.

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DETERMINATION OF FORCED SALE VALUE:

In order to determine the Forced Sale Value of the Land, all the factors including the natural and physical condition of the Land, infrastructure in the neighborhood area, location, and availability of services therein. Further, the Government's future development measures to boost the commercial activities, reliability in return of investment in short term or long term basis are also taken into consideration to determine the Forced Sale Value (FSV).

- Low and order situation of the area.
- Prevailing market conditions for real estate.
- Property buying and selling activities in the city.
- Availability of prospective buyers.
- The Current economic situation of the country.
- Present government policies and political environment.

Forced Sale Value (Less 20%): **PKR. 22,688,172,832.00**
(Rupees Twenty-Two Billion Six Hundred Eighty-Eight Million One Hundred Seventy-Two Thousand Eight Hundred and Thirty-Two Only)

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REASONS FOR THE METHOD USED:

Using the sales comparison approach with the dealers of the vicinity for the purpose to assess the net present value of the vicinity / comparable, (Result - Difference of opinion), therefore; we verify this results by using the residual value method under section 104,

RESIDUAL VALUE OF LAND:

Residual Land Value Method: This method involves estimating the value of the property after all development costs have been accounted for, and subtracting those costs to determine the residual land value. For example: Residual land value is a commercial real estate valuation metric used to help developers determine the appropriate land prices to be paid. The equation used to calculate residual land value is the gross development value less the total project cost, including fees and developer profit,

To calculate the Residual value of land we applied Reverse Engineering Method based on its development potential,

The Reverse Civil Engineering Method (RCEM) is a technique used to determine the value of a commercial land, by analyzing the cost of reproducing the property. For the evaluation of this particular land measuring 40.00 Acres located at Taluka Korangi Creek, according to the provided master plan the whole plot is further divided into 18 plots of different sizes as mentioned in the table on page no: 16. The Key factors include a FAR of 1:8 with 40% circulation area then we applied cost of construction between (PKR. 10,000 – 15,000). The sales comparison approach involves analyzing recent sales of comparable properties (Like Dolmen Groves, Signature 27, Atroze Residency and Defense Skyline). Therefore; leasable area valued at PKR. 17,500 – 25,000 per Sq. Ft for the ground and typical floors, as per market norms take IRR of approximately 12% - 18%, reflecting the project's potential profitability, after that less approvals & contingencies, determine the net present value of land,

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CONCLUSION:

We have carried out detailed survey and inspection of "Open Commercial Land". This proposed REIT Project Land of TPL situated at Plots Survey Nos: 295/1, 296/1, 298/1, 299, 300 and 301, located at Deh Dih, Tappo Ibrahim Hyderi, Taluka Korangi Creek, Karachi East for valuation vides REIT Regulations-2015 and amendments-2018 & 2022.

VALUATION APPROACH	VALUE OF THE WHOLE COMMERCIAL LAND (In round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value + CWIP	28,360	Rupees Twenty-Eight Billion Three Hundred Sixty Million.
Cost Approach Value	-	Not Applicable
Force Sale Value (Less 20%)	22,688	Rupees Twenty-Two Billion Six Hundred Eighty-Eight Million.

Applicable Approach: **Sales Comparison Approach [v]** Cost Approach []

This is a preliminary valuation report and our valuation is for the purpose of testing the reasonableness of FV of IP to be disclosed as per IFRS 13. In this report a fair market valuation of Land determined carefully to the best of our ability and knowledge. This land being the commercial land as per the details provided by M/s. TPL REIT Management Company Limited & TPL REIT Fund-I.

Therefore, evaluation report reflects our findings at the place mentioned therein and to the date and time of its inspection. Our assessment is computed with the assumption of market variables which influenced the value and that may vary unexpectedly time to time. In this report we have evaluated the cost of said Open Commercial Land on the assumption of that it is free from any levies and encumbrances irrespective of any nature in title or otherwise. Our physical appraisal is based on the information and data provided by the officials of the M/s. TPL REIT Management Company Limited and accepted in good faith without any responsibility. We have carried out the exercise of valuation with due care and diligence and according to the REIT Regulations-2015, ammendment-2018 & 2022.


Engr. Muhammad Touqir
Sr. Surveying Engineer & Evaluation


Syed Shauqat Raza
G.M-Evaluation & Inspection


M. Sharjeel Siddiqui
G.M. Operations

Report and Valuation of Commercial Property owned by National Management and Consultancy Services (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK, KARACHI EAST TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

(VALUER DECLARATION)

DECLARATION

1. I Engr. Muhammad Touqir, and the team of MYK Associates (Pvt.) Limited carried out a valuation of "Open Commercial Land" bearing Survey Nos: 295/1, 296/1, 298/1, 299, 300 and 301, located at Deh Dih, Tappo Ibrahim Hyderi, Taluka Korangi Creek, Karachi East" upon details provided by M/s. TPL REIT Management Company Limited (TPL RMC), to the best of my knowledge and belief declare:

That an inspection of the Land was carried out including valuation trends and an analysis of neighborhood data the market value of the subject Real Estate as on February 06, 2025 are as below:

VALUATION APPROACH	VALUE (In round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value + CWIP	28,360	Rupees Twenty-Eight Billion Three Hundred Sixty Million.
Cost Approach Value	-	Not Applicable
Force Sale Value (Less 20%)	22,688	Rupees Twenty-Two Billion Six Hundred Eighty-Eight Million.

Applicable Approach: Sales Comparison Approach [] Cost Approach []

2. That the statements of fact contained in this report are true and correct.
3. That I have not withheld any information.
4. That I have no interest in the Real Estate that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
5. That I have not been instructed either by my company or the client to report a predetermined value for the subject Real Estate.
6. That I am neither a director nor an employee of the RMC and do not have any financial interest "direct or indirect" in the RMC.
7. That I have personally inspected the Real Estate that is the subject of this report.

DECLARED BY:

(Engr. Muhammad Touqir)
Sr. Surveying Engineer & Evaluation(s)

WITNESSED BY:

(Muhammed Younus Khan)
Chief Executive Officer (CEO)
MYK Associates (Pvt) Ltd, Karachi.

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VALUATION REPORT OF OPEN COMMERCIAL LAND TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



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VALUATION REPORT OF OPEN COMMERCIAL LAND TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



Report and Valuation of Commercial Property owned by HKC (Private) Limited



FEBRUARY 2025

EVALUATION REPORT OF "COMMERCIAL PROPERTY"
(UNDER CONSTRUCTION – PROPOSED MULTI STOREY BUILDING)
TPL REIT MANAGEMENT COMPANY LIMITED (TPL RMC) & TPL FUND-I
THE OPEN LAND TPL-REIT PROJECT (HOSHANG – 1) BEARING PLOT NO: 22/7,
SURVEY NO. CL-9, ABDULLAH HAROON ROAD, KARACHI, PAKISTAN.



Submitted to,

M/s. TPL RMC & TPL REIT FUND-I

TPL REIT, 20th Floor, Sky Tower - East Wing, Dolmen City,
HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi.



Prepared By

MYK ASSOCIATES PRIVATE LIMITED

"Quality Solutions and Service Providers to the Financial, Business, & Corporate Sector"

Head Office: MYK House, 52-A, Block B,
Street 5, SMCHS, Karachi.

Report and Valuation of Commercial Property owned by HKC (Private) Limited



VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT
LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

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MYK ASSOCIATES PRIVATE LIMITED

| Evaluations | Consulting Engineers | Collateral Management | Inspections |
| Feasibility Analysis | Investment & Advisory | Clearing Forwarding & Logistics Agents |



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Real Estate Valuation Services
LLC, U.A.E.

VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

COVERING PAGE OF REPORT

MYK Reference No:	MYK/17869/12/2024
Date of Valuation Report:	February 06, 2025
Date of Visit:	December 26, 2024
Date of Request Received:	Through Email on dated December 24, 2024
Requested By:	Mr. Imran ul Haque (Senior Finance Manager-TPL RMC)
Client Name:	TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I
Address of Property:	The Project Site (Land) bearing Plot No: 22/7, Survey No.CL-9, Abdullah Haroon Road, Karachi, Pakistan.
Appraised By:	Team of MYK Associates Private Limited
Identified By:	Team of TPL REIT Management Company Limited & TPL REIT Fund-I.
Custodian of the Land:	Sindh Board of Revenue
Status of NOC (if any):	Yes
Type of Property:	Commercial Land Only
Property Utilization:	Fully Commercial <input type="checkbox"/> Under Construction <input checked="" type="checkbox"/> Fully Industrial <input type="checkbox"/>
Type of Title:	Commercial (As per Documents)
Surroundings:	Industrial and Commercial <input checked="" type="checkbox"/> Fully Residential <input type="checkbox"/> Fully Industrial <input type="checkbox"/> Fully Commercial <input type="checkbox"/> Residential cum Commercial <input type="checkbox"/>
FAR:	1:8 (As per Provided documents & Approvals)
Value of Land:	PKR. 3,427,650,000.00
Value of Building Structure:	PKR. 1,547,250,000.00
Net Assessed Value:	PKR. 4,974,900,000.00
Valuation Basis:	Sales Comparison Approach <input checked="" type="checkbox"/> Cost Approach <input type="checkbox"/>

HEAD OFFICE: MYK HOUSE, 52-A, Block 'B', Street No. 5, Sindhi Muslim Cooperative Housing Society Karachi-75400, Pakistan.

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VALUATION INITIATIVE:

In accordance with the provision of REIT Regulations-2015 and amendments – 2018 & 2022, M/s. TPL REIT Management Company Limited appointed MYK Associates Pvt Ltd for valuation of Open Commercial Land as a PBA approved "no limit valuer". The of TPL REIT Fund-I Project Site (Land) bearing Plot No: 22/7, Survey No. CL-9, Abdullah Haroon Road, Karachi, Pakistan.

A team from M/s. MYK Associates Private Limited (comprising of the following officials) visited open Land for survey and inspection to complete the assignment within the stipulated time.

- > **Engr. Muhammad Tauqir**
- > **Engr. Amir Ali**

Meetings held with the official (representatives) of TPL REIT Management Company Limited & TPL REIT Fund-I. Details & planning information were gathered regarding this property. Thereafter, an extensive and detailed survey of open Land were carried out with reference to the data sharing, documents and information provided by them at the time of survey process.

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VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

MYK Associates Private Limited

(ISO 9001-2015 Accredited)

Service Providers to the Financial, Business & Corporate Sector

BRIEF INTRODUCTION OF VALUATOR:

MYK Associates Private Limited is an ISO-9001-2015 accredited real estate valuator of Pakistan. We ensure the valuation of international standards to the satisfaction of client and as well as the concerned departments / institutions. Upon achieving the accreditation, we are adhering to maintain the customer requirements, establish client's trust and to enable the participation in continual improvement.

MYK has been founded by M. Younas Khan FCA (England & Wales), Ex Country General Manager, Deutsche Bank AG in Pakistan. It was incorporated in September 2000 and is registered under the Pakistan Companies Ordinance 1984. As a professional Survey and Evaluation company, MYK Associates (Pvt.) Limited has over 16 years of experience of conducting evaluation, inspection and muccadam management assignments. It provides services to the Financial and Private Sector in Pakistan and is on the approved panel of Pakistan Banks Association. As a nationwide company, our services comprise of Valuations of Fixed and Current Assets, Inspections of Hypothecated and Pledged Stock and Collateral value (Muccadamage) etc. We are also on the approved panel of NBFi and Modarba Association of Pakistan.

Over the years, our valuation assignments cover a wide spectrum in consumer retail, industrial, commercial, agricultural and corporate portfolios that encompass Land, Civil Structures, Tanks & Machinery, commercial Civil Structures, hospitals, residential properties as well as open plots both in rural and urban areas. We currently conduct inspections for all the corporate and commercial clients for different banks. Our muccadam department expertly manages different portfolios including seasonal crops, which include wheat, rice, cotton, as well as ship breaking, molasses, ethanol, sugar, edible oil, and canola.

MYKs' Mission is to provide strategic counsel, creative solutions and responsive services in a timely manner to the Financial Sector. MYKs' vision is to be recognized as a leader in providing seamless services through superior quality and commitment as well as achieving operational excellence, industry-leading clientele satisfaction through superior performance.

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MYK Associates Private Limited (ISO 9001-2015 Accredited) Service Providers to the Financial, Business & Corporate Sector

BRIEF INTRODUCTION OF OWNER:

Mr. Muhammad Younas Khan is the Chairman and Chief Executive Officer of MYK Associates (Pvt.) Ltd, a company registered under the law of Pakistan Companies Ordinance 1984 and incorporated September 2000. Mr. Khan has years of professional experience in the banking and corporate sector combined and heads the MYK Group of Companies with other professionals. Formerly Mr. Khan has been the Country General Manager of Deutsche Bank in Pakistan. He has also been on the Board of Directors for the Oil and Gas Development Company Limited (OGDC), and National Refinery Limited (NRL), two of the largest companies in the Oil Sector of Pakistan.

A Chartered Accountant by Qualification from England and Wales (FCA), Mr. Khan is a banker by profession. He is also a Fellow of the Institute of Bankers in Pakistan (IBP), and the Institute of Chartered Accountants of Pakistan (ICAP). He is accredited with having completed his Masters from the University of Punjab. Mr. Khan is well reputed in the Banking and Corporate sector, local business circles and the Government of Pakistan.

OTHER POSITIONS HELD:

- President of the Overseas Investors, Chamber of Commerce and Industry
- Chairman of the German Business Council (Kaufmannsrunde)
- Chairman of the Pakistan Banks' Association
- Member of the Managing Committee of Pakistan Banks' Association
- Member of the Management Association of Pakistan
- Member of the Rotary Club of Karachi Metropolitan
- Member of the Pakistan German Business Forum

PREVIOUS POSITIONS HELD:

- Member of the Pakistan Investment Board (Responsible for attracting Foreign Investment in Pakistan)
- Member of the Investment Council of Pakistan
- Trustee of the Karachi Port Trust
- Chairman of the Banking and Finance Sub- Committee, for Overseas Investor Chamber of Commerce and Industry
- Member of the Managing Committee of Overseas Investor Chamber of Commerce and Industry
- Director of the Pakistan Fund (Foreign Currency Equity Fund)

His management team and associates are professionals with distinguished senior management experience, in the multinational environment and in large corporations, both in Pakistan and overseas.

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MYK Associates Private Limited

(ISO 9001-2015 Accredited)

Service Providers to the Financial, Business & Corporate Sector

ABOUT KEY PROFESSIONALS OF MYK ASSOCIATES PVT LTD:

SENIOR GENERAL MANAGER:

Engr. Iftikhar Ahmed is a Professional Engineer (PEC) and graduated from NED University of Engineering and Technology, Karachi and having vast experience of Power Generation, Transmission and Distribution System. He has acquired training from ABB at Dubai, UAE, in Power Control Management and Assets handing procedure. He also achieved legal qualification LL. B, LL.M. and having expertise of Agreement and Contracts writing as well as to lead the legal team on technical matters to resolve the disputed issues on Legal Forums and Courts. He is fully conversant with Power Generation, Transmission and Distribution System low and high voltage. He also has experience in the field of chain supply, fuel management and other auxiliary supplies for Power Station to avoid load shedding. He has vast experience of Project Supervision and to manage its completion within agreed time and approved cost. He possesses full project management knowledge and verifies the contractor's work and performance, their bill of payments, equipment supplies and its installations. He is well conversant to coordinate private and public authorities and departments to settle the issues and to get matter resolved.

- ✓ Initially, he was engaged with K-Electric, Karachi (Former KESC) in Power Generation, Transmission and Distribution Department and supervised the construction of Grid Stations and Transmission Lines.
- ✓ He Served in Riyadh Electric (the then Saudi Consolidated Electric Company) Riyadh, Saudi Arabia, in their Power Generation, Transmission and Distribution Divisions. He established the modern Control Center to Control Extra High Voltage Power Supply and managed the training to Engineers for SCADA system. Prepare the schedule to maintain the Breakers, Transformers and other allied equipment accordingly to improve the performance.
- ✓ Analyze the System Fault and prepared the maintenance scheme equipment and prepare the scheme for balance Load management System for Central Region.
- ✓ He served Stat Life Insurance Corporation of Pakistan and was Head of the Electrical and Mechanical Engineering Department of its Real Estate Division. He derived the modern system to managed and control its assets. He also served as Head of the Personnel and General Administration Department of State Life Insurance Corporation.
- ✓ He served Dubai Electric and Water Authority, Dubai UAE for more than 10 years and managed their power Generation, Transmission and Distribution system on modern lines. He developed strategy of transformation from High Voltage system to Extra High Voltage System (i.e. from 220 KV to 400 KV systems). Conversion of Grid Stations and Transmission lines from conventional manual operation system to modern SCADA Control and SAP System. He activates the redundant system of Assets Management and Control System to modern system and maintained proper record of all capital and consumable items of all Power Houses, Grid Stations, Transmission Lines, Distribution System and its offices.

AFFILIATIONS:

- I. Professional Engineer (PEC).
- ii. Member IEEE (USA) Member IEP Karachi
- iii. Member IEP Karachi Pakistan
- iv. Member IEEE (Pak)

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ABOUT CLIENT:

TPL REIT Management Company Limited (TPL RMC), established in 2019, is the leading provider of REIT management services in Pakistan and is regulated by the SECP. TPL RMC is a 100% owned subsidiary of TPL Properties Limited (TPLP) and was established to capitalize on the sustainable real estate development and management expertise of its parent company.

TPL RMC launched its first fund, REIT Fund I, the Sustainable Development Fund, which is a portfolio of diverse real estate asset classes in Pakistan, all targeting to be LEED Certified. The mission of the Fund is to decarbonize Pakistan's cities through sustainable and climate focused developments, supporting technology ecosystems, heritage, and the environment. The projects aim to uplift living standards and address the shortfall in commercial and residential properties due to rapid urbanization in Pakistan.

The Fund is Pakistan's first Shariah Compliant Sustainable Development Impact REIT Fund. It will act as a catalyst for the country's economy and is an opportunity to invest in sustainable assets, seeking to reap the benefits of Pakistan's real estate sector boom.

TPL RMC is committed to operating with the highest levels of international standards, integrity and adheres to the guidelines set out by the Independent Investment Committee, Advisory Board, and Shariah Advisor to ensure effective governance and responsible business practices.

Major Projects Under TPL REIT FUND-I

- **One Hoshang**
One Hoshang will be Pakistan's first Gold LEED Certified residential apartment building.
130-year-old heritage façade of the site to be protected to preserve the heritage and promote the culture
- **Technology Park**
The Technology Park will be the first of its kind Technology Free Zone in Pakistan, equipped with best-in-class technology infrastructure to support the growth of the tech eco-system and lead to the proliferation of technology startups.
- **Mangrove**
Mangrove is a Master Planned Community to be developed over a land parcel of 40 acres on a waterfront locality. The project overlooks and preserves the expansive 115 hectares of mangrove forest and seafront, with world-class amenities and a varied collection of mid-rise Residential Apartment Towers, Commercial Offices, Serviced Apartments, Hotel, and Retail Spaces.

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LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

ASSIGNMENT

M/s.TPL REIT Management Company Limited appointed "PBA approved no limit category valuer of Panel-I or Panel-II" to evaluate the property by the qualified professional engineers who are registered with Pakistan Engineering Council for the purpose of conducting valuation; ensure that the valuation methodology adopted in line with best practices prevalent in the real estate industry and ensure the valuation carried out objectively and independently of its business or commercial relationship and issuance of the declaration by the competent engineer on the given format duly witnessed by the CEO of the valuer company in this respect.

M/s TPL REIT Management Company Limited & TPL REIT Fund-I appointed MYK Associates (Pvt) Limited to evaluate the Open Commercial Land of TPL REIT bearing Plot No: 22/7, Survey No. CL-9, Abdullah Haroon Road, Karachi, Pakistan.

This commercial land comprise an area of 2,539.00 square yards. The Details of commercial plot and project break-up are provided on page No: 11-12.



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DETAILS ABOUT SURROUNDINGS AND ONE HOSHANG PROJECT:

Civil Lines Saddar, located in the central part of Karachi, is a well-established and highly regarded residential and commercial locality. The area is characterized by a mix of British-era architecture, modern apartment buildings, and upscale homes. The neighborhood enjoys a prime location, with easy access to key commercial, educational, and healthcare hubs of the city, including Saddar, the Karachi Cantonment, and nearby areas like Boulton Market and Liaquatabad. The presence of various government offices, educational institutions, and cultural landmarks adds to its appeal. Streets such as Civil Lines Road and areas like Club Road and Shahrah-e-Faisal provide smooth connectivity to the rest of the city. The presence of green spaces and historical buildings contributes to the area's aesthetic value and desirability. Civil Lines Saddar also boasts an established social infrastructure with markets, restaurants, and shopping areas, offering both convenience and a high standard of living.

In terms of real estate valuation, Civil Lines Saddar holds a significant position due to its central location, historical significance, and demand for both residential and commercial properties. The area offers a range of property types, including apartments, bungalows, and office spaces, catering to various demographics, from affluent families to business professionals. The well-maintained infrastructure, including reliable utilities, roads, and security, further enhances its attractiveness. As a result, property values in Civil Lines Saddar tend to be higher than in many other parts of Karachi, with notable appreciation trends observed over recent years. The area's proximity to major commercial districts and upscale neighborhoods like Clifton also plays a crucial role in its strong market demand. However, factors such as the age of some buildings and the potential for redevelopment projects can influence property values. Overall, Civil Lines Saddar remains one of Karachi's most sought-after locations for investment, offering both residential comfort and commercial potential.

ONE HOSHANG, located on Abdullah Haroon Road in Civil Lines, Karachi, is a premium development offering luxury residential apartments. Situated in the heart of Civil Lines, a historically significant and prestigious area, the project blends modern design with the rich heritage of its surroundings. It is being constructed on a heritage site, which adds both cultural value and unique architectural charm to the development. With its state-of-the-art amenities, including 24/7 security, fitness centers, and dedicated parking, ONE HOSHANG provides a sophisticated living and working environment. The project enjoys prime connectivity to key commercial and cultural hubs in Karachi, making it an attractive option for both residents and investors. Its strategic location, high-quality construction, and potential for long-term capital appreciation make it a valuable asset in the city's real estate market.

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• COST APPROACH METHOD:

The Cost Approach for property valuation estimates the value by calculating the cost to replace or reproduce the property's improvements and adjusting for depreciation, while separately determining the land value. It is especially useful for new or unique properties, where comparable market data may be scarce. The method involves estimating the land value, calculating the replacement or reproduction cost of the building, applying depreciation for physical wear and obsolescence, and combining these values. While it is effective for specialized properties, its limitations include challenges in accurately estimating depreciation and its failure to account for market demand, making it less suitable for older or income-producing properties.

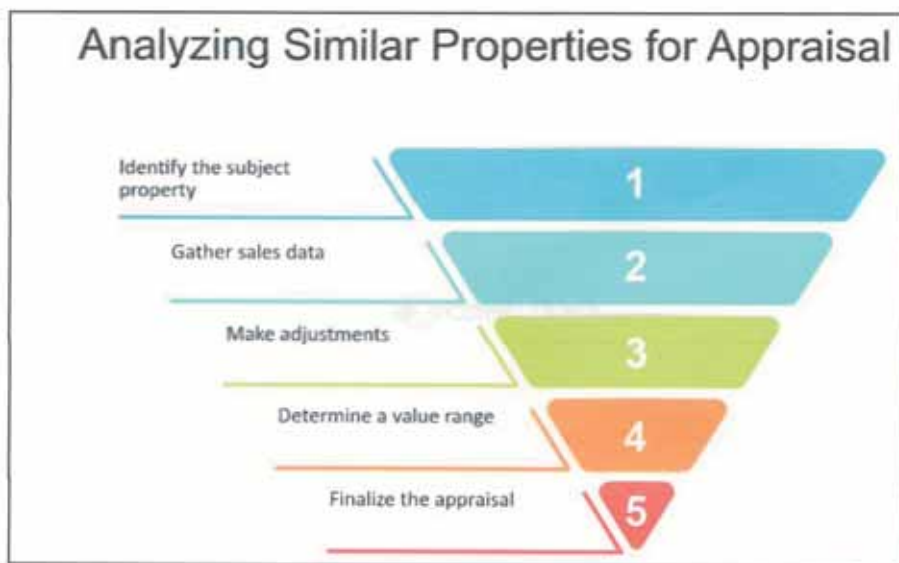


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• SALE COMPARAISON APPROACH

The Sale Comparison Approach (SCA) is a method used to estimate the value of commercial land by analyzing recent sales of similar properties. This approach involves gathering data on comparable properties, adjusting for differences such as location, size, and zoning, and deriving a value estimate based on these comparisons. It is widely used due to its market-based nature, simplicity, and transparency. However, its effectiveness relies on the availability of suitable comparables and the accuracy of adjustments. While the method works well in active markets, its limitations include potential subjectivity in adjustments and market fluctuations, which can affect the final Value.



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"DESCRIPTION OF LAND"

Approach: **Main Road [x] Side Road [] Inside Road []**
Total Area: **2,539.00 Square Yards (As per Documents)**

Our assessment of 2,539.00 square yards Land based on FAR (1:8). At present, the cost of the land of this and around this area has become attractive and observed between the range of PKR. 1,000,000.00 To PKR. 1,500,000.00 Per Square Yard depending upon the location, parameters, size and FAR (1:8) of the Land. Therefore, we are taking the land value PKR 1,350,000.00 Per Square Yard according to location of plot on similar parameters as under:

Description	Area In Sq Yds	Rate Per sq Yds	MYK Assessed Value
Plot No. 22/7	2,539.00	1,350,000.00	3,427,650,000.00
Total Land Value			3,427,650,000.00

Total Assessment of Land: PKR. 3,427,650,000.00
(Rupees Three Billion Four Hundred Twenty-Seven Million Six Hundred and Fifty Thousand Only)

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DATA AND ASSUMPTION:

Project Details			
Particulars	Units	Area	
Land	Sq.yds.	2,539.32	
Residential Area(a)	Sq.ft	109,366	
Commercial Area (b)	Sq.ft	5,245	
Net Covered area (c=a+b)	Sq.ft	114,611	
Circulation & Services (d)	Sq.ft	88,561	
Amenties Area	Sq.ft	18,841	
Parking Area	Sq.ft	98,508	
Total Built-up Area(g=c+d+e+f)	Sq.ft	320,521	
Apartment Sizes (sq.ft)		Net Covered Area	
Three Bed	5,031	3,126	
Four Bed	5,694	3,757	
PentHouse	9,692	6,752	
Showrooms	3,321	2,623	
Categories	No. of Units		
Three Bed	16		
Four Bed	14		
PentHouse	1		
Showrooms	2		
Total	33		
Residential Area			
	Gross Area(Sq.Ft)	No. Units	Total Area
Three Bed	5,031	16	80,496
Four Bed	5,694	14	79,716
PentHouse	9,692	1	9,692
Total Gross Residential Area (sq.ft)			169,904
Commercial Area			
	Gross Area(Sq.Ft)	No. Units	Total Area
Showrooms	3,321	2	6,642
Total Gross Commercial Area (sq.ft)			6,642

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CALCULATION OF BUILDING:

COST/SALES APPROACH

To assess the value of the Building in this area by survey the Real Estate Agents/Property Dealers offices was carried out and sentiment observed encouraging to build the high-rise in this area. Therefore, the high-rise planning and designing activities with Consulting Engineers and companies have started and the construction emerged.

Description	Area In Sq. Ft	PKR Per Sq. Ft	Assessed Value In PKR
Basement 2	22,850.00	25,000.00	571,250,000.00
Basement 1	22,850.00	15,000.00	342,750,000.00
Ground floor	22,850.00	18,000.00	411,300,000.00
Podium 1	19,300.00	11,500.00	221,950,000.00
GRAND TOTAL			1,547,250,000.00

Total Assessment of Building Structure: PKR. 1,547,250,000.00
(Rupees One Billion Five Hundred Forty Seven Million Two Hundred and Fifty Thousand Only)

Grand Total: (Land Value+ Building Structure Value) PKR. 4,974,900,000.00
(Rupees Four Billion Nine Hundred Seventy-Four Million and Nine Hundred Thousand Only)

Report and Valuation of Commercial Property owned by HKC (Private) Limited



VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

DETERMINATION OF FORCED SALE VALUE:

In order to determine the Forced Sale Value of the Land, all the factors including the natural and physical condition of the Land, infrastructure in the neighborhood area, location, and availability of services therein. Further, the Government's future development measures to boost the commercial activities, reliability in return of investment in short term or long term basis are also taken into consideration to determine the Forced Sale Value (FSV).

- Law and order situation of the area.
- Prevailing market conditions for real estate.
- Property buying and selling activities in the city.
- Availability of prospective buyers.
- The Current economic situation of the country.
- Present government policies and political environment.

Forced Sale Value (Less 20%): **PKR. 3,979,920,000.00**
(Rupees Three Billion Nine Hundred Seventy-Nine Million Nine Hundred and Twenty Thousand Only)

Report and Valuation of Commercial Property owned by HKC (Private) Limited



VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

REASONS FOR THE METHOD USED:

Using the sales comparison approach with the dealers of the vicinity for the purpose to assess the net present value of the vicinity / comparable, (Result - Difference of opinion), therefore; we verify this results by using the residual value method / under section 104.

RESIDUAL VALUE OF LAND:

Residual Land Value Method: This method involves estimating the value of the property after all development costs have been accounted for, and subtracting those costs to determine the residual land value. For example; Residual land value is a commercial real estate valuation metric used to help developers determine the appropriate land prices to be paid. The equation used to calculate residual land value is the gross development value less the total project cost, including fees and developer profit.

To calculate the Residual value of land we applied Reverse Engineering Method based on its development potential.

The **Reverse Civil Engineering Method (RCEM)** is a technique used to determine the value of a commercial land, by analyzing the cost of reproducing the property. For the evaluation of this particular land measuring 2,539.00 Sq. Yds located at Abdullah Haroon Road, the Key factors include a FAR of 1:8 with 50% circulation area then we applied cost of construction between (PKR. 10,000 – 12,000). The sales comparison approach involves analyzing recent sales of comparable properties (**HSJ Icon, One Hoshang, Dany Gemini Center, and Al-Jadeed Residency**). Therefore; leasable area valued at PKR. 125,000 – 175,000 per Sq. Ft for the ground and PKR. 30,000 – 45,000 for typical floors, as per market norms take IRR of approximately 20% - 25%, reflecting the project's potential profitability, after that less approvals & contingencies, determine the net present value of land.

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**VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT
LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

(VALUER DECLARATION)

DECLARATION

1. I Engr. Muhammad Touqir, and the team of MYK Associates (Pvt.) Limited carried out a valuation of "Open Commercial Land" bearing Plot No: 22/7, Survey No. CL-9, Abdullah Haroon Road, Karachi, Pakistan." upon details provided by M/s. TPL REIT Management Company Limited., to the best of my knowledge and belief declare:

That an inspection of the Land was carried out including valuation trends and an analysis of neighborhood data the market value of the subject Real Estate as on February 06, 2025 are as below:

VALUATION APPROACH	VALUE (in round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value (Land)	3,427	Rupees Three Billion and Four Hundred Twenty-Seven Million.
Cost Approach Value (Structure)	1,547	Rupees One Billion and Five Hundred Forty-seven Million.
Total Value (Land+Structure)	4,974	Rupees Four Billion and Nine Hundred Seventy-Four Million.
Force Sale Value (Less 20%)	3,979	Rupees Three Billion and Nine Hundred Seventy-Nine Million.

Applicable Approach: **Sales Comparison Approach [x]** **Cost Approach [x]**

- That the statements of fact contained in this report are true and correct.
- That I have not withheld any information.
- That I have no interest in the Real Estate that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- That I have not been instructed either by my company or the client to report a predetermined value for the subject Real Estate.
- That I am neither a director nor an employee of the RMC and do not have any financial interest "direct or indirect" in the RMC.
- That I have personally inspected the Real Estate that is the subject of this report.

DECLARED BY:

(Engr. Muhammad Touqir)
Surveying Engineer & Evaluation(s)

WITNESSED BY:

(Muhammed Younus Khan)
Chief Executive Officer (CEO)
MYK Associates (Pvt) Ltd, Karachi.

Report and Valuation of Commercial Property owned by HKC (Private) Limited

**VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT
LOCATED AT ABDULLAH HAROON ROAD, KARACHI PAKISTAN.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

CONCLUSION:


We have carried out detailed survey and inspection of "Open Commercial Land". This proposed REIT Project Land of TPL situated at Plot No: 22/7, Survey No. CL-9, Abdullah Haroon Road, Karachi, Pakistan. for valuation vides REIT Regulations-2015 and amendments-2018 & 2022.

VALUATION APPROACH	VALUE OF THE WHOLE COMMERCIAL LAND (In round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value (Land)	3,427	Rupees Three Billion and Four Hundred Twenty-Seven Million.
Cost Approach Value (Structure)	1,547	Rupees One Billion and Five Hundred Forty-seven Million.
Total Value (Land+Structure)	4,974	Rupees Four Billion and Nine Hundred Seventy-Four Million.
Force Sale Value (Less 20%)	3,979	Rupees Three Billion and Nine Hundred Seventy-Nine Million.

Applicable Approach: **Sales Comparison Approach [✓]** **Cost Approach [✓]**

This is a preliminary valuation report and our valuation is for the purpose of testing the reasonableness of FV of IP to be disclosed as per IFRS 13. In this report a fair market valuation of Land determined carefully to the best of our ability and knowledge. This land being the commercial land as per the details provided by M/s. TPL Reit Management Company Limited & TPL REIT Fund-I.

Therefore, evaluation report reflects our findings at the place mentioned therein and to the date and time of its inspection. Our assessment is computed with the assumption of market variables which influenced the value and that may vary unexpectedly time to time. In this report we have evaluated the cost of said Open Commercial Land on the assumption of that it is free from any levies and encumbrances irrespective of any nature in title or otherwise. Our physical appraisal is based on the information and data provided by the officials of the M/s. TPL Reit Management Company Limited and accepted in good faith without any responsibility. We have carried out the exercise of valuation with due care and diligence and according to the REIT Regulations-2015, ammendment-2018 & 2022.


Engr. Muhammad Touqir
Sr. Surveying Engineer & Evaluation


Syed Shahab Raza,
G.M-Evaluation & Inspection


M. Sharjeel Siddiqui
G.M. Operations

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VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



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VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



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VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



FEBRUARY 2025

EVALUATION REPORT OF "COMMERCIAL PROPERTY"
(OPEN COMMERCIAL LAND)
TPL REIT MANAGEMENT COMPANY LIMITED (TPL RMC) & TPL FUND-I
THE OPEN LAND TPL-REIT PROJECT BEARING PLOT'S SURVEY NO: 25-
B, KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI,
KARACHI, PAKISTAN.



Submitted to,

M/s. TPL RMC & TPL REIT FUND-I

TPL REIT, 20th Floor, Sky Tower - East Wing, Dalmien City,
HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi.



Prepared By

MYK ASSOCIATES PRIVATE LIMITED

"Quality Solutions and Service Providers to
the Financial, Business & Corporate
Sector"

Head Office: MYK House, S2-A, Block B,
Sheaf 3, SMCHS, Karachi

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

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Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



MYK ASSOCIATES PRIVATE LIMITED

| Evaluations | Consulting Engineers | Collateral Management | Inspections |
| Feasibility Analysis | Investment & Advisory | Clearing Forwarding & Logistics Agents |



**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

COVERING PAGE OF REPORT

MYK Reference No:	MYK/17868/12/2024
Date of Valuation Report:	February 06, 2025
Date of Visit:	December 26, 2024
Date of Request Received:	Through Email on dated December 24, 2024
Requested By:	Mr. Imran ul Haque (Senior Finance Manager-TPL RMC)
Client Name:	TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I
Address of Property:	The Project Site (Land) bearing Plot No. 25-B, Located at Korangi Industrial Area, Qayyumabad, District Korangi, Karachi.
Appraised By:	Team of MYK Associates Private Limited
Identified By:	Team of TPL REIT Management Company Limited & TPL REIT Fund-I.
Custodian of the Land:	KDA (Karachi Development Authority)
Status of NOC (if any):	Yes
Type of Property:	Open Commercial Land
Property Utilization:	Fully Commercial [] Vacant [v] Fully Industrial []
Type of Title:	Commercial (As per Documents)
Surroundings:	Industrial and Commercial [v] Fully Residential [] Fully Industrial [] Fully Commercial [] Residential cum Commercial []
FAR:	1:8 (As per Provided documents & Approvals)
Net Value of Land:	PKR. 2,250,450,000.00
Valuation Basis:	Sales Comparison Approach [v] Residual Value [v]

HEAD OFFICE: MYK HOUSE, 52-A, Block 'B', Street No. 5, Sindhi Muslim Cooperative Housing Society Karachi-75400, Pakistan.

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VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

VALUATION INITIATIVE:

In accordance with the provision of REIT Regulations-2015 and amendments – 2018 & 2022, M/s. TPL REIT Management Company Limited appointed MYK Associates Pvt Ltd for valuation of Open Commercial Land as a PBA approved "no limit valuer". The of TPL REIT Fund-1 Project Site (Land) bearing Plot No. 25-B, Located at Korangi Industrial Area, Qayyumabad, District Korangi, Karachi.

A team from M/s. MYK Associates Private Limited (comprising of the following officials) visited open Land for survey and inspection to complete the assignment within the stipulated time.

- **Engr. Muhammad Touqir**
- **Engr. Amir Ali**

Meetings held with the official (representatives) of TPL REIT Management Company Limited & TPL REIT Fund-I. Details & planning information were gathered regarding this property. Thereafter, an extensive and detailed survey of open Land were carried out with reference to the provided documents and information provided by them at the time of survey.

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

MYK Associates Private Limited

(ISO 9001-2015 Accredited)

Service Providers to the Financial, Business & Corporate Sector

BRIEF INTRODUCTION OF VALUATOR:

MYK Associates Private Limited is an ISO-9001-2015 accredited real estate valuator of Pakistan. We ensure the valuation of international standards to the satisfaction of client and as well as the concerned departments / institutions. Upon achieving the accreditation, we are adhering to maintain the customer requirements, establish client's trust and to enable the participation in continual improvement.

MYK has been founded by M. Younas Khan FCA (England & Wales), Ex Country General Manager, Deutsche Bank AG in Pakistan. It was incorporated in September 2000 and is registered under the Pakistan Companies Ordinance 1984. As a professional Survey and Evaluation company, MYK Associates (Pvt.) Limited has over 16 years of experience of conducting evaluation, inspection and muccadam management assignments. It provides services to the Financial and Private Sector in Pakistan and is on the approved panel of Pakistan Banks Association. As a nationwide company, our services comprise of Valuations of Fixed and Current Assets, Inspections of Hypothecated and Pledged Stock and Collateral value (Muccadamage) etc. We are also on the approved panel of NBFi and Modarba Association of Pakistan.

Over the years, our valuation assignments cover a wide spectrum in consumer retail, industrial, commercial, agricultural and corporate portfolios that encompass Land, Civil Structures, Tanks & Machinery, commercial Civil Structures, hospitals, residential properties as well as open plots both in rural and urban areas. We currently conduct inspections for all the corporate and commercial clients for different banks. Our muccadam department expertly manages different portfolios including seasonal crops, which include wheat, rice, cotton, as well as ship breaking, molasses, ethanol, sugar, edible oil, and canola.

MYKs' Mission is to provide strategic counsel, creative solutions and responsive services in a timely manner to the Financial Sector. MYKs' vision is to be recognized as a leader in providing seamless services through superior quality and commitment as well as achieving operational excellence, industry-leading clientele satisfaction through superior performance.

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

MYK Associates Private Limited (ISO 9001-2015 Accredited) Service Providers to the Financial, Business & Corporate Sector

BRIEF INTRODUCTION OF OWNER:

Mr. Muhammad Younas Khan is the Chairman and Chief Executive Officer of MYK Associates (Pvt.) Ltd, a company registered under the law of Pakistan Companies Ordinance 1984 and incorporated September 2000. Mr. Khan has years of professional experience in the banking and corporate sector combined and heads the MYK Group of Companies with other professionals. Formerly Mr. Khan has been the Country General Manager of Deutsche Bank in Pakistan. He has also been on the Board of Directors for the Oil and Gas Development Company Limited (OGDC), and National Refinery Limited (NRL), two of the largest companies in the Oil Sector of Pakistan.

A Chartered Accountant by Qualification from England and Wales (FCA), Mr. Khan is a banker by profession. He is also a Fellow of the Institute of Bankers in Pakistan (IBP), and the Institute of Chartered Accountants of Pakistan (ICAP). He is accredited with having completed his Masters from the University of Punjab. Mr. Khan is well reputed in the Banking and Corporate sector, local business circles and the Government of Pakistan.

OTHER POSITIONS HELD:

- President of the Overseas Investors, Chamber of Commerce and Industry
- Chairman of the German Business Council (Kaufmannsrunde)
- Chairman of the Pakistan Banks' Association
- Member of the Managing Committee of Pakistan Banks' Association
- Member of the Management Association of Pakistan
- Member of the Rotary Club of Karachi Metropolitan
- Member of the Pakistan German Business Forum

PREVIOUS POSITIONS HELD:

- Member of the Pakistan Investment Board (Responsible for attracting Foreign Investment in Pakistan)
- Member of the Investment Council of Pakistan
- Trustee of the Karachi Port Trust
- Chairman of the Banking and Finance Sub- Committee, for Overseas Investor Chamber of Commerce and Industry
- Member of the Managing Committee of Overseas Investor Chamber of Commerce and Industry
- Director of the Pakistan Fund (Foreign Currency Equity Fund)

His management team and associates are professionals with distinguished senior management experience, in the multinational environment and in large corporations, both in Pakistan and overseas.

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

MYK Associates Private Limited

(ISO 9001-2015 Accredited)

Service Providers to the Financial, Business & Corporate Sector

ABOUT KEY PROFESSIONALS OF MYK ASSOCIATES PVT LTD:

SENIOR GENERAL MANAGER:

Engr. Iftikhar Ahmed is a Professional Engineer (PEC) and graduated from NED University of Engineering and Technology, Karachi and having vast experience of Power Generation, Transmission and Distribution System. He has acquired training from ABB at Dubai, UAE, in Power Control Management and Assets handling procedure. He also achieved legal qualification LL. B, LL.M. and having expertise of Agreement and Contracts writing as well as to lead the legal team on technical matters to resolve the disputed issues on Legal Forums and Courts. He is fully conversant with Power Generation, Transmission and Distribution System low and high voltage. He also has experience in the field of chain supply, fuel management and other auxiliary supplies for Power Station to avoid load shedding. He has vast experience of Project Supervision and to manage its completion within agreed time and approved cost. He possesses full project management knowledge and verifies the contractor's work and performance, their bill of payments, equipment supplies and its installations. He is well conversant to coordinate private and public authorities and departments to settle the issues and to get matter resolved.

- ✓ Initially, he was engaged with K-Electric, Karachi (Former KESC) in Power Generation, Transmission and Distribution Department and supervised the construction of Grid Stations and Transmission Lines.
- ✓ He Served in Riyadh Electric (the then Saudi Consolidated Electric Company) Riyadh, Saudi Arabia, in their Power Generation, Transmission and Distribution Divisions. He established the modern Control Center to Control Extra High Voltage Power Supply and managed the training to Engineers for SCADA system. Prepare the schedule to maintain the Breakers, Transformers and other allied equipment accordingly to improve the performance.
- ✓ Analyze the System Fault and prepared the maintenance scheme equipment and prepare the scheme for balance Load management System for Central Region.
- ✓ He served State Life Insurance Corporation of Pakistan and was Head of the Electrical and Mechanical Engineering Department of its Real Estate Division. He derived the modern system to managed and control its assets. He also served as Head of the Personnel and General Administration Department of State Life Insurance Corporation.
- ✓ He served Dubai Electric and Water Authority, Dubai UAE for more than 10 years and managed their power Generation, Transmission and Distribution system on modern lines. He developed strategy of transformation from High Voltage system to Extra High Voltage System (i.e. from 220 KV to 400 KV systems). Conversion of Grid Stations and Transmission lines from conventional manual operation system to modern SCADA Control and SAP System. He activates the redundant system of Assets Management and Control System to modern system and maintained proper record of all capital and consumable items of all Power Houses, Grid Stations, Transmission Lines, Distribution System and its offices.

AFFILIATIONS:

- i. Professional Engineer (PEC).
- ii. Member IEEE (USA) Member IEP Karachi
- iii. Member IEP Karachi Pakistan
- iv. Member IEEE (Pak)

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

ABOUT CLIENT:

TPL REIT Management Company Limited (TPL RMC), established in 2019, is the leading provider of REIT management services in Pakistan and is regulated by the SECP. TPL RMC is a 100% owned subsidiary of TPL Properties Limited (TPLP) and was established to capitalize on the sustainable real estate development and management expertise of its parent company.

TPL RMC launched its first fund, REIT Fund I, the Sustainable Development Fund, which is a portfolio of diverse real estate asset classes in Pakistan, all targeting to be LEED Certified. The mission of the Fund is to decarbonize Pakistan's cities through sustainable and climate focused developments, supporting technology ecosystems, heritage, and the environment. The projects aim to uplift living standards and address the shortfall in commercial and residential properties due to rapid urbanization in Pakistan.

The Fund is Pakistan's first Shariah Compliant Sustainable Development Impact REIT Fund. It will act as a catalyst for the country's economy and is an opportunity to invest in sustainable assets, seeking to reap the benefits of Pakistan's real estate sector boom.

TPL RMC is committed to operating with the highest levels of international standards, integrity and adheres to the guidelines set out by the Independent Investment Committee, Advisory Board, and Shariah Advisor to ensure effective governance and responsible business practices.

Major Projects Under TPL REIT FUND-I

- **One Hoshang**
One Hoshang will be Pakistan's first Gold LEED Certified residential apartment building.
130-year-old heritage façade of the site to be protected to preserve the heritage and promote the culture
- **Technology Park**
The Technology Park will be the first of its kind Technology Free Zone in Pakistan, equipped with best-in-class technology infrastructure to support the growth of the tech eco-system and lead to the proliferation of technology startups.
- **Mangrove**
Mangrove is a Master Planned Community to be developed over a land parcel of 40 acres on a waterfront locality. The project overlooks and preserves the expansive 115 hectares of mangrove forest and seafront, with world-class amenities and a varied collection of mid-rise Residential Apartment Towers, Commercial Offices, Serviced Apartments, Hotel, and Retail Spaces.

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

ASSIGNMENT

M/s. TPL REIT Management Company Limited appointed "PBA approved no limit category valuer of Panel-I or Panel-II" to evaluate the property by the qualified professional engineers who are registered with Pakistan Engineering Council for the purpose of conducting valuation; ensure that the valuation methodology adopted in line with best practices prevalent in the real estate industry and ensure the valuation carried out objectively and independently of its business or commercial relationship and issuance of the declaration by the competent engineer on the given format duly witnessed by the CEO of the valuer company in this respect.

M/s TPL REIT Management Company Limited & TPL REIT Fund-I appointed MYK Associates (Pvt) Limited to evaluate the Open Commercial Land of TPL REIT bearing Plot No. 25-B, Located at Korangi Industrial Area, Qayyumabad, District Korangi, Karachi.

This commercial land comprise an area of 10,002.00 square yards. The commercial plot is demarcated and their details are outlined on page No: 11.



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

DETAILS ABOUT SURROUNDINGS AND TECHNOLOGY PARK PROJECT:

Qayyumabad, in Karachi, is an increasingly notable residential and commercial locality that has seen significant development over the past few years. The area benefits from its strategic position, offering convenient access to key parts of the city via major roads such as the M.T. Khan Road, Korangi Road, and the National Highway. The proximity to the KPT Interchange, a crucial node connecting different parts of Karachi, further enhances the area's connectivity, making it easily accessible from the city center, industrial zones, and the port. The locality has a mix of residential properties, including apartment buildings and independent houses, as well as commercial properties serving businesses ranging from retail outlets to offices. Over time, the area has attracted an increasing number of investors due to its relatively location serving as gatekeeper to localities like Korangi or Defence. Additionally, Qayyumabad benefits from a well-developed social infrastructure, with schools, hospitals, markets, and mosques nearby, which add value for prospective buyers or tenants.

The Technology Park, set to be initiated by TPL Real Estate Investment Management Company (TPL RMC), is a groundbreaking development aimed at fostering innovation, technology, and business growth in Karachi. As part of the TPL REIT Fund I, this state-of-the-art facility is designed to provide a modern, fully equipped environment for tech companies, startups, and research institutions. The Technology Park will feature advanced infrastructure, high-speed internet, and cutting-edge amenities tailored to the needs of the technology and innovation sectors. It is strategically located in one of Karachi's emerging commercial zones, ensuring ease of access for businesses, employees, and clients alike. The development will offer flexible office spaces, co-working environments, and research labs, catering to various types of enterprises, from tech giants to growing startups. With the growing demand for technology-driven solutions and innovation in Pakistan, this park is poised to become a hub for creativity and entrepreneurship, providing an ecosystem where companies can collaborate, scale, and thrive. In addition to offering premium office spaces, the project will also focus on creating a sustainable, green environment, integrating eco-friendly technologies and designs, making it an attractive destination for both national and international tech firms. The establishment of the Technology Park is part of TPL's broader vision to contribute to Pakistan's technological growth and create an environment that nurtures high-tech business ventures, setting the stage for long-term economic growth and attracting foreign investment into the country's rapidly evolving tech landscape.

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

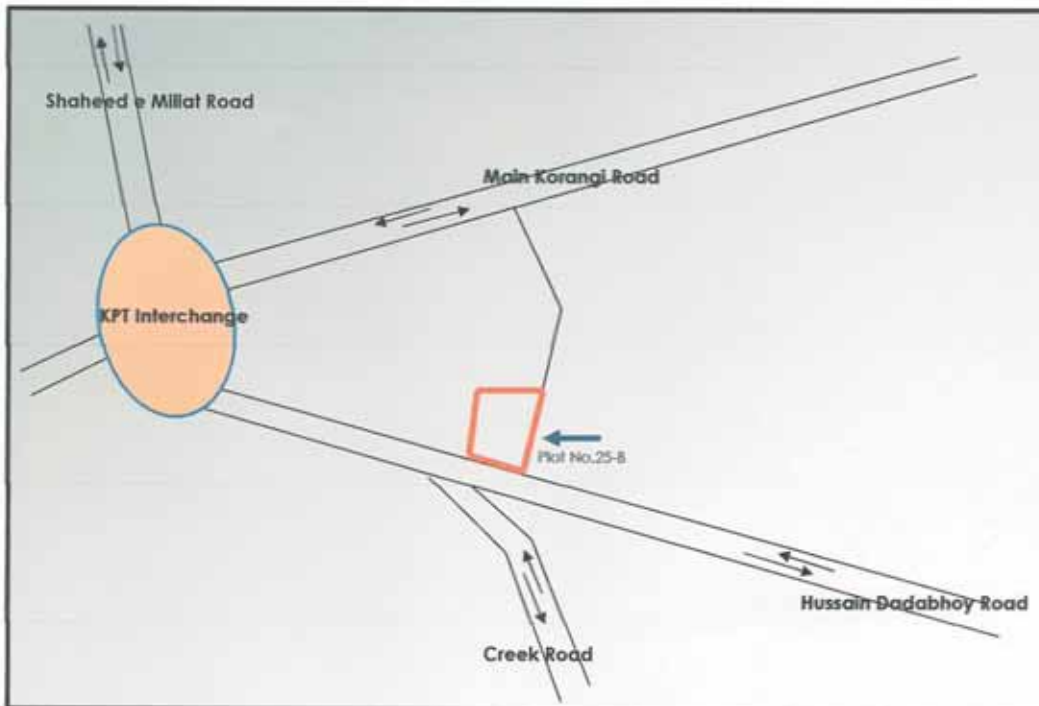
**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

"DESCRIPTION OF LAND"

Approach: **Main Road [√] Side Road [] Inside Road []**
 Total Area: **10,002.00 Square Yards (As per Documents)**

Our assessment of 10,002.00 square yards Land based on FAR (1:7) assumed, below are the details provided by TPL REIT Management Company Limited (TPL RMC) as following:

Description	Area in Sq Yds	No of Plots	Lease able area
Plot No. 25-B	10,002.00	1	-



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

• **COST APPROACH METHOD:**

The Cost Approach for property valuation estimates the value by calculating the cost to replace or reproduce the property's improvements and adjusting for depreciation, while separately determining the land value. It is especially useful for new or unique properties, where comparable market data may be scarce. The method involves estimating the land value, calculating the replacement or reproduction cost of the building, applying depreciation for physical wear and obsolescence, and combining these values. While it is effective for specialized properties, its limitations include challenges in accurately estimating depreciation and its failure to account for market demand, making it less suitable for older or income-producing properties.

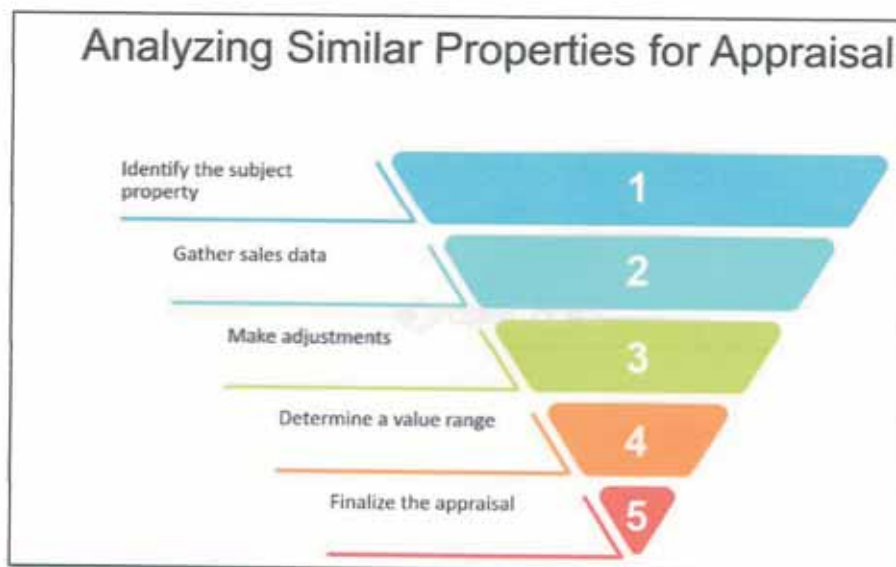


Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

• SALE COMPARAISON APPROACH

The Sale Comparison Approach (SCA) is a method used to estimate the value of commercial land by analyzing recent sales of similar properties. This approach involves gathering data on comparable properties, adjusting for differences such as location, size, and zoning, and deriving a value estimate based on these comparisons. It is widely used due to its market-based nature, simplicity, and transparency. However, its effectiveness relies on the availability of suitable comparables and the accuracy of adjustments. While the method works well in active markets, its limitations include potential subjectivity in adjustments and market fluctuations, which can affect the final Value.



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

CALCULATION OF LAND:

TPL REIT District Korangi Qayyumabad land is at the prime real estate location. The development in surrounding area is very fast and becoming the prominent residential cum commercial hub of Karachi.

At present, the cost of the land of this and around this area has become attractive and observed between the range of PKR. 220,000.00 To PKR. 230,000.00 Per Square Yard depending upon the location, parameters, size and FAR (1:8), of the Land. Therefore, we are taking the land value PKR. 225,000.00 Per Square Yard according to location of plot on similar parameters as under:

Description	Area in Sq Yds	PKR Per Sq Yds	Assessed Value In PKR
Plot No. 25-B	10,002.00	225,000.00	2,250,450,000.00
GRAND TOTAL			2,250,450,000.00

**Total Assessment of Land: PKR. 2,250,450,000.00
(Rupees Two Billion Two Hundred Fifty Million Four Hundred and Fifty Thousand Only)**

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

DETERMINATION OF FORCED SALE VALUE:

In order to determine the Forced Sale Value of the Land, all the factors including the natural and physical condition of the Land, infrastructure in the neighborhood area, location, and, availability of services therein. Further, the Government's future development measures to boost the commercial activities, reliability in return of investment in short term or long term basis are also taken into consideration to determine the Forced Sale Value (FSV).

- Law and order situation of the area.
- Prevailing market conditions for real estate.
- Property buying and selling activities in the city.
- Availability of prospective buyers.
- The Current economic situation of the country.
- Present government policies and political environment.

Forced Sale Value (Less 20%): **PKR. 1,800,360,000.00**
(Rupees One Billion Eight Hundred Million Three Hundred and sixty Thousand Only)

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VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

REASONS FOR THE METHOD USED:

Using the sales comparison approach with the dealers of the vicinity for the purpose to assess the net present value of the vicinity / comparable, (Result - Difference of opinion), therefore; we verify this results by using the residual value method / under section 104.

RESIDUAL VALUE OF LAND:

Residual Land Value Method: This method involves estimating the value of the property after all development costs have been accounted for, and subtracting those costs to determine the residual land value. For example: Residual land value is a commercial real estate valuation metric used to help developers determine the appropriate land prices to be paid. The equation used to calculate residual land value is the gross development value less the total project cost, including fees and developer profit.

To calculate the Residual value of land we applied Reverse Engineering Method based on its development potential.

The Reverse Civil Engineering Method (RCEM) is a technique used to determine the value of a commercial land, by analyzing the cost of reproducing the property. For the evaluation of this particular land measuring 10,002.00 Sq. Yds located at District Korangi Qayyumabad, the Key factors include a FAR of 1:8 with 40% circulation area then we applied cost of construction between (PKR. 9,000 – 11,000). The sales comparison approach involves analyzing recent sales of comparable properties (Like: **Salma Business Park, Signature 27, Afroze Mobile Mall & Residency, and Centre Point**). Therefore; leasable area valued at PKR. 20,000 – 25,000 per Sq. Ft for the ground and typical floors, as per market norms take IRR of approximately 15% -20%, reflecting the project's potential profitability, after that less approvals & contingencies, determine the net present value of land.

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

CONCLUSION:

We have carried out detailed survey and inspection of "Open Commercial Land". This proposed REIT Project Land of TPL situated at Plot No. 25-B, Located at Korangi Industrial Area, Qayyumabad, District Korangi, Karachi. for valuation vides REIT Regulations-2015 and amendments-2018 & 2022.

VALUATION APPROACH	VALUE OF THE WHOLE COMMERCIAL LAND (In round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value	2,250	Rupees Two Billion Two Hundred Fifty Million Only.
Cost Approach Value	-	Not Applicable
Force Sale Value (Less 20%)	1,800	Rupees One Billion Eight Hundred Million Only.

Applicable Approach: **Sales Comparison Approach [v]**

This is a preliminary valuation report and our valuation is for the purpose of testing the reasonableness of FV of IP to be disclosed as per IFRS 13. In this report a fair market valuation of Land determined carefully to the best of our ability and knowledge. This land being the commercial land as per the details provided by M/s. TPL REIT Management Company Limited & TPL REIT Fund-I.

Therefore, evaluation report reflects our findings at the place mentioned therein and to the date and time of its inspection. Our assessment is computed with the assumption of market variables which influenced the value and that may vary unexpectedly time to time. In this report we have evaluated the cost of said Open Commercial Land on the assumption of that it is free from any levies and encumbrances irrespective of any nature in title or otherwise. Our physical appraisal is based on the information and data provided by the officials of the M/s. TPL REIT Management Company Limited and accepted in good faith without any responsibility. We have carried out the exercise of valuation with due care and diligence and according to the REIT Regulations-2015, ammendment-2018 & 2022.


Engr. Muhammad Tauqir
Sr. Surveying Engineer & Evaluation


Syed Shahid Raza,
G.M. Evaluation & Inspection


M. Sharjeel Siddiqui
G.M. Operations

Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI. TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

(VALUER DECLARATION)

DECLARATION

1. I Engr. Muhammad Touqir, and the team of MYK Associates (Pvt.) Limited carried out a valuation of "Open Commercial Land" bearing Plot No. 25-8, Located at Korangi Industrial Area, Qayyumabad, District Korangi, Karachi." upon details provided by M/s TPL REIT Management Company Limited., to the best of my knowledge and belief declare:

That an inspection of the Land was carried out including valuation trends and an analysis of neighborhood data the market value of the subject Real Estate as on December 26, 2024 are as below:

VALUATION APPROACH	VALUE (in round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value	2,250	Rupees Two Billion Two Hundred Fifty Million Only.
Cost Approach Value	-	Not Applicable
Force Sale Value (Less 20%)	1,800	Rupees One Billion Eight Hundred Million Only.

Applicable Approach: **Sales Comparison Approach [v]**

2. That the statements of fact contained in this report are true and correct.
3. That I have not withheld any information.
4. That I have no interest in the Real Estate that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
5. That I have not been instructed either by my company or the client to report a predetermined value for the subject Real Estate.
6. That I am neither a director nor an employee of the RMC and do not have any financial interest "direct or indirect" in the RMC.
7. That I have personally inspected the Real Estate that is the subject of this report.

DECLARED BY:

(Engr. Muhammad Touqir)
Sr. Surveying Engineer & Evaluation(s)

WITNESSED BY:

(Muhammed Younus Khan)
Chief Executive Officer (CEO)
MYK Associates (Pvt) Ltd, Karachi.



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

VALUATION REPORT OF OPEN COMMERCIAL LAND TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited



VALUATION REPORT OF OPEN COMMERCIAL LAND TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

**VALUATION REPORT OF OPEN COMMERCIAL LAND
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

VALUATION REPORT OF OPEN COMMERCIAL LAND TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



Report and Valuation of Commercial Property owned by TPL Technology Zone Phase-1 (Private) Limited

VALUATION REPORT OF OPEN COMMERCIAL LAND TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



Unconsolidated Financial Statements of TPL REIT Fund I



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 37131900, Fax +92 (21) 35685095

INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit Holders of TPL REIT Fund I

Report on Review of Unconsolidated Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of assets and liabilities of TPL REIT Fund I (the "Fund") as at 31 December 2024, and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in unitholders' funds, unconsolidated condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (hereinafter referred to as "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 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.

Other Matter

The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three months ended 31 December 2024 have not been reviewed, and we do not express a conclusion thereon.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Taufiq.

Date: 26 February 2025

Karachi

UDIN: RR202410106PNiRXwpkJ


KPMG Taseer Hadi & Co.
Chartered Accountants

TPL REIT FUND - I

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2024

	31 December 2024	30 June 2024
	(Un-audited)	(Audited)
	(Rupees in '000)	
ASSETS		
Non-current assets		
Preliminary expenses and floatation costs	13,050	15,611
Security deposits	100	100
Investments	32,694,808	34,652,687
	<u>32,707,958</u>	<u>34,668,398</u>
Current assets		
Asset held for sale - Investment	2,920,085	-
Advances and prepayments	22,790	21,817
Due from related parties - unsecured	505,227	160,000
Bank balances	2,178	29,274
	<u>3,450,280</u>	<u>211,091</u>
TOTAL ASSETS	<u><u>36,158,238</u></u>	<u><u>34,879,489</u></u>
LIABILITIES		
Current liabilities		
Payable to the REIT Management Company	2,148,162	2,042,240
Payable to the Trustee	3,525	3,812
Payable to the SECP	12,500	25,000
Due to related parties	435,639	-
Accrued expenses and other liabilities	10,744	7,911
	<u>2,610,570</u>	<u>2,078,963</u>
TOTAL LIABILITIES	<u><u>2,610,570</u></u>	<u><u>2,078,963</u></u>
NET ASSETS	<u><u>33,547,668</u></u>	<u><u>32,800,526</u></u>
CONTINGENCIES AND COMMITMENTS		
Units in issue	<u><u>1,835,000,000</u></u>	<u><u>1,835,000,000</u></u>
Net assets value per unit	<u><u>18.28</u></u>	<u><u>17.87</u></u>
REPRESENTED BY:		
Total Unit holders' fund		
Issued, subscribed and paid up units	18,350,000	18,350,000
Fair value reserve	18,934,893	17,972,687
Accumulated loss	(3,737,225)	(3,522,161)
	<u><u>33,547,668</u></u>	<u><u>32,800,526</u></u>

The annexed notes 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	Six months ended		Three months ended	
		31 December	31 December	31 December	31 December
		2024	2023	2024	2023
----- (Rupees in '000) -----					
CONTINUING OPERATION					
INCOME					
Unrealised gain on remeasurement of investments through profit or loss	5.4	921,136	10,315	941,099	62,943
Dividend income	17	235,000	125,000	105,000	-
Profit on deposits and loans		14,876	25,715	10,525	11,549
Total income		1,171,012	161,030	1,056,624	74,492
EXPENSES					
Remuneration of the REIT Management Company	10.2	286,290	252,665	143,756	128,567
Performance fee of the REIT Management Company	10.3	131,848	-	131,848	-
Remuneration of the Trustee	11.1	7,634	6,738	3,833	3,429
SECP monitoring fee	12.1	12,500	12,500	6,250	6,250
Auditors remuneration		2,550	1,500	1,275	750
Legal and professional fee		4,464	9,321	3,482	5,982
Amortization of preliminary expenses and floatation costs	4	2,561	2,561	1,280	1,280
Fund rating fee		234	173	117	86
Listing fee		164	-	82	-
Share registrar fee		176	170	85	85
Bank and custody charges		581	128	294	63
Printing Charges		299	134	299	134
Total expenses		449,301	285,890	292,601	146,626
OPERATING PROFIT / (LOSS)		721,711	(124,860)	764,023	(72,134)
Financial charges		15,639	-	12,265	-
PROFIT / (LOSS) FOR THE PERIOD BEFORE TAXATION		706,072	(124,860)	751,758	(72,134)
Taxation	18	-	-	-	-
PROFIT / (LOSS) FROM CONTINUING OPERATIONS		706,072	(124,860)	751,758	(72,134)
DISCONTINUED OPERATIONS					
Profit / (loss) from discontinued operations	5.4	41,070	(1,555)	(909)	(784)
PROFIT / (LOSS) FOR THE PERIOD		747,142	(126,415)	750,849	(72,918)
----- (Rupees) -----					
EARNING / (LOSS) PER UNIT - basic and diluted		0.41	(0.08)	0.41	(0.05)
EARNING / (LOSS) PER UNIT - FROM CONTINUING OPERATIONS		0.39	(0.08)	0.41	(0.05)

The annexed notes 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

	Six months ended		Three months ended	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	----- (Rupees in '000) -----			
PROFIT / (LOSS) FOR THE PERIOD	747,142	(126,415)	750,849	(72,918)
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	747,142	(126,415)	750,849	(72,918)

The annexed notes 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.



 CHIEF EXECUTIVE OFFICER



 CHIEF FINANCIAL OFFICER



 DIRECTOR

TPL REIT FUND - I
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
CHANGES IN UNIT HOLDERS FUND (UNAUDITED)
 FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Issued, subscribed and paid up units	Reserves		Total
		Capital reserve - Fair value reserve (Note 15)	Revenue reserve - Accumulated loss	
----- (Rupees in '000) -----				
Balance as at 30 June 2023 - Audited	14,975,000	17,407,959	(3,333,806)	29,049,153
Total comprehensive loss for the period	-	-	(126,415)	(126,415)
Issue of 337,500,000 units	3,375,000	-	-	3,375,000
Reclassification adjustment for changes in fair value of investments	-	8,760	(8,760)	-
Balance as at 31 December 2023 - Un-audited	<u>18,350,000</u>	<u>17,416,719</u>	<u>(3,468,981)</u>	<u>32,297,738</u>
Balance as at 30 June 2024 - Audited	18,350,000	17,972,687	(3,522,161)	32,800,526
Total comprehensive income for the period	-	-	747,142	747,142
Reclassification adjustment for changes in fair value of investments	-	962,206	(962,206)	-
Balance as at 31 December 2024 - Un-Audited	<u>18,350,000</u>	<u>18,934,893</u>	<u>(3,737,225)</u>	<u>33,547,668</u>

The annexed notes 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.


 CHIEF EXECUTIVE OFFICER


 CHIEF FINANCIAL OFFICER


 DIRECTOR

TPL REIT FUND - I

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Six months ended	
	31 December 2024	31 December 2023
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the period before taxation	747,142	(126,415)
Adjustments:		
Unrealised gain on remeasurement of investments through profit or loss	(962,206)	(8,760)
Amortization of preliminary expenses and floatation costs	2,561	2,561
	(959,645)	(6,199)
Changes in working capital:		
Advances and prepayments	(973)	(1,369)
Due from related parties - Unsecured	(345,227)	-
Payable to the REIT Management Company	105,922	(470,946)
Payable to the Trustee	(287)	297
Payable to the SECP	(12,500)	(12,500)
Due to related parties - Unsecured	435,639	-
Accrued expenses and other liabilities	2,833	(1,175)
	185,407	(485,693)
Net cash used in operating activities	(27,096)	(618,307)
CASH FLOWS FROM INVESTING ACTIVITIES		
Subscribed right shares of HKC	-	(175,000)
Advance against issuance of shares of SPV	-	(2,830,000)
Net cash used in investing activities	-	(3,005,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	-	2,775,000
Net decrease in cash and cash equivalents	(27,096)	(848,307)
Cash and cash equivalents at beginning of the period	29,274	991,671
Cash and cash equivalents at end of the period	2,178	143,364

The annexed notes 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

1 THE FUND AND ITS OPERATIONS

TPL REIT FUND-I (the Fund) was established under a Trust Deed, dated 10 December 2021, executed between TPL REIT Management Company as the Management Company and Digital Custodian Company (formerly MCB Financials Services Limited) as the Trustee and is governed under the Real Estate Investment Trust Regulations, 2022 (REIT Regulations, 2022), 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 10 December 2021 whereas the Fund was authorised by the SECP as a unit trust scheme on 23 December 2021.

The Fund was listed on the Pakistan Stock Exchange Limited (PSX) with the approval of the SECP on 20 May, 2024 under the REIT Regulations, 2022.

The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake REIT Management Services. The registered office of the Management Company is situated at 20th Floor, Sky tower, East Wing, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, Pakistan.

The Fund is a perpetual close end, shariah compliant, hybrid scheme. All of the activities undertaken by the Scheme including but not limited to deposits and placements with banks were all in accordance with principle of Shariah.

The principal activity of the Fund is investing in real estate projects through Special Purpose Vehicles (SPVs) in accordance with the constitutive documents and applicable laws to generate income / returns for investors through rental income and capital appreciation.

As of 23rd December 2024 PACRA Credit Rating Company has assigned a rating of RFR 3+ (Stable Outlook) to the Fund.

As of 23rd December 2024 PACRA Credit Rating Company has assigned a rating of RM 3+ (Stable Outlook) to the REIT Management Company Limited.

Title to the assets of the Fund are held in the name of Digital Custodian Company Limited as trustee of the Fund.

1.1 The Fund has the following related party relationships during the year:

Company Name	Relationship	Common Directorship	Percentage of Shareholding
TPL REIT Management Company Limited	Management Company (RMC)	N/A	-
TPL Investment Management Limited	Subsidiary of RMC	N/A	-
HKC (Private) Limited	Subsidiary Company	N/A	94.92%
TPL Technology Zone Phase-I (Private) Limited	Subsidiary Company (Held for sale)	N/A	100%
National Management and Consultancy Services (Private) Limited	Subsidiary Company	N/A	100%
TPL Properties Limited	Associated Company	N/A	-
TPL Logistic Park (Private) Limited	Associated Company of RMC	N/A	-
TPL Security Services (Private) Limited	Associated Company of RMC	N/A	-
TPL Corp Limited	Associated Company of RMC	N/A	-
TPL Holdings (Private) Limited	Associated Company of RMC	N/A	-
TPL Property Management (Private) Limited	Associated Company of RMC	N/A	-
TPL Developments (Private) Limited	Associated Company of RMC	N/A	-
TPL Insurance Limited	Associated Company of RMC	N/A	-
TPL Life Insurance Limited	Associated Company of RMC	N/A	-
TPL Trakker Limited	Associated Company of RMC	N/A	-
Key Management Personnel of RMC	-	N/A	-
Digital Custodian Company Limited	Trustee	N/A	-

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements of the Fund 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 the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 and Part VIII A of the repealed Companies Ordinance 1984; and
- The Real Estate Investment Trust Regulations, 2022 (the REIT Regulations) and requirements of the Trust Deed.

Where the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the 'historical cost convention' except for investments which are measured at fair value.

These unconsolidated condensed interim financial statement have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last annual financial statements.

The comparative statement of unconsolidated condensed interim financial position presented in these unconsolidated condensed interim financial statements as at 31 December 2024 has been extracted from the audited financial statements of the Fund for the year ended 30 June 2024, whereas the comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been extracted from the unaudited unconsolidated condensed interim financial statements of the Fund for the six months ended 31 December 2023.

2.3 Functional and presentation currency

The financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency. All amounts are rounded-off to nearest thousand rupees, unless otherwise stated.

2.4 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

a) Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore, have not been stated in these unconsolidated condensed interim financial statements.

b) Standards, Interpretations and Amendments to published approved accounting standards that are not yet effective:

There are certain standards, interpretations, and amendments to published approved accounting standards that will be effective for accounting periods beginning on or after 1 January 2025. However, these standards, interpretations, and amendments are

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

considered not to be relevant or not likely to have a significant impact on the Fund's unconsolidated condensed interim financial statements and, therefore, have not been stated in these statements

3 MATERIAL ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGMENTS

3.1 Material accounting policies

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Company for the year ended 30 June 2024 except for the accounting policy as disclosed below:

3.1.1 Assets held for sale

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. However, the measurement of investments accounted for in accordance with IFRS 9 is not changed when they are classified as held-for-sale. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

3.2 Use of judgements and estimates

In preparing these unconsolidated condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 June 2024.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
4 PRELIMINARY EXPENSES AND FLOATATION COSTS			
Balance at the beginning of the period / year		15,611	20,734
Amortization during the period / year	4.1	(2,561)	(5,123)
Balance at the end of the period / year		13,050	15,611

4.1 The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorization of the Fund as preliminary expenses and floatation costs which are to be amortized by the Fund over a period of five years effective from 24 June 2022, i.e., after the financial close of the fund in accordance with the Real Estate Investment Trust Regulations, 2022.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
5 INVESTMENTS			
At Fair Value Through Profit or Loss			
Investments in National Management and Consultancy Services (Private) Limited	5.1	29,555,918	28,675,225
Investments in HKC (Private) Limited	5.2	3,138,890	3,098,448
Investments in TPL Technology Zone Phase - 1 (Private) Limited	5.3	2,920,085	2,879,015
		35,614,893	34,652,688
Less: Investment transferred to held for sale	6	(2,920,085)	-
		32,694,808	34,652,688

TPL REIT FUND - I

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	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
5.1 Investments in National Management and Consultancy Services (Private) Limited			
Investment property at fair value	5.1.1	28,360,216	25,904,241
Short-term investments		629,087	1,360,045
Advances, prepayments and other receivables		422,895	424,478
Due from related party		435,627	-
Bank balances		119,639	1,072,899
Accrued liabilities and other payables		(110,294)	(85,186)
Due to related party		(301,252)	(1,252)
Other assets less liabilities - net	5.1.2	1,195,702	2,770,984
Fair value as at end of the period / year		29,555,918	28,675,225
Less: cost of investment		(11,630,000)	(11,630,005)
Unrealised gain at the end of the period / year		17,925,918	17,045,225

5.1.1 This represents leasehold land parcel of 40 acres commercial property situated at Korangi Creek, Karachi which is under development. This land is carried at revaluation basis and no depreciation is charged on it. As of 31 December 2024, MYK Associates the valuer of the Company determined the fair value of the property at Rs. 28,360.2 million (30 June 2024 : Rs. 25,904.2 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost. The forced sale value of the investment property is assessed to be Rs. 22,688.17 million.

The investment property has been valued by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued

The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

5.1.2 These include the short term investments carried at FVTPL classified at level 2 in fair value hierarchy, cash and cash equivalent and short term liabilities where the time value of money impact is minimal hence are determined to be at fair value.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
5.2 Investments in HKC (Private) Limited			
Fair value of property under construction	5.2.1	4,974,900	4,729,433
Advances, prepayments and other receivables		29,451	20,191
Bank balances		11,486	6,651
Trade and other payables		(451,385)	(432,560)
Current maturity of long-term financing		(516,665)	(775,000)
Contract liabilities		(281,550)	(172,250)
Due to related parties		(435,281)	(58,018)
Accrued mark-up		(23,936)	(46,836)
Other assets less liabilities - net	5.2.2	(1,667,880)	(1,457,822)
Fair value as at end of the period / year		3,307,020	3,271,611
Fair value of 94.92% (30 June 2024: 94.92%) shareholding		3,138,890	3,098,448
Less: cost of investments		(2,350,000)	(2,350,000)
Unrealised gain at the end of the period / year		788,890	748,448
Total Investments in HKC (Private) Limited		3,138,890	3,098,448
Fair value of 94.92% (30 June 2024: 94.92%) shareholding		3,138,890	3,098,448

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5.2.1 This represents a project of luxury residential apartments along with some retails space being constructed on a land parcel of 2,539 square yards of commercial property situated at corner of Abdullah Haroon Road and Hoshang Road, Karachi. As of 31 December 2024 MYK Associates (Pvt) Limited the independent valuer of the Fund determined the fair value of the property at Rs. 4,974.90 million (30 June 2024: Rs. 4729.43 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land and based on present cost.

The forced sale value of the development property is assessed to be Rs. 3,979.92 million.

5.2.2 These include the cash and cash equivalent and bank loan (at KIBOR plus spread), short term trade payables and contract liabilities where the time value of money impact is minimal hence are determined to be at fair value.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
5.3 Investments in TPL Technology Zone Phase - 1 (Private) Limited			
Investment property at fair value		-	2,505,194
Asset held for sale - land	5.3.1	2,250,450	-
Bank balances		21,172	3,059
Advance to contractor - secured		539,000	539,000
Profit on bank receivable		-	51
Advance tax		231	164
Due from related party		300,000	-
Accrued liabilities and other payables		(15,925)	(18,594)
Advance against sale of land		(83,000)	-
Due to related parties		(91,843)	(149,859)
Other assets less liabilities - net	5.3.3	669,635	373,821
Fair value as at end of the period / year		2,920,085	2,879,015
Less: cost of investments		(2,700,000)	(2,700,000)
Unrealised gain at the end of the period / year		220,085	179,015

5.3.1 This represents leasehold land located in an Open Industrial Plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi. This land is carried at revaluation basis and no depreciation is charged on it. As of 31 December 2024, MYK Associates Private Limited the valuer of the Company determined the fair value of the property at Rs. 2,250.45 million (30 June 2024 : Rs. 2,505.19 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost.

5.3.2 During the period, the Fund has obtained approval from the majority anchor investor for the disposal of the sole land recorded in the books of TPL Technology Zone Phase 1 (Private) Limited (The Company). As of 30th December 2024, the Company entered into a sale agreement with the buyer for the disposal of land and the same is expected to be disposed of by the end of June 2025.

5.3.3 These include the cash and cash equivalent and advance to contractor and short term trade payables where the time value of money impact is minimal hence are determined to be at fair value.

	Note	31 December	31 December
		2024 (Un-audited)	2024 (Un-audited)
(Rupees in '000)			
5.4 Unrealised gain on remeasurement of investments through profit or loss			
Fair value at the end of the period / year		35,614,893	34,096,719
Less: cost of investments		(16,680,000)	(16,680,000)
Total fair value gain as at the reporting date		18,934,893	17,416,719
Unrealized gain at the beginning of the period / year		(17,416,719)	(17,407,959)
Unrealized gain during the period / year		1,518,174	8,760
Unrealized (gain) / loss on discontinued operation	6	(41,070)	1,555
Unrealized gain on continuing operation		1,477,104	10,315

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FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

		31 December 2024 (Un-audited)	30 June 2024 (Audited)
6 ASSET HELD FOR SALE - INVESTMENT	Note	(Rupees in '000)	
Investments in TPL Technology Zone Phase - 1 (Private) Limited	6.1	2,920,085	-

6.1 During the period, the Fund has obtained approval from the majority anchor investor for the disposal of the sole land recorded in the books of TPL Technology Zone Phase 1 (TTZ). As of 30th December 2024, the TTZ entered into a sale agreement with the buyer for the disposal of land and the same is expected to be disposed of by the end of June 2025. Following the disposal of the land, the TTZ will be wound up as approved by the majority anchor investors. Accordingly, the financial statements of the TTZ have not been prepared on going concern basis. Therefore, Investment in the TTZ has been classified as under current asset.

		31 December 2024 (Un-audited)	30 June 2024 (Audited)
7 ADVANCES AND PREPAYMENTS	Note	(Rupees in '000)	
Advance Tax	7.1	21,627	21,627
Prepayments		1,163	190
		<u>22,790</u>	<u>21,817</u>

7.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015 made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of ITO 2001.

		31 December 2024 (Un-audited)	30 June 2024 (Audited)
8 DUE FROM RELATED PARTIES - UNSECURED	Note	(Rupees in '000)	
TPL Technology Zone Phase - I (Private) Limited	8.1	90,000	122,000
HKC (Private) Limited	8.2	415,227	38,000
		<u>505,227</u>	<u>160,000</u>

8.1 This represents payments made by TPL REIT Fund 1 on behalf of TPL Technology Zone Phase - I (Private) Limited.

8.2 This includes short-term loan extended for development purposes, carrying a profit rate ranging from 11% to 15.99% per annum.

		31 December 2024 (Un-audited)	30 June 2024 (Audited)
9 BANK BALANCES	Note	(Rupees in '000)	
Balances with banks in:			
Current account		9	9
Savings account	9.1	2,169	29,265
		<u>2,178</u>	<u>29,274</u>

9.1 This represents saving accounts carrying profit ranging from 11.20% to 17.75% per annum (30 June 2024: 11.00% to 20.75%).

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	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
10 PAYABLE TO THE REIT MANAGEMENT COMPANY			
Preliminary expenses, floatation costs and other payable	10.1	16,720	26,720
Management fee payable	10.2	143,758	139,758
Performance fee payable	10.3	1,987,684	1,875,762
		<u>2,148,162</u>	<u>2,042,240</u>

10.1 This represents amount incurred by the REIT Management Company relating to the formation of the Fund.

10.2 Under the provisions of the REIT Regulations, 2022, a REIT Management Company is entitled to a management fee which shall be stated in the Information Memorandum. As per the Information Memorandum of the Fund, the REIT Management Company is entitled to an annual management fee calculated at 1.5% per annum on the net assets of the Fund. The management fee is also subjected to Sindh sales tax at the rate of 15%. The fee is paid quarterly in arrears.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
10.3 Performance fee payable			
Performance fee payable at the end of accelerator period	10.3.2	1,948,130	1,855,836
Performance fee payable after the close of each accounting period	10.3.1	39,555	19,926
		<u>1,987,684</u>	<u>1,875,762</u>

10.3.1 The Fund has classified the total amount of performance fee payable as current as it does not have a contractual and legally enforceable right to defer payment once the payment conditions have been met.

10.3.2 Under the provisions of the REIT Regulations, 2022, a REIT Management Company is entitled to a performance fee which shall be stated in the Information Memorandum. As per the Information Memorandum of the Fund, the REIT Management Company is entitled to performance as follows:

- 15% charged on the year-on-year increase in the NAV of the Fund over a High Watermark, calculated at the end of each accounting period; and
- 15% of the profit on sale of real estate assets and/or sale/winding up of SPV.

The Fund will pay 30% of the performance fee due to the REIT Management Company in arrears after the close of each accounting period and accrue the remaining 70% to be paid at the end of the accelerator period.

Accelerator Period" means the period starting at Financial Close and ending on the first dividend distribution to the Unit Holders by the Fund or listing of the Fund, whichever is later.

The performance fee is also subjected to Sindh sales tax at the rate of 15%.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
(Rupees in '000)			
11 PAYABLE TO THE TRUSTEE			
Trustee fee payable	11.1	3,469	3,728
Share registrar fee payable		56	84
		<u>3,525</u>	<u>3,812</u>

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11.1 Under the provisions of the REIT Regulations, 2022, a Trustee is entitled to a trustee fee which shall be stated in the Information Memorandum. As per the Information Memorandum of the Fund, the Trustee is entitled to an annual fee calculated at 0.04% on the annual net assets of the Fund. The trustee fee is also subjected to Sindh sales tax at the rate of 15%. The fee is paid quarterly in arrears.

		31 December 2024 (Un-audited)	30 June 2024 (Audited)
12 PAYABLE TO THE SECP	Note	(Rupees in '000)	
Annual fee payable	12.1	12,500	25,000

12.1 Under the provisions of the REIT Regulations, 2022, the Fund is required to pay annual monitoring fee to SECP equal to 0.15% of the average fund size per annum. The annual monitoring fee is capped at Rs. 25 million per annum except in the first year. The fee shall be paid in arrears within four months of close of accounting year.

		31 December 2024 (Un-audited)	30 June 2024 (Audited)
13 DUE TO RELATED PARTIES - UNSECURED	Note	(Rupees in '000)	
National Management and Consultancy Services (Private) Limited			
Loan including markup	13.1	435,639	-
		435,639	-

13.1 This represents loan obtained from the subsidiary company amounting to Rs. 400 million. This carries profit at the rate cut-of yield of latest 1 year GOP Ijara Sukuk auction, ranging between 11% to 15.99% per annum,

14 CONTINGENCIES AND COMMITMENTS

There are no material contingencies and commitments outstanding as at 31 December 2024 (30 June 2024: nil).

15 UNITS IN ISSUE

31 December 2024 (Un-audited)	30 June 2024 (Audited)		31 December 2024 (Un-audited)	30 June 2024 (Audited)
(Number of units)			(Rupees in '000)	
710,000,000	710,000,000	Ordinary units of Rs. 10 each fully paid consideration other than cash (against equity shares)	7,100,000	7,100,000
1,125,000,000	1,125,000,000	consideration other than cash	11,250,000	11,250,000
<u>1,835,000,000</u>	<u>1,835,000,000</u>		<u>18,350,000</u>	<u>18,350,000</u>
		15.1 & 15.2		

15.1 Voting rights, board selection, right of first refusal and block voting are in proportion to their respective unit holding.

	31 December 2024		30 June 2024	
	Percentage (%)	Number of units held	Percentage (%)	Number of units held
15.2 Pattern of Unit Holding				
TPL Properties Limited (Strategic Investor)	38%	697,598,500	38%	697,598,500
Anchor Investors	60%	1,105,351,000	60%	1,105,351,000
Others - including individuals	2%	32,050,500	2%	32,050,500
	<u>100%</u>	<u>1,835,000,000</u>	<u>100%</u>	<u>1,835,000,000</u>

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16 FAIR VALUE RESERVE

The fair value reserve pertains to cumulative net changes in fair value of investment which is not free for distribution by way of dividend in accordance with the constitutive document of the Fund and hence the unrealised gain on remeasurement of investments through profit or loss is reclassified to fair value reserve.

	Note	31 December	30 June
		2024 (Un-audited)	2024 (Audited)
17 DIVIDEND INCOME		(Rupees in '000)	
National Management and Consultancy Services (Private) Limited	17.1	235,000	125,000

17.1 This represents the dividend income received during the period from the subsidiary company of the Fund.

18 TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders.

The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

During the current year the Fund have incurred accounting loss when the net income is reduced by capital gains (whether realised or unrealised), therefore there is no distributable income for the current year.

19 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include TPL REIT Management Company Limited being the Management Company, Digital Custodian Company Limited, being the Trustee of the Fund, directors and officers of the Management Company and other associated companies within the Group.

Transactions with connected persons are in the normal course of business, at agreed / contracted rates and terms determined in accordance with market rates and the Trust Deed respectively.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the REIT Regulations, 2022.

Details of significant transactions with connected persons during the period and balances with them at period end, if not disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

	Six months period ended	
	31 December	2023
	2024 (Un-audited)	2023 (Un-audited)
	(Rupees in '000)	
TPL REIT Management Company Limited	286,290	252,665
Remuneration of the REIT Management Company	131,848	-
Performance fee of the REIT Management Company	312,216	723,610
Payments made to the REIT Management Company		

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	Six months period ended 31 December	
	2024 (Un-audited)	2023 (Un-audited)
	(Rupees in '000)	
Digital Custodian Company Limited - Trustee		
Remuneration of the Trustee	7,634	6,738
Share registrar fee	176	170
Payments made to the Trustee	8,097	6,611
HKC (Private) Limited - Subsidiary of the Fund		
Cash payment as advance against issuance of units	-	175,000
Short-term loan extended to subsidiary	364,000	-
Profit charged on the loan	13,227	-
National Management And Consultancy Services (Private) Limited - Subsidiary of the Fund		
Cash payment as advance against issuance of units	-	2,830,000
Dividend received	235,000	125,000
Loan received	420,000	-
Profit charged on the loan	15,639	-
TPL Technology Zone - Phase 1 (Private) Limited - Subsidiary of the Fund		
Loan repayments received	32,000	-

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Fund uses valuation technique which are developed from recognised valuation models under IFRS 13. The significant inputs into these model may not be observable in the market and derived from the market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgment and estimation are usually required for the selection of appropriate valuation model to be used and selection of appropriate assumptions.

TPL REIT FUND - I

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Valuation Technique	Significant unobservable Input	Inter- relationship between key unobservable input and fair value measurement
The adjusted net assets method - Cost Approach	Fair value of property	The estimated fair value of investment would increase / (decrease) if there is any change in the Fair value of property.

20.1 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

		Level 1	Level 2	Level 3	Fair value as at 31 December 2024
	Note	----- (Rupees in '000) -----			
Investments	20.1.1	-	-	32,694,808	32,694,808
		-	-	32,694,808	32,694,808

		Level 1	Level 2	Level 3	Fair value as at 30 June 2024
		----- (Rupees in '000) -----			
Investments	20.1.1	-	-	34,652,687	34,652,687
		-	-	34,652,687	34,652,687

20.1.1 The Fund uses 'the adjusted net assets value' technique for valuation of its investment in its subsidiaries categorised as level 3 in Fair value hierarchy.

20.2 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, not measured at fair value:

	31 December 2024				
	Fair Value through other comprehensive income	Fair value through profit or loss	Financial assets at amortised cost	Other financial liabilities	Total
Financial assets not measured at fair value	----- (Rupees in '000) -----				
Security deposit	-	-	100	-	100
Due from related parties	-	-	505,227	-	505,227
Bank balance	-	-	2,178	-	2,178
	-	-	507,505	-	507,505
Financial liabilities not measured at fair value					
Payable to the REIT Management Company	-	-	-	2,148,162	2,148,162
Payable to the Trustee	-	-	-	3,525	3,525
Payable to the SECP	-	-	-	12,500	12,500
Accrued expenses and other liabilities	-	-	-	10,744	10,744
Due to related parties	-	-	-	435,639	435,639
	-	-	-	2,174,931	2,174,931

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	30 June 2024				Total
	Fair Value through other comprehensive income	Fair value through profit or loss	Financial assets at amortised cost	Other financial liabilities	
Financial assets not measured at fair value	----- (Rupees in '000) -----				
Security deposit	-	-	100	-	100
Bank balance	-	-	29,274	-	29,274
	-	-	189,374	-	189,374
Financial liabilities not measured at fair value					
Payable to the REIT Management Company	-	-	-	2,042,240	2,042,240
Payable to the Trustee	-	-	-	3,812	3,812
Payable to the SECP	-	-	-	25,000	25,000
Advance against issuance of units	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	7,911	7,911
	-	-	-	2,078,963	2,078,963

20.3 The Fund has not disclosed the fair value for these financial assets and financial liabilities as their carrying amounts are reasonable approximation of fair value.

21 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2024.

22 RECLASSIFICATION

During the period ended 31 December, 2024, the Fund classified its investment in TPL Technology Zone Phase-I (Private) Limited as a current asset under 'Asset held for sale - Investment,' as disclosed in Note 6 of these unconsolidated condensed interim financial statements. Based on this, a reclassification has been made in the corresponding figure of the unconsolidated condensed interim statement of profit or loss to classify the unrealized loss on the held-for-sale investment as part of discontinued operations.

23 GENERAL

All amounts have been rounded off to nearest thousand rupees unless otherwise stated.

24 DATE OF AUTHORIZATION OF ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on 17 February 2025 by the Board of Directors of the TPL REIT Management Company Limited.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Consolidated Financial Statements of TPL REIT Fund I

TPL REIT FUND - I

CONSOLIDATED CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2024

		31 December 2024 (Unaudited) (Rupees in '000)	30 June 2024 (Audited) (Rupees in '000)
ASSETS			
Non-current assets			
Preliminary expenses and floatation costs	4	13,050	15,611
Security deposit		100	100
Investment properties	5	28,360,216	28,409,435
		28,373,366	28,425,146
Current assets			
Development property	7	4,747,197	4,553,882
Asset held for sale - Investment	8	2,250,450	-
Short term investments	9	629,086	1,360,045
Advances, prepayments and other receivables	10	1,014,366	1,005,701
Bank balances	11	154,474	1,111,884
		8,795,572	8,031,512
TOTAL ASSETS		37,168,938	36,456,658
LIABILITIES			
Non-current liabilities			
Long-term financing	12	-	-
Current liabilities			
Payable to the REIT Management Company	13	2,165,111	2,056,694
Payable to the Trustee	14	3,525	3,812
Payable to the SECP	15	12,500	25,000
Advance against issuance of units		-	-
Accrued markup	12.1	23,936	46,836
Accrued expenses, trade payables and other liabilities	16	588,339	544,247
Contract liabilities	17	364,550	172,250
Current maturity of long-term financing	12	516,667	775,000
Due to related parties	18	6,200	34,676
		3,680,828	3,658,515
TOTAL LIABILITIES		3,680,828	3,658,515
NET ASSETS		33,488,110	32,798,143
		(Rupees in '000)	
Unit holders' fund		33,339,821	32,649,732
Contingencies and commitments			
	21	(Number of units)	
Units in issue	19	1,835,000,000	1,835,000,000
Net assets value per unit		18.16	17.79
REPRESENTED BY:			
Unit holders of the Group			
Issued, subscribed and paid up units		18,350,000	18,350,000
Fair value reserve	20	17,736,053	17,736,053
Accumulated loss		(2,746,232)	(3,436,321)
Non-controlling interest		148,289	148,411
		33,488,110	32,798,143

The annexed notes 1 to 27 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	Six months ended		Three months ended	
		31 December	31 December	31 December	31 December
		2024	2023	2024	2023
		(Rupees in '000)		(Rupees in '000)	
INCOME					
Unrealised gain on revaluation of investment properties		948,134	-	948,134	-
Unrealised gain / (loss) on investments at fair value through profit or loss		12,808	133	6,958	(3,232)
Profit on bank deposits		44,950	119,428	8,892	54,068
Profit on GOP ijarah sukuk		81,076	36,148	29,009	19,001
Dividend income		20,148	5,012	3,435	2,576
Total income		1,107,116	160,721	996,428	72,413
EXPENSES					
Management fee of the REIT Management Company	13.2	286,290	252,665	143,756	128,567
Performance fee of the REIT Management Company	13.3.2	131,848	-	131,848	-
Remuneration of the Trustee	14.1	7,634	6,738	3,833	3,429
SECP monitoring fee	15.1	12,500	12,500	6,250	6,250
Auditor's remuneration		8,150	6,450	3,725	3,225
Legal and professional fee		9,070	11,199	7,827	7,860
Amortisation of preliminary expenses and floatation costs	4.1	2,561	2,561	1,280	1,280
Fund rating fee		234	173	117	86
Share registrar fee		176	170	85	85
Bank and custody charges		873	254	586	74
Listing fee		164	-	82	-
Printing Charges		299	134	299	134
Misc. operating expenses		1,983	-	1,278	-
Total expenses		461,782	292,844	300,966	150,990
PROFIT / (LOSS) BEFORE TAXATION		645,334	(132,123)	695,462	(78,577)
Taxation	22	-	-	-	-
PROFIT / (LOSS) AFTER TAXATION		645,334	(132,123)	695,462	(78,577)
DISCONTINUED OPERATIONS					
Profit from discontinued operations		44,633	-	44,633	-
PROFIT / (LOSS) FOR THE PERIOD		689,967	(132,123)	740,095	(78,577)
PROFIT / (LOSS) ATTRIBUTABLE TO:					
Unit holders of the Group		690,089	(131,998)	740,149	(78,503)
Non-controlling interest		(122)	(125)	(54)	(74)
		689,967	(132,123)	740,095	(78,577)
		(Rupees)		(Rupees)	
PROFIT / (LOSS) PER UNIT - BASIC AND DILUTED		0.41	(0.09)	0.44	(0.05)

The annexed notes 1 to 27 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

	31 December 2024	31 December 2023
	(Rupees in '000)	
PROFIT / (LOSS) AFTER TAXATION ATTRIBUTABLE TO:		
Unit holders of the Group	690,089	(131,998)
Non-controlling interest	(122)	(125)
	689,967	(132,123)
Other comprehensive income for the period	-	-
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	689,967	(132,123)

The annexed notes 1 to 27 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN UNIT HOLDERS FUND (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Attributable to Unit Holders of the Fund					Total
	Issued, Subscribed and paid up units	Reserves		Total	Non- Controlling Interest	
		Capital reserve - Fair value reserve (Note 19)	Revenue reserve / (Accumulated loss)			
----- (Rupees in '000) -----						
Balance as at 30 June 2023	14,975,000	17,232,693	(3,261,321)	28,946,372	158,721	29,105,093
Total comprehensive loss for the period	-	-	(131,998)	(131,998)	(125)	(132,123)
Issue of 337,500,000 units	3,375,000	-	-	3,375,000		3,375,000
Reclassification adjustment for changes in fair value of investments	-	8,760	(8,760)	-		-
Balance as as at 31 December 2023	<u>18,350,000</u>	<u>17,241,453</u>	<u>(3,402,079)</u>	<u>32,189,374</u>	<u>158,596</u>	<u>32,347,970</u>
Balance as at 30 June 2024	18,350,000	17,736,053	(3,436,321)	32,649,732	148,411	32,798,143
Total comprehensive profit / (loss) for the period	-	-	690,089	690,089	(122)	689,967
Balance as at 31 December 2024	<u>18,350,000</u>	<u>17,736,053</u>	<u>(2,746,232)</u>	<u>33,339,821</u>	<u>148,289</u>	<u>33,488,110</u>

The annexed notes 1 to 27 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	31 December 2024	31 December 2023
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	689,967	(132,123)
Adjustments for:		
Unrealised gain on revaluation of investment properties	(948,134)	-
Profit from discontinued operations	(44,633)	-
Unrealised loss on investments at fair value through profit or loss	(12,808)	(133)
Dividend income	(20,148)	(5,012)
Amortisation of preliminary expenses and floatation costs	2,561	2,561
	(1,023,162)	(2,584)
Changes in:		
Additions to development property	(193,316)	(541,578)
Advances, prepayments and other receivables	(8,665)	(24,570)
Payable to the REIT Management Company	108,417	(470,944)
Payable to the Trustee	(287)	297
Payable to the SECP	(12,500)	(12,500)
Accrued expenses, trade payables and other liabilities	44,092	152,045
Contract liabilities	192,300	-
Accrued markup	(22,900)	1,875
Due to related parties	(28,476)	(3,172)
	78,665	(898,547)
Net cash used in operating activities	(254,530)	(1,033,254)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to investment properties	(1,208,463)	(501,522)
Short term investments	743,767	(660,154)
Dividend received	20,148	5,012
Net cash used in investing activities	(444,548)	(1,156,664)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loan	(258,333)	-
Issuance of units for cash consideration	-	2,775,000
Net cash used in financing activities	(258,333)	2,775,000
Net decrease in cash and cash equivalents	(957,410)	585,082
Cash and cash equivalents at beginning of the year	1,111,884	2,450,664
Cash and cash equivalents at end of the period	154,474	3,035,746

The annexed notes 1 to 27 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

1 THE GROUP AND ITS OPERATIONS

The Fund in the Group was established under a Trust Deed, dated 10 December 2021, executed between TPL REIT Management Company as the Management Company and Digital Custodian Company (formerly MCB Financials Services Limited) as the Trustee and is governed under the Real Estate Investment Trust Regulations, 2022 (REIT Regulations, 2022), promulgated and amended from time to time by the Securities and Exchange Commission of Pakistan (SECP).

The Trust Deed of the Fund in the Group was registered on 10 December 2021 whereas the Fund in the Group was authorised by the SECP as a unit trust scheme on 23 December 2021.

During the year, the Fund in the Group has been listed on the Pakistan Stock Exchange Limited (PSX) with the approval of the SECP on 20 May, 2024 under the REIT Regulations, 2022.

The Management Company of the Fund in the Group has been registered as Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake REIT Management Services. The registered office of the Management Company is situated at 20th Floor, Sky tower, East Wing, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, Pakistan.

The Fund in the Group is a perpetual close end, shariah compliant, hybrid scheme. All of the activities undertaken by the Fund in the Group including but not limited to deposits and placements with banks were all in accordance with principle of Shariah.

The principal activity of the Fund in the Group is investing in real estate projects through Special Purpose Vehicles (SPVs) in accordance with the constitutive documents and applicable laws to generate income/returns for investors through rental income and capital appreciation.

As of 23rd December 2024 PACRA Credit Rating Company has assigned a rating of RFR 3+ (Stable Outlook) to the Fund.

As of 23rd December 2024 PACRA Credit Rating Company has assigned a rating of RM 3+ (Stable Outlook) to the REIT Management Company Limited & RFR 3+ to REIT Fund I (stable Outlook).

Title to the assets of the Group are held in the name of Digital Custodian Company Limited (formerly MCB Financials Services Limited) as the Trustee of the Group.

The Group consists of TPL REIT Fund - I (the Fund) and its subsidiary Companies that have been consolidated in these consolidated financial statements.

Address:

The Group's and the Management Company's registered office is situated at 20th Floor, Sky Tower - East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi, Sindh

1.1 Composition of the Group

As at the reporting date, the unitholding the Fund has in its subsidiary Companies are as follows:

Subsidiary	Ownership Interest			
	31 December 2024		30 June 2024	
	The Group	NCI	The Group	NCI
National Management and Consultancy Services (Private) Limited	100%	-	100.00%	-
HKC (Private) Limited	94.92%	5.08%	94.92%	5.08%
TPL Technology Zone Phase-I (Private) Limited	100%	-	100.00%	-

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

National Management And Consultancy Services (Private) Limited

National Management and Consultancy Services (Private) Limited ("the Company") was incorporated in Pakistan as a private limited company on 20 September, 1989 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Company is to purchase, acquire, take on lease or in any other lawful manner any area, house, land, building, structures and to turn the same into account, develop the same and dispose of or maintain the same and to build townships, markets or other buildings residential and commercial or conveniences thereon and by advancing money to and entering into contracts and arrangements of all kind with builders, tenants and others. The registered office of the Company is situated at 20th Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi. The Company is classified as a Special Purpose Vehicle (SPV) as per the Real Estate Investment Trust Regulations, 2022, and in turn is a subsidiary of TPL REIT Fund I which owns 100% shareholding of the Company as of reporting date.

HKC (Private) Limited

HKC (Private) Limited (the Company) was incorporated in Pakistan on 13 September 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is principally engaged in the acquisition and development of real estates and renovation of buildings and letting out. During the year 2020, the Company changed its status from Public Unlisted Company to Private Limited Company. The registered office of the Company is situated at 20th Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi. The Company is classified as a Special Purpose Vehicle (SPV) as per the Real Estate Investment Trust Regulations, 2022, and in turn is a subsidiary of TPL REIT Fund I which owns 94.92% shareholding of the Company as of reporting date.

TPL Technology Zone Phase - 1 (Private) Limited

TPL Technology Zone Phase - 1 (Private) Limited (formerly G-18 (Private) Limited) was incorporated in Pakistan as a private limited company on April 12, 2018 under the Companies Act, 2017. The principal activity of the Company is to purchase, acquire, take on lease or in any other lawful manner any area, house, land, building, structures and to turn the same into account, develop the same and dispose of or maintain the same and to build townships, markets or other buildings residential and commercial or conveniences thereon and by advancing money to and entering into contracts and arrangements of all kind with builders, tenants and others. The Company is classified as a Special Purpose Vehicle (SPV) as per the Real Estate Investment Trust Regulations, 2022 and in turn is a subsidiary of TPL REIT Fund I which owns 100% shareholding of the Company as of reporting date.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements of the Group for the year ended 30 June 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by International Accounting Standards Board (IASB) as are 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) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the REIT Regulations and requirements of the Trust Deed differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the REIT Regulations and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared on the basis of 'historical cost convention' except as otherwise stated.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistan Rupees which is the Group's functional and presentation currency. The amounts are rounded-off to nearest thousand rupees, unless other wise stated.

2.4 Basis of Consolidation

2.4.1 Subsidiaries

Subsidiaries are the Companies controlled by the Group. The Group controls the Companies when it is exposed to, or has rights to, variable returns from its involvement with the Companies and has the ability to act those returns through its power over the Companies. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The financial statements of the subsidiaries have been consolidated on a line-by-line basis and all intra-group balances and transactions have been eliminated.

2.4.2 Non-Controlling Interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.4.3 Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2.4.4 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3 SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

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

3.1 Use of judgements and estimates

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 June 2024.

		31 December 2024 (Unaudited)	30 June 2024 (Audited)
		(Rupees in '000)	
4 PRELIMINARY EXPENSES AND FLOATATION COSTS	Note		
Balance at the beginning of the year		15,611	20,734
Amortization during the year	4.1	<u>(2,561)</u>	<u>(5,123)</u>
Balance at the ending of the year		<u><u>13,050</u></u>	<u><u>15,611</u></u>

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

4.1 The Fund in the Group has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorization of the Fund as preliminary expenses and floatation costs which are to be amortized by the Fund over a period of five years effective from 24 June 2022, after the financial close commencing from financial close of the Fund in accordance with the Real Estate Investment Trust Regulations, 2022.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
(Rupees in '000)			
5 INVESTMENT PROPERTIES			
Carrying amount at the beginning of the year		28,409,435	26,264,477
Development expenditures		1,208,463	1,641,598
Unrealized gain on revaluation of investment properties	5.1	992,768	503,360
Investment property transferred to held for sale		(2,250,450)	-
Carrying amount at the end of the year		28,360,216	28,409,435

	Note	Fair value of land / property	Capitalized costs	Total
(Rupees in '000)				
As at 31 December 2024				
Mangrove	5.2	24,731,895	3,628,321	28,360,216
Technology Park		1,694,633	555,817	2,250,450
		<u>26,426,528</u>	<u>4,184,138</u>	<u>30,610,666</u>
As at 30 June 2024		<u>25,433,760</u>	<u>2,975,675</u>	<u>28,409,435</u>
		Cost	Fair value	Unrealize gain
5.1 Movement in unrealize gain in investment property:		(Rupees in '000)		
As at 31 December 2024				
Mangrove		6,882,076	24,731,895	17,849,819
Technology Park		1,464,260	1,694,633	230,373
		<u>8,346,336</u>	<u>26,426,528</u>	<u>18,080,192</u>
As at 30 June 2024		<u>8,346,336</u>	<u>25,433,760</u>	<u>17,087,424</u>

5.2 This represents leasehold land parcel of 40 acres commercial property situated at Korangi Creek, Karachi which is under development. This land is carried at revaluation basis and no depreciation is charged on it.

Total development costs capitalised as at 31 December 2024 is Rs. 3,628.32 million (30 June 2024: Rs. 2,432.16 million).

As of 31 December 2024, MYK Assocaitees (Pvt) Limited the valuer of the Company determined the fair value of the property at Rs. 28,360 (30 June 2024: Rs. 25,904 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost.

The forced sale value of the investment property is assessed to be Rs. 22,688.17 million.

The other valuation methods were not considered as they are not applicable to the current stage of the property. The Depreciated Replacement Cost Approach requires a completed property, while the Income Capitalization Approach is suitable for income-generating properties. Since the property is currently under development and neither fully constructed nor generating income, these methods were deemed inappropriate for this valuation.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Additions during the year	Cost	Accumulated amortization	Net book value
----- (Rupees in '000) -----				
6 INTANGIBLE ASSETS				
Computer software				
As at 31 December 2024	-	99	99	-
As at 30 June 2024	-	99	99	-

	31 December 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)		
7 DEVELOPMENT PROPERTY		
Land	1,675,740	1,675,740
Design, development & related costs	2,479,221	2,353,548
Borrowing Costs	592,236	524,594
	<u>4,747,197</u>	<u>4,553,882</u>

	Note	Acquisition cost of land	Capitalized costs	Total
----- (Rupees in '000) -----				
One Hoshang				
As at 31 December 2024	7.1	<u>1,675,740</u>	<u>3,071,457</u>	<u>4,747,197</u>
As at 30 June 2024		<u>1,675,740</u>	<u>2,878,142</u>	<u>4,553,882</u>

7.1 This represents land parcel of 2,539 square yards of commercial property situated at corner of Abdullah Haroon Road and Hoshang Road, Karachi.

7.2 During the period borrowing cost amounting to Rs. 47.55 million (2024: Rs. 172.46 million) was capitalised on borrowings from financial institutions at the rate of three months KIBOR + 2.25% and is netted against investment income on the temporary investment on those borrowings for construction of development property. The borrowing costs have been capitalised for development property as these are qualifying assets.

7.3 The property is subject to equitable mortgage charge against the financing facility from financial institution as disclosed in note 11.1 of these consolidated financial statements.

Residual value approach is applicable to determine the fair value of the development property as it indicates the residual amount after deducting all known or anticipated costs required to complete the development from the anticipated value of the project when completed after consideration of the risks associated with completion of the project.

	Note	31 December 2024 (Unaudited)	30 June 2024 (Audited)
(Rupees in '000)			
8 ASSETS HELD FOR SALE			
Assets held for sale - Land	8.1	<u>2,250,450</u>	<u>-</u>

8.1 This represents leasehold land located in an Open Industrial Plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi. This land is carried at revaluation basis and no depreciation is charged on it.

The company has entered into an agreement to sale of investment property of the company in its current position. As of 31 December, 2024 the company has received token money from interested buyer.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

As of 31 December 2024, MYK Associates Private Limited the valuer of the Company determined the fair value of the property at Rs. 2,250.45 million (30 June 2024: Rs. 2,505.52 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost.

During the period, the Fund has obtained approval from the majority anchor investor for the disposal of the sole land recorded in the books of TPL Technology Zone Phase 1 (TTZ). As of 30th December 2024, the TTZ entered into a sale agreement with the buyer for the disposal of land and the same is expected to be disposed of by the end of June 2025. Following the disposal of the land, the TTZ will be wound up as approved by the majority anchor investors. Accordingly, the financial statements of the TTZ have not been prepared on going concern basis. Therefore, Investment in the TTZ has been classified as under current asset.

9 SHORT-TERM INVESTMENTS	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
		(Rupees in '000)	
Investments in mutual funds	9.1	10,952	394,005
GOP Ijarah sukuku	9.3	618,134	966,040
		<u>629,086</u>	<u>1,360,045</u>

9.1 Investments in mutual funds

31 December	30 June	Name of Fund	31 December	30 June
2024 (Unaudited)	2024 (Audited)		2024 (Unaudited)	2024 (Audited)
(Units)			(Rupees in '000)	
-	5,544,937	AKD Islamic Daily Dividend Fund	-	277,247
-	2,133,139	Meezan Rozana Amdani Fund	-	106,657
95,058	95,058	Mahana Islamic Cash Plan	10,952	10,101
<u>95,058</u>	<u>7,773,134</u>		<u>10,952</u>	<u>394,005</u>

9.2 During the period dividend of Rs. 20.148 million was received from Shariah-compliant mutual funds which were reinvested.

9.3 Investments in GOP ijarah sukuku

GOP Ijarah Sukuk Certificates

As at December 31, 2024		
Carrying amount	Market Value	Surplus on revaluation of investments
----- (Rupees in '000) -----		
<u>980,839</u>	<u>981,674</u>	<u>835</u>

As at June 30, 2024		
Carrying amount	Market Value	Deficit on revaluation
----- (Rupees in '000) -----		
<u>970,584</u>	<u>966,040</u>	<u>(4,544)</u>

GOP Ijarah Sukuk Certificates

9.4 This represents the investment in Government of Pakistan (GOP) ijarah sukuku carrying the profit rates of 14.05% to 21.32% (30 June 2024: 19.44% to 23.66%).

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
(Rupees in '000)			
10 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Tax withheld on bank profits and dividend	10.1	118,515	98,170
Advance to contractors			
- unsecured		300,000	300,000
- secured	10.2	539,000	539,000
Prepayments		32,196	19,082
Bank profit receivable		471	9,892
GOP Ijarah Sukuks profit receivable		18,430	33,803
Advance Tax		5,754	5,754
		1,014,366	1,005,701

10.1 The income of the Group is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Group is exempt under clause 47(B) of Part IV of Second Schedule to the ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2022 made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, and 151 of ITO 2001.

10.2 This represents mobilisation advance extended to contractor and its partially secured by coverage of guarantee issued in favor of the subsidiary company in the Group.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
(Rupees in '000)			
11 BANK BALANCES			
Balances with banks in:			
Current account		71	71
Savings accounts	11.1	154,403	1,111,813
		154,474	1,111,884

11.1 This represents Islamic savings accounts maintained with commercial bank carrying profit at the rate ranging between 11.00% - 17.75% (30 June 2024: 11.00% - 20.75%) per annum.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
(Rupees in '000)			
12 LONG-TERM FINANCING			
Bank Alfalah Limited - secured	12.1	516,667	775,000
Current maturity of long term financing		(516,667)	(775,000)
		-	-

12.1 HKC (the subsidiary) has availed the facility of Rs. 775 million from a commercial bank through an agreement dated 8 June 2022 of which is utilised in full. The purpose of availing the facility is to finance the subsidiary company's residential / commercial building project. The amount received is repayable in 3 equal semi-annual installments over a period of 3 years after completion of grace period of 18 months inclusive, at the rate of 3 months KIBOR plus 225 basis points.

The facility has been secured against an equitable mortgage charge on property located at Plot No. 22/7. Street CL-9, Civil Lines Quarter, Karachi having a total area of 2,539 square yards.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
(Rupees in '000)			
13 PAYABLE TO THE REIT MANAGEMENT COMPANY			
Payable by TPL REIT Fund I in the Group:			
Preliminary expenses, floatation costs and other payable	13.1	16,720	26,720
Management fee payable	13.2	143,758	139,758
Performance fee payable	13.3	1,987,684	1,875,763
		<u>2,148,162</u>	<u>2,042,241</u>
Payable by Subsidiary companies in the Group:			
National Management and Consultancy Services (Private) Limited		1,252	1,252
HKC (Private) Limited		13,854	1,474
TPL Technology Zone Phase-1 (Private) Limited		1,843	11,727
	13.4	<u>16,949</u>	<u>14,453</u>
Total		<u>2,165,111</u>	<u>2,056,694</u>

13.1 This represents amount incurred by the REIT Management Company relating to the formation of the Fund in the Group.

13.2 Under the provisions of the REIT Regulations, 2022, a REIT Management Company is entitled to a management fee which shall be stated in the Information Memorandum. As per the Information Memorandum of the Fund, the REIT Management Company is entitled to an annual management fee calculated at 1.5% per annum on the net assets of the Fund. The management fee is also subjected to Sindh sales tax at the rate of 15%. The fee is paid quarterly in arrears.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
(Rupees in '000)			
13.3 Performance fee payable			
Performance fee payable at the end of accelerator period	13.3.1	1,948,129	1,855,837
Performance fee - current portion	13.3.2	39,555	19,926
		<u>1,987,684</u>	<u>1,875,763</u>

13.3.1 The Fund in the Group has classified the total amount of performance fee payable as current as it does not have a contractual and legally enforceable right to defer payment once the payment conditions have been met.

13.3.2 Under the provisions of the REIT Regulations, 2022, a REIT Management Company is entitled to a performance fee which shall be stated in the Information Memorandum. As per the Information Memorandum of the Fund in the Group, the REIT Management Company is entitled to performance as follows:

- 15% charged on the year-on-year increase in the NAV of the Fund over a High Watermark, calculated at the end of each accounting period; and
- 15% of the profit on sale of real estate assets and/or sale/winding up of SPVs.

The Fund in the Group will pay 30% of the Performance Fee due to the Management Company in arrears after the close of each accounting period and accrue the remaining 70% to be paid at the end of the Accelerator Period.

"Accelerator Period" means the period starting at financial close and ending on the first dividend distribution to the unit holders by the Fund in the Group or listing of the Fund in the Group, whichever is later.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

The performance fee is also subjected to Sindh sales tax at the rate of 15%.

13.4 These pertain to the charges paid on behalf of the subsidiary companies by REIT Management Company Limited which are repayable on demand.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
14 PAYABLE TO THE TRUSTEE		(Rupees in '000)	
Trustee fee payable	14.1	3,469	3,728
Share registrar fee payable		56	84
		<u>3,525</u>	<u>3,812</u>
		516,667	775,000
		(516,667)	(775,000)
		<u>-</u>	<u>-</u>

14.1 Under the provisions of the REIT Regulations, 2022, the Trustee is entitled to a trustee fee which shall be stated in the Information Memorandum. As per the Information Memorandum of the Fund in the Group, the Trustee is entitled to an annual fee calculated at 0.04% per annum on the net assets of the Fund in the Group. The Trustee fee is also subjected to Sindh sales tax at the rate of 15%. The fee is paid quarterly in arrears.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
15 PAYABLE TO THE SECP		(Rupees in '000)	
Annual fee payable	15.1	<u>12,500</u>	<u>25,000</u>

15.1 Under the provisions of the REIT Regulations, 2022, the Fund in the Group is required to pay annual monitoring fee to SECP equal to 0.15% of the average fund size per annum. The annual monitoring fee is capped at Rs. 25 million per annum except in the first year. The fee shall be paid in arrears within four months of close of accounting year.

		31 December	30 June
		2024 (Unaudited)	2024 (Audited)
16 ACCRUED EXPENSES, TRADE PAYABLES AND OTHER LIABILITIES		(Rupees in '000)	
Accrued expenses		501,497	411,199
Auditor's remuneration		19,166	22,582
Withholding taxes		67,676	110,466
		<u>588,339</u>	<u>544,247</u>
17 CONTRACT LIABILITIES			
Advance from customers		281,550	172,250
Token money received from TTZ land buyer		83,000	-
		<u>364,550</u>	<u>172,250</u>

The contract liabilities primarily relate to the advance consideration received from customer in respect of installment for purchase of apartments, for which the revenue will be recognised at point in time when the construction is completed and title is transferred to the customers.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
18 DUE TO RELATED PARTIES		(Rupees in '000)	
TPL Properties Limited	18.1	-	16,132
TPL Development (Private) Limited	18.2	6,200	18,544
		6,200	34,676

18.1 This pertains to project design and consultation costs paid on behalf of the subsidiary Companies in the Group. Interest is applicable at 3 months KIBOR plus 2.5% per annum which is repayable on demand.

18.2 This pertains to project design and consultation costs paid on behalf of the subsidiary Company in the Group and is repayable on demand.

19 UNITS IN ISSUE

31 December	30 June		31 December	30 June
2024	2024		2024	2024
(Unaudited)	(Audited)		(Unaudited)	(Audited)
(Number of units)		Ordinary units of Rs. 10 each	(Rupees in '000)	
710,000,000	710,000,000	Consideration other than cash (against equity shares)	7,100,000	7,100,000
1,125,000,000	1,125,000,000	in cash	11,250,000	11,250,000
1,835,000,000	1,835,000,000		18,350,000	18,350,000

19.1 Pattern of Unit Holding

	31 December 2024		30 June 2024	
	Percentage (%)	Number of units held	Percentage (%)	Number of units held
TPL Properties Limited (Strategic Investor)	38%	697,598,500	38%	697,598,500
Anchor Investors	60%	1,105,351,000	60%	1,105,351,000
Others - including individuals	2%	32,050,500	2%	32,050,500
	100%	1,835,000,000	100%	1,835,000,000

20 FAIR VALUE RESERVE

The fair value reserve pertains to cumulative net changes in fair value of investment properties which is not free for distribution by way of dividend in accordance with the constitutive document of the Group, and hence the unrealised gain on revaluation of investment properties is reclassified to fair value reserve.

21 CONTINGENCIES AND COMMITMENTS

21.1 CONTINGENCIES

There are no material contingencies outstanding as at 31 December 2024 (30 June 2024: Nil).

21.2 COMMITMENTS

21.2.1 HKC of the Group entered a contract with M/s Total Construction Limited for the main construction works of the Building. The contract for the construction of the Phase 1B (Foundation and Protection Piling) is awarded for Rs. 198.57 million excluding the owner furnished materials. Out of the total amount Rs. 39.71 million have been paid as mobilisation advance which is secured against the Advance Payment Guarantee. Further, Rs.152.93 million have been invoiced as running bills of the contract.

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

21.2.2 The contract for the construction of the Phase 2A (Grey Structure Works) is awarded for Rs. 685 million excluding the owner furnished materials. Out of the total amount Rs. 93.20 million have been paid as mobilisation advance which is secured against the Advance Payment Guarantee. Further, Rs.200.22 million have been invoiced as running bills of the contract.

22 TAXATION

The Group's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash.

The Group is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

During the current year the Group have incurred accounting loss when the net income is reduced by capital gains (whether realised or unrealised), therefore there is no distributable income for the current year.

23 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise of the Parent Company, associated companies, major shareholders, directors and key management personnel. The transactions with related parties other than those disclosed elsewhere in the consolidated financial statements are as follows:

	Six months period ended 31 December	
	2024	2023
Transactions during the year	(Rupees in '000)	
Digital Custodian Company Limited		
The Trustee		
Remuneration of the trustee	7,634	6,738
Share registrar fee	176	170
Payments made during the year	7,162	6,611
TPL REIT Management Company		
REIT Management Company		
Remuneration of the REIT Management Company	286,290	252,665
Payments made to the REIT Management Company	312,216	723,610
Charges paid on behalf of the subsidiary companies	9,639	-
TPL Properties Limited		
Holding company of the Management Company		
Holding company of the Management Company and strategic investor		
Borrowing cost	-	10,485
TPL Security Services (Private) Limited		
Security services received	7,779	2,797
Payments against security services	7,779	2,546
TPL Developments (Private) Limited		
Development advisory and other services	222,764	249,935
Payments during the year	222,764	249,935

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

24 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		31 December 2024							
		Carrying amount			Fair value				
		Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in '000) -----							
Financial assets measured at fair value									
	Investment in mutual funds	10,952	-	-	10,952	-	10,952	-	10,952
9.1	Investment in GOP Ijara sukus	618,134	-	-	618,134	211,622	754,418	-	966,040
		<u>629,086</u>	<u>-</u>	<u>-</u>	<u>629,086</u>	<u>211,622</u>	<u>765,370</u>	<u>-</u>	<u>976,992</u>
Financial assets not measured at fair value									
	GOP Ijarah Sukus profit receivable	-	33,803	-	33,803	-	-	-	-
24.1	Bank profit receivable	-	9,892	-	9,892	-	-	-	-
24.1	Bank balances	-	154,474	-	154,474	-	-	-	-
		<u>-</u>	<u>198,169</u>	<u>-</u>	<u>198,169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value									
	Payable to the REIT Management Company	-	-	2,165,111	2,165,111	-	-	-	-
24.1	Payable to the Trustee	-	-	3,525	3,525	-	-	-	-
24.1	Payable to the SECP	-	-	12,500	12,500	-	-	-	-
24.1	Advance against issuance of units	-	-	-	-	-	-	-	-
24.1	Accrued markup	-	-	23,936	23,936	-	-	-	-
24.1	Accrued expenses, trade payables and other liabilities	-	-	588,339	588,339	-	-	-	-
24.1	Current maturity of long term financing	-	-	516,667	516,667	-	-	-	-
24.1	Contract liabilities	-	-	364,550	364,550	-	-	-	-
24.1	Due to related parties - unsecured	-	-	6,200	6,200	-	-	-	-
		<u>-</u>	<u>-</u>	<u>3,680,828</u>	<u>3,680,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

TPL REIT FUND - I

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

		30 June 2024								
		Carrying amount			Fair value					
		Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Note		(Rupees in '000)								
Financial assets measured at fair value										
	Investment in mutual funds	8.1	394,005	-	-	394,005	-	394,005	-	394,005
	Investment in GOP ijara sukuks	8.3	966,040	-	-	966,040	-	966,040	-	966,040
			<u>1,360,045</u>	<u>-</u>	<u>-</u>	<u>1,360,045</u>	<u>-</u>	<u>1,360,045</u>	<u>-</u>	<u>1,360,045</u>
Financial assets not measured at fair value										
	GOP Ijarah Sukuks profit receivable	23.1	-	33,803	-	33,803	-	-	-	-
	Bank profit receivable	23.1	-	9,892	-	9,892	-	-	-	-
	Bank balances	23.1	-	1,111,884	-	1,111,884	-	-	-	-
			<u>-</u>	<u>1,155,579</u>	<u>-</u>	<u>1,155,579</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value										
	Payable to the REIT Management Company	23.1	-	-	2,056,694	2,056,694	-	-	-	-
	Payable to the Trustee	23.1	-	-	3,812	3,812	-	-	-	-
	Payable to the SECP	23.1	-	-	25,000	25,000	-	-	-	-
	Accrued markup	23.1	-	-	46,836	46,836	-	-	-	-
	Accrued expenses, trade payables and other liabilities	23.1	-	-	544,247	544,247	-	-	-	-
	Current maturity of long term financing	23.1	-	-	775,000	775,000	-	-	-	-
	Contract liabilities	23.1	-	-	172,250	172,250	-	-	-	-
	Due to related parties - unsecured	23.1	-	-	34,676	34,676	-	-	-	-
			<u>-</u>	<u>-</u>	<u>3,658,515</u>	<u>3,658,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

24.1 The Group has not disclosed the fair value for these financial assets and financial liabilities as their carrying amounts are reasonable approximation of fair value.

24.2 Fair value hierarchy of the investment property has been disclosed in note 5 to these consolidated financial statements.

25 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2024.

26 GENERAL

All amounts have been rounded off to nearest thousand rupees, unless otherwise stated.

27 DATE OF AUTHORIZATION OF ISSUE

These consolidated financial statements were authorized for issue on 17 February 2025 by the Board of Directors of the TPL REIT Management Company Limited.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Financial Statements of National Management & Consultancy Services (Private) Limited

Company Information-NMC

Board of Directors

Mr. Syed Jamal Baquar Non-Executive Director
Mr. Ali Jameel Non-Executive Director

Chief Executive Officer

Mr. Danish Qazi

Chief Financial Officer

Mr. Imad Zahid Nagi

Company Secretary

Ms. Shayan Mufti

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Faysal Bank Limited
Bank Al Habib Limited
Habib Metropolitan Bank Limited
Bank Islami Pakistan Limited
Bank AlBaraka Limited
Habib Bank Limited

Registered Office

20th Floor, Sky Tower, East Wing,
Dolmen City, HC-3, Block 4,
Abdul Sattar Edhi Avenue,
Clifton, Karachi

Web Presence

www.tplfunds.com



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Karachi 75530 Pakistan
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INDEPENDENT AUDITORS' REVIEW REPORT

To the members of National Management and Consultancy Services (Private) Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **National Management and Consultancy Services (Private) Limited** ("the Company") as at 31 December 2024 and the related condensed interim profit or loss and other comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows, and notes to the financial statements for the six months period then ended (here-in-after-referred to as "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 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.

Other Matter

The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months ended 31 December 2024 have not been reviewed and we do not express a conclusion thereon.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Taufiq.

Date: 26 February 2025

Karachi

UDIN: RR202410106m4MpcNYkK


KPMG Taseer Hadi & Co.
Chartered Accountants

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
		(Rupees in '000)	
ASSETS			
Non-current asset			
Investment property	4	28,360,216	25,904,241
Current assets			
Short-term investments	5	629,087	1,360,045
Advances, prepayments and other receivables	6	422,895	424,478
Due from related party	7	435,627	-
Bank balances	8	119,639	1,072,899
		1,607,248	2,857,422
TOTAL ASSETS		29,967,464	28,761,663
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
2,000,000 ordinary shares of Rs.100/- each.		200,000	200,000
Issued, subscribed and paid-up capital			
Share premium	9	95,000	95,000
Fair value reserve	10	4,702,500	4,702,500
Unappropriated profit	10	24,705,505	23,757,371
		52,913	120,354
		29,555,918	28,675,225
Current liabilities			
Accrued liabilities and other payables	11	110,294	85,186
Due to related party	12	301,252	1,252
		411,546	86,438
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	13	29,967,464	28,761,663

The annexed notes from 1 to 20 form an integral part of these financial statements.


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

		Six Months Ended		Three Months Ended	
		31 December	31 December	31 December	31 December
		2024	2023	2024	2023
Note		----- (Rupees in '000) -----			
Administrative expenses	14	(5,026)	(2,970)	(3,221)	(2,145)
Other income	15	159,777	134,791	50,770	64,055
Unrealized gain on remeasurement of fair value of investment property	4	948,134	-	948,134	-
Unrealised gain on investments at fair value through profit or loss		12,808	133	6,958	(3,232)
Profit before taxation		1,115,693	131,954	1,002,641	58,678
Taxation		-	-	-	-
Profit after taxation		1,115,693	131,954	1,002,641	58,678
Other comprehensive income for the period		-	-	-	-
Total Comprehensive income for the period		1,115,693	131,954	1,002,641	58,678
		----- (Rupees) -----			
Earning per share - basic and diluted		1,174.41	197.83	1,055.41	(0.12)

The annexed notes from 1 to 20 form an integral part of these financial statements.



DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

Reserves

	Issued, subscribed and paid-up capital	Capital Reserve - Share premium	Capital Reserve - Fair Value Reserve (Note 9)	Revenue Reserve - Unappropriated Profit	Total
----- (Rupees in '000) -----					
Balance as at 30 June 2023	66,700	1,900,800	23,254,011	107,250	25,328,761
Total comprehensive income for the period					
Profit after taxation	-	-	-	73,276	73,276
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	73,276	73,276
Transactions with owners					
Final dividend paid at Rs. 187.40 per share	-	-	-	(125,000)	(125,000)
Balance as at 31 December 2023	66,700	1,900,800	23,254,011	55,526	25,277,037
Balance as at 01 July 2024	95,000	4,702,500	23,757,371	120,354	28,675,225
Total comprehensive income for the period					
Profit after taxation	-	-	948,134	167,559	1,115,693
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	948,134	167,559	1,115,693
Transactions with owners					
Final dividend paid at Rs. 136.84 per share	-	-	-	(130,000)	(130,000)
Interim Dividend at Rs. 110.53 per share	-	-	-	(105,000)	(105,000)
Balance as at 31 December 2024	95,000	4,702,500	24,705,505	52,913	29,555,918

The annexed notes from 1 to 20 form an integral part of these financial statements.


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	31st December 2024	31st December 2023
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,115,693	131,954
Adjustments for:		
Profit on bank deposits	(42,925)	(93,631)
Profit on GOP Ijarah sukuk	(77,928)	(36,148)
Unrealised gain on investments at fair value through profit or loss	(12,808)	(133)
Unrealized gain on remeasurement of fair value of investment property	(948,134)	-
Dividend income	(20,148)	(5,012)
	(1,101,943)	(134,924)
Changes in:		
Development expenditures during the period	(23,223)	(15,605)
Accrued and other payables	25,108	45,877
Due from related party	(435,627)	-
Due to related party	300,000	(11,300)
	(133,742)	18,972
Net cash (used in)/generated from operating activities	(119,992)	16,135
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to investment property	(1,507,841)	(490,962)
Net proceeds from sell / (purchase) of mutual funds	384,034	(204,260)
Net proceeds from sell / (purchase) of GOP Ijarah	359,732	(456,028)
Dividend received	20,148	5,012
Profit on GOP Ijarah Sukuk	93,301	22,615
Profit on bank deposits	52,358	99,023
Net cash used in investing activities	(598,267)	(1,024,600)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(235,000)	(125,000)
Advance against issuance of right share	-	2,830,000
Net cash (used in)/generated from financing activities	(235,000)	2,705,000
Net (decrease)/increase in cash and cash equivalents	(953,259)	1,696,535
Cash and cash equivalents at the beginning of the period	1,072,899	1,143,539
Cash and cash equivalents at the end of the period	119,639	2,840,074

The annexed notes from 1 to 20 form an integral part of these financial statements.


DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 National Management and Consultancy Services (Private) Limited ("the Company") was incorporated in Pakistan as a private limited company on 20 September 1989 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Company is to purchase, acquire, take on lease or in any other lawful manner any area, house, land, building, structures and to turn the same into account, develop the same and dispose of or maintain the same and to build townships, markets or other buildings residential and commercial or conveniences thereon and by advancing money to and entering into contracts and arrangements of all kind with builders, tenants and others. The registered office of the Company is situated at 20th Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi. The Company is classified as a Special Purpose Vehicle (SPV) as per the Real Estate Investment Trust Regulations, 2022, and in turn is a subsidiary of TPL REIT Fund I which owns 100% shareholding of the Company as of reporting date.

1.2 The Company plans to develop a master project over a land parcel of 40 acres held by the Company. The planned development will include midrise Residential Apartment Towers, Commercial Offices, Service Apartments, Hotel and Retail Space at waterfront locality, and to be equipped with best in-class infrastructure and amenities.

1.3 Geographical location and address of the business premises:

Addresses

Registered office: The Company's registered office is situated at 20th Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi, Sindh.

Investment property site (Mangrove): Naclass No. 24, Deh Dih Tappo Ibrahim Haidery, Taluka Karachi, District Malir.

1.4 The Company has the following related party relationships during the period:

Company Name	Relationship	Common Directorship	Percentage of Shareholding
TPL REIT Fund I	Parent Entity	Yes	100%
TPL REIT Management Company Limited	Management Company of TPL REIT Fund I	Yes	-
TPL Investment Management Limited	Subsidiary of Management Company	Yes	-
HKC (Private) Limited	Associated Company	Yes	-
TPL Technology Zone Phase-I (Private) Limited	Associated Company	Yes	-
TPL Properties Limited	Associated Company of RMC	N/A	-
TPL Logistic Park (Private) Limited	Associated Company of RMC	N/A	-
TPL Security Services (Private) Limited	Associated Company of RMC	N/A	-
TPL Corp Limited	Associated Company of RMC	N/A	-
TPL Holdings (Private) Limited	Associated Company of RMC	N/A	-
TPL Property Management (Private) Limited	Associated Company of RMC	N/A	-
TPL Developments (Private) Limited	Associated Company of RMC	N/A	-
TPL Insurance Limited	Associated Company of RMC	N/A	-
TPL Life Insurance Limited	Associated Company of RMC	N/A	-
TPL Trakker Limited	Associated Company of RMC	N/A	-
Key Management Personnel	-	N/A	-

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements of the Company 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:

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

- International Accounting Standard (IAS) 34, Interim Financial Reporting 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; and
- The Real Estate Investment Trust Regulations, 2022 (the REIT Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, differ with the requirements of IAS 34, the provisions of directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the 'historical cost convention' except for investment property and short-term investments which are measured at fair value.

These condensed interim financial statement have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of condensed interim financial position presented in these condensed interim financial statements as at December 31, 2024 has been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the unaudited condensed interim financial statements of the Company for the six months ended December 31, 2023.

2.3 Functional and presentation currency

The financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All amounts are rounded-off to nearest thousand rupees, unless otherwise stated.

2.4 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

a) Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the 'current period:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these condensed interim financial statements.

b) Standards, Interpretations and Amendments to published approved accounting 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 January 01, 2025.

3 MATERIAL ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGMENTS

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

3.1 Use of judgements and estimates

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 June 2024.

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	31 December	30 June
	2024	2024
	(Unaudited)	(Audited)
	(Rupees in '000)	
4 INVESTMENT PROPERTY		
Carrying amount at the beginning of the period / year	25,904,241	23,814,229
Development expenditures during the period / year	1,507,841	1,586,652
Unrealised gain on revaluation of investment property	948,134	503,360
Carrying amount at the end of the period / year	<u>28,360,216</u>	<u>25,904,241</u>

4.1 This represents leasehold land parcel of 40 acres commercial property situated at Korangi Creek, Karachi which is under development. This land is carried at revaluation basis and no depreciation is charged on it.

4.2 Total development costs capitalised as at 31 December 2024 is Rs. 3,628.32 million (30 June 2024: Rs. 2,121.65 million).

4.3 As of 31 December 2024, MYK Associates the valuer of the Company determined the fair value of the property at Rs. 28,360.2 million (30 June 2024 : Rs. 25,904.2 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost.

The forced sale value of the investment property is assessed to be Rs. 22,688.17 million.

4.3.1 Fair value hierarchy

The investment property has been valued by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for the investment property has been categorised as a Level 3 fair value based in the inputs to the valuation technique used.

4.3.2 Valuation Technique

The valuation has been conducted in accordance with International Valuation Standards, employing the market approach which comes under IFRS 13.

Valuation Technique	Significant unobservable Input	Inter- relationship between key unobservable input and fair value measurement
Market Approach	Fair value of comparable properties	The estimated fair value of investment property would increase / (decrease) if there is any change in the Fair value of comparable properties

	Level 1	Level 2	Level 3	Fair value as at
	----- (Rupees in '000) -----			31 December
				2024
Investments	-	-	28,360,216	<u>28,360,216</u>

	Level 1	Level 2	Level 3	Fair value as at
	----- (Rupees in '000) -----			30 June
				2024
Investments	-	-	25,904,241	<u>25,904,241</u>

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
5 SHORT-TERM INVESTMENTS			
Investments in mutual funds	5.1	10,952	394,005
Investments in GOP ijarah sukuks	5.3	618,135	966,040
		<u>629,087</u>	<u>1,360,045</u>

5.1 Investments in mutual funds

	31 December	30 June		31 December	30 June
	2024	2024		2024	2024
	(Unaudited)	(Audited)		(Unaudited)	(Audited)
	(Units)			(Rupees in '000)	
	-	5,544,937	AKD Islamic Daily Dividend Fund	-	277,247
	-	2,133,139	Meezan Rozana Amdani Fund	-	106,657
	95,058	95,058	Mahana Islamic Cash Plan	10,952	10,101
	<u>95,058</u>	<u>7,773,134</u>		<u>10,952</u>	<u>394,005</u>

5.2 During the period, dividend of Rs. 20.148 million was received from mutual funds and the said was reinvested.

5.3 Investments in GOP ijarah sukuks

	As at December 31, 2024		
	Carrying amount	Market value	Surplus on revaluation of investments
	----- (Rupees in '000) -----		
GOP ijarah sukuk certificates	<u>610,852</u>	<u>618,135</u>	<u>7,282</u>

	As at June 30, 2024		
	Carrying amount	Market value	(Deficit) on revaluation of investments
	----- (Rupees in '000) -----		
GOP ijarah sukuk certificates	<u>970,584</u>	<u>966,040</u>	<u>(4,544)</u>

5.4 This represents the investment in Government of Pakistan (GOP) ijarah sukuks carrying the profit rates of 14.05% to 21.32% (30 June 2024: 19.44% to 23.66%).

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
6 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Advance to contractor - unsecured	6.1	300,000	300,000
Prepayments		14,779	11,683
Advance tax		89,450	69,323
GOP profit receivable		18,430	33,803
Profit on bank deposit receivable		236	9,669
		422,895	424,478

6.1 This represents mobilisation advance paid to contractor against infrastructure and urban developments work.

	Note	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
7 DUE FROM RELATED PARTIES			
TPL REIT Fund - I - unsecured	7.1	435,627	-

7.1 This represents short-term loan extended to related party carrying profit ranging from 10.99% to 15.99% per annum.

	Note	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
8 BANK BALANCES			
Saving accounts	8.1	119,639	1,072,899

8.1 This represents saving accounts carrying profit ranging from 11.00% to 17.75% per annum (30 June 2024: 11.00% to 20.75%).

9 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	Note	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
Ordinary shares of Rs. 100/- each in cash			
Shares in issue	9.1	95,000	95,000
		95,000	95,000

9.1 Following shares are held by the Parent entity shareholder:

Name	Percentage of Shareholding	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
TPL REIT Fund I	100%	95,000	95,000

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

9.2 Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

10 FAIR VALUE RESERVE

The fair value reserve pertains to cumulative net changes in fair value of investment property which is not free for distribution by way of dividend in accordance with the constitutive document of the Company.

	Note	31 December	30 June
		2024 (Unaudited) (Rupees in '000)	2024 (Audited)
11 ACCRUED LIABILITIES AND OTHER PAYABLES			
Accrued auditor's remuneration		1,427	5,025
Accrued liabilities		92,523	13,852
Withholding tax payable		16,344	66,309
		<u>110,294</u>	<u>85,186</u>
12 DUE TO RELATED PARTY			
TPL REIT Management Company Limited	12.1	1,252	1,252
TPL Technology Zone Phase-1 (Pvt) Ltd	12.2	300,000	-
		<u>301,252</u>	<u>1,252</u>

12.1 These pertains to the charges paid on behalf of the Company by REIT Management Company Limited which is repayable on demand.

12.2 This pertains to the cost of design transferred from TPL Technology Zone Phase-1 (Private) Limited to National Management Consultancy (Private) Limited.

13 CONTINGENCIES AND COMMITMENTS

As of reporting date, the Company does not have any contingencies and commitments that are required to be disclosed in these financial statements (30 June 2024: Nil).

	Note	Six months period ended 31 December		Three months period ended 31 December	
		2024 (Rupees in '000)	2023	2024 (Rupees in '000)	2023
14 ADMINISTRATIVE EXPENSES					
Bank charges		292	-	292	-
Auditor's remuneration		1,400	1,650	350	825
Legal and professional charges		1,160	1,320	1,123	1,320
Printing charges		50	-	-	-
Marketing charges		1,468	-	800	-
Misc charges		656	-	656	-
		<u>5,026</u>	<u>2,970</u>	<u>3,221</u>	<u>2,145</u>
15 OTHER INCOME					
Profit on bank deposits	8.1	42,925	93,631	6,073	42,478
Profit on GOP ijarah sukuks	5.4	77,928	36,148	25,861	19,001
Profit on short-term loan	15.1	15,628	-	12,253	-
Dividend income	5.2	20,148	5,012	3,435	2,576
Capital gain on Sukuk		3,148	-	3,148	-
		<u>159,777</u>	<u>134,791</u>	<u>50,770</u>	<u>64,055</u>

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

15.1 This includes profit on short-term loan extended to TPL REIT Fund I, a related party, carrying profit ranging from 10.99% to 15.99% per annum.

16 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of the parent entity, associated companies, major shareholders, directors and key management personnel. The transactions with related parties other than those disclosed elsewhere in the financial statements are as follows:

	Six months period ended 31 December	
	2024	2023
The Parent Entity		
TPL REIT Fund I		
Dividend paid by the Company	235,000	-
Short-term loan extended to the Parent	435,627	-
Profit charged on the short-term loan	15,627	-
Associates - by means of common directorship		
TPL Security Services (Private) Limited		
Security services received	7,779	2,464
Payments made during the period	7,779	2,464
TPL Developments (Private) Limited		
Development advisory and other services	188,350	231,350
Payments made during the period	218,825	231,350
TPL Technology Zone (Private) Limited		
Design plan purchased	300,000	-

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company.

17 Fair values of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values as of 31 December 2024.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized 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 in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

		31 December 2024							
		Carrying amount			Fair value				
		Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in '000) -----							
Financial assets measured at fair value									
	5.1	10,952	-	-	10,952	-	10,952	-	10,952
	5.3	618,135	-	-	618,135	-	618,135	-	618,135
		<u>629,087</u>	<u>-</u>	<u>-</u>	<u>629,087</u>	<u>-</u>	<u>629,087</u>	<u>-</u>	<u>629,087</u>

Financial assets not measured at fair value									
	17.1	-	18,430	-	18,430	-	-	-	-
	17.1	-	236	-	236	-	-	-	-
	17.1	-	119,639	-	119,639	-	-	-	-
		<u>-</u>	<u>138,305</u>	<u>-</u>	<u>138,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Financial liabilities not measured at fair value									
	17.1	-	301,252	-	301,252	-	-	-	-
	17.1	-	1,427	-	1,427	-	-	-	-
	17.1	-	92,523	-	92,523	-	-	-	-
		<u>-</u>	<u>395,202</u>	<u>-</u>	<u>395,202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

		30 June 2024							
		Carrying amount			Fair value				
		Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in '000) -----							
Financial assets measured at fair value									
	5.1	394,005	-	-	394,005	-	394,005	-	394,005
	5.3	966,040	-	-	966,040	-	966,040	-	966,040
		<u>1,360,045</u>	<u>-</u>	<u>-</u>	<u>1,360,045</u>	<u>-</u>	<u>1,360,045</u>	<u>-</u>	<u>1,360,045</u>

Financial assets not measured at fair value									
	17.1	-	33,803	-	33,803	-	-	-	-
	17.1	-	9,669	-	9,669	-	-	-	-
	17.1	-	1,072,899	-	1,072,899	-	-	-	-
		<u>-</u>	<u>1,116,371</u>	<u>-</u>	<u>1,116,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Financial liabilities not measured at fair value									
	17.1	-	1,252	-	1,252	-	-	-	-
	17.1	-	5,025	-	5,025	-	-	-	-
	17.1	-	13,852	-	13,852	-	-	-	-
		<u>-</u>	<u>20,129</u>	<u>-</u>	<u>20,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

17.1 The Company has not disclosed the fair value for these financial assets and financial liabilities as their carrying amounts are reasonable approximation of their fair value.

18 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2024.

19 GENERAL

All values including comparative figures have been reported and rearranged in "Rupees in '000" for better presentation and consistency. However, there are no material reclassification to report.

20 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on 17 February 2025 by the Board of Directors of the Company.



DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR

Financial Statements of HKC (Private) Limited

Company Information-HKC

Board of Directors

Mr. Syed Jamal Baquar Non-Executive Director
Mr. Ali Jameel Executive Director

Chief Executive Officer

Mr. Ali Jameel

Chief Financial Officer

Mr. Imad Zahid Nagi

Company Secretary

Ms. Shayan Mufti

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Bank Alfalah Limited
JS Bank Limited
The Bank of Punjab
Bank Islami Pakistan Limited
Faysal Bank Limited
National Bank of Pakistan

Registered Office

20th Floor, Sky Tower, East Wing,
Dolmen City, HC-3, Block 4,
Abdul Sattar Edhi Avenue,
Clifton, Karachi

Legal Advisor

Muhammad Wasif Riaz

Web Presence

www.tplfunds.com



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Chartered Accountants
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Karachi 75530 Pakistan
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INDEPENDENT AUDITORS' REVIEW REPORT

To the members of HKC (Private) Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **HKC (Private) Limited** ("the Company") as at 31 December 2024 and the related condensed interim profit or loss and other comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows, and notes to the financial statements for the six months period then ended (here-in-after-referred to as "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 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.

Other Matter

The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months ended 31 December 2024 have not been reviewed and we do not express a conclusion thereon.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Taufiq.

Date: 26 February 2025

Karachi

UDIN: RR202410106A05G1SiVW


KPMG Taseer Hadi & Co.
Chartered Accountants

HKC (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
ASSETS			
Current assets			
Intangible assets	4	-	-
Development property	5	3,210,684	3,004,142
Advances, prepayments and other receivables	6	29,451	20,191
Bank balances	7	11,486	6,651
TOTAL ASSETS		3,251,621	3,030,984
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
150,000,000 ordinary shares of Rs.10/- each		1,500,000	1,500,000
Issued, subscribed and paid-up capital			
Share premium	8	186,467	186,467
Accumulated loss		(29,532)	(26,016)
		1,542,804	1,546,320
Non-current liabilities			
Long-term financing	9	-	-
Current liabilities			
Trade and other payables	10	451,385	432,560
Current maturity of long-term financing	9	516,665	775,000
Contract liabilities	11	281,550	172,250
Due to related parties	12	435,281	58,018
Accrued mark-up	13	23,936	46,836
		1,708,817	1,484,664
TOTAL LIABILITIES		1,708,817	1,484,664
CONTINGENCIES AND COMMITMENTS			
	14		
TOTAL EQUITY AND LIABILITIES		3,251,621	3,030,984

The annexed notes from 1 to 19 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

HKC (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	Six Months Ended		Three Months Ended	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
		----- (Rupees in '000) -----			
Administrative expenses	15	(3,516)	(2,302)	(2,256)	(1,361)
Loss before taxation		(3,516)	(2,302)	(2,256)	(1,361)
Taxation		-	-	-	-
Loss after taxation		(3,516)	(2,302)	(2,256)	(1,361)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		<u>(3,516)</u>	<u>(2,302)</u>	<u>(2,256)</u>	<u>(1,361)</u>
		----- (Rupees) -----			
Loss per share - basic and diluted		<u>(0.19)</u>	<u>(0.13)</u>	<u>(0.12)</u>	<u>(0.12)</u>

The annexed notes from 1 to 19 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

HKC (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Reserves				Total
	Issued, subscribed and paid up capital	Capital Reserve - Share premium	Advance against issuance of shares	Revenue Reserve - Accumulated loss	
----- (Rupees in '000) -----					
Balance as at 01 July 2023	174,800	1,222,536	-	(20,449)	1,376,887
Total comprehensive loss for the period					
Loss after taxation	-	-	-	(941)	(941)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(941)	(941)
Transaction with owners					
Receipt advance against issuance of shares	-	-	175,000	-	175,000
Balance as at 31 December 2023	174,800	1,222,536	175,000	(21,390)	1,550,946
Balance as at 01 July 2024	186,467	1,385,869	-	(26,016)	1,546,320
Total comprehensive loss for the period					
Loss after taxation	-	-	-	(3,516)	(3,516)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(3,516)	(3,516)
Balance as at 31 December 2024	186,467	1,385,869	-	(29,532)	1,542,804

The annexed notes from 1 to 19 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

HKC (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	31 December 2024	31 December 2023
Note	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(3,516)	(2,302)
Changes in:		
Development property	(125,673)	(458,551)
Trade and other payables	18,825	103,221
Contract liabilities	109,300	2,500
Bank profit receivable	(64)	(3,851)
Prepayments	(8,981)	-
Accrued mark-up	-	1,976
	(6,593)	(354,705)
	(10,109)	(357,007)
Advance tax deducted	(151)	(3,334)
Mark up paid	(105,168)	(96,066)
Net cash used in operating activities	(115,428)	(456,407)
CASH FLOW FROM INVESTING ACTIVITIES		
Bank profit received	1,007	20,640
Dividend received	328	-
Net cash generated from investing activities	1,335	20,640
CASH FLOW FROM FINANCING ACTIVITIES		
Advance against issuance of shares	-	175,000
Due to related parties - net	377,263	(2,356)
Repayment of long term loan	(258,335)	-
Net cash generated from financing activities	118,928	172,644
Net increase/(decrease) in cash and cash equivalents	4,835	(263,123)
Cash and cash equivalents at the beginning of the period	6,651	313,033
Cash and cash equivalents at the end of the period	11,486	49,910

5.2

The annexed notes from 1 to 19 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 HKC (Private) Limited (the Company) was incorporated in Pakistan on 13 September 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is principally engaged in the acquisition and development of real estates and renovation of buildings and letting out. During the year 2020, the Company changed its status from Public Unlisted Company to Private Limited Company. The registered office of the Company is situated at 20th Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi. The Company is classified as a Special Purpose Vehicle (SPV) as per the Real Estate Investment Trust Regulations, 2022, and in turn is a subsidiary of TPL REIT Fund I which owns 94.92% shareholding of the Company as of reporting date.

1.2 The Company's principal objective is acquisition and development of real estate sale of development property, rental of buildings and letting out.

1.3 Geographical location and address of the business premises:

Addresses

Registered office: The Company's registered office is situated at 20th Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi, Sindh.

Development property site: Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi.

1.4 The Company has the following related party relationships during the year:

Company Name	Relationship	Common Directorship	Percentage of Shareholding
TPL REIT Fund I	Parent Entity	Yes	94.92%
TPL REIT Management Company Limited	Management company of TPL REIT Fund I	Yes	-
TPL Investment Management Limited	Subsidiary of management company	Yes	-
National Management & Consultancy Services (Private) Limited	Associated company	Yes	-
TPL Technology Zone Phase-I (Private) Limited	Associated company of RMC	Yes	-
TPL Properties Limited	Associated company of RMC	N/A	-
TPL Logistic Park (Private) Limited	Associated company of RMC	N/A	-
TPL Security Services (Private) Limited	Associated company of RMC	N/A	-
TPL Corp Limited	Associated company of RMC	N/A	-
TPL Holdings (Private) Limited	Associated company of RMC	N/A	-
TPL Property Management (Private) Limited	Associated company of RMC	N/A	-
TPL Developments (Private) Limited	Associated company of RMC	N/A	-
TPL Insurance Limited	Associated company of RMC	N/A	-
TPL Life Insurance Limited	Associated company of RMC	N/A	-
TPL Trakker Limited	Associated company of RMC	N/A	-
Key Management Personnel	-	N/A	-

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRSs) 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; and
- The Real Estate Investment Trust Regulations, 2022 (the REIT Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the REIT Regulations and requirements of the Trust Deed differ from requirements of IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the 'historical cost convention' except for investment property and short-term investments which are measured at fair value.

These financial statement have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements as at December 31, 2024 has been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the unaudited condensed interim financial statements of the Company for the six months ended December 31, 2023.

2.3 Functional and presentation currency

The financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All amounts are rounded-off to nearest thousand rupees, unless otherwise stated.

2.4 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

- a) Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the 'current period:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these condensed interim financial statements.

- b) Standards, Interpretations and Amendments to published approved accounting 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 January 01, 2025.

3 MATERIAL ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, AND JUDGMENTS

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

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

3.1 Use of judgements and estimates

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 June 2024.

4 INTANGIBLE ASSETS

This includes an intangible asset with a cost of Rs. 497.2 million, which has been fully amortized.

	31 December	30 June
	2024	2024
	(Unaudited)	(Audited)
	(Rupees in '000)	
5 DEVELOPMENT PROPERTY		
Land	126,000	126,000
Design, development & related costs	2,479,221	2,353,548
Borrowing Costs	605,463	524,594
	<u>3,210,684</u>	<u>3,004,142</u>

5.1 This represents leasehold land parcel of 2,539 square yards of commercial property situated at corner of Abdullah Haroon Road and Hoshang Road, Karachi.

5.2 During the period borrowing cost amounting to Rs. 80.86 million (2024: Rs. 172.46 million) was capitalised on borrowings from financial institutions at the rate of three months KIBOR + 2.25% and is netted against investment income on the temporary investment on those borrowings for construction of development property. The borrowing costs have been capitalised for development property as these are qualifying assets.

5.3 The property is subject to equitable mortgage charge against the financing facility from financial institution as disclosed in note 9.1 of these financial statements.

5.4 As of 31 December 2024, MYK Associates the valuer of the Company determined the fair value of the property at Rs. 4,974.9 million (30 June 2024 : Rs. 4,729.43 million). The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost.

The forced sale value of the investment property is assessed to be Rs. 3,979.92 million.

		31 December	30 June
		2024	2024
		(Unaudited)	(Audited)
		(Rupees in '000)	
6 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLE	Note		
Prepayments		16,254	7,209
Taxation - net		12,961	12,810
Bank profit receivable	7.1	236	172
		<u>29,451</u>	<u>20,191</u>
7 BANK BALANCES			
Balances with banks - Current accounts		166	166
Balances with banks - Saving accounts	7.1	11,320	6,485
		<u>11,486</u>	<u>6,651</u>

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

7.1 These carry profit / mark-up rates ranging from 11.00% to 17.75% (30 June 2024: 11.00% to 20.75%) per annum.

8 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

31 December 2024 (Unaudited) ---- (No. of shares) ----	30 June 2024 (Audited)		Note	31 December 2024 (Unaudited) (Rupees in '000)	30 June 2024 (Audited)
18,646,667	18,646,667	Ordinary shares of Rs. 10/- each in cash		186,467	186,467
18,646,667	18,646,667	Shares in issue	8.1 & 8.2	186,467	186,467

8.1 Following shares are held by the Parent entity and other major shareholder:

Name	31 December 2024 (Unaudited) Percentage of Shareholding	30 June 2024 (Audited) Percentage of Shareholding	31 December 2024 (Unaudited) (Number of shares)	30 June 2024 (Audited) (Number of shares)
	TPL REIT Fund I	94.92%	94.92%	17,698,636
Mr. Hussain Islam	5.08%	5.08%	948,000	948,000
Directors of the Company	0%	0%	30	30
	100%	100%	18,646,666	18,646,666

8.2 Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

	31 December 2024 (Unaudited) (Rupees in '000)	30 June 2024 (Audited)
9 LONG-TERM FINANCING		
Bank Alfalah Limited - secured	516,665	775,000
Current maturity of long term financing	(516,665)	(775,000)
	-	-

9.1 The Company had availed the facility of Rs. 775 million from a commercial bank through an agreement dated 8 June 2022. The purpose of availing the facility is to finance the Company's residential / commercial building project. The amount received is repayable in 3 equal semi-annual instalments over a period of 3 years after completion of grace period of 18 months inclusive, at the rate of 3 months KIBOR plus 225 basis points.

The facility has been secured against an equitable mortgage charge on property located at Plot No. 22/7. Street CL-9, Civil Lines Quarter, Karachi having a total area of 2,539 square yards.

	31 December 2024 (Unaudited) (Rupees in '000)	30 June 2024 (Audited)
10 TRADE AND OTHER PAYABLES		
Accounts payable	398,658	387,312
Accrued liabilities	6,852	4,752
Share application money	899	899
Withholding tax payable	44,975	39,597
	451,384	432,560

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

		31 December		30 June	
		2024	(Unaudited)	2024	(Audited)
11 CONTRACT LIABILITIES	Note	(Rupees in '000)			
Advance from customers	11.1	281,550		172,250	

11.1 The contract liabilities primarily relate to the advance consideration received from customer in respect of instalment for purchase of apartments, for which the revenue will be recognised at point in time when the construction is completed and title is transferred to the customers.

		31 December		30 June	
		2024	(Unaudited)	2024	(Audited)
12 DUE TO RELATED PARTIES	Note	(Rupees in '000)			
TPL REIT Management Company Limited	12.1	13,854		1,474	
TPL Developments (Private) Limited	12.2	6,200		18,544	
TPL REIT Fund I	12.3	415,227		38,000	
		435,281		58,018	

12.1 This pertains to the payments made by TPL RMC on behalf of the Company which is repayable on demand.

12.2 This pertains to project design and consultation costs paid on behalf of the Company and is repayable on demand.

12.3 This includes short-term loan extended for development purposes, carrying a profit rate ranging from 10.99% to 15.99% per annum.

13 ACCRUED MARK-UP

This represents accrued mark-up payable on commercial bank's long-term loan.

14 CONTINGENCIES AND COMMITMENTS

Commitments

Company entered a contract with M/s Total Construction Limited for the main construction works of the Building. The contract for the construction of the Phase 1B (Foundation and Protection Piling) is awarded for Rs. 198.57 million excluding the owner furnished materials. Out of the total amount Rs. 39.71 million have been paid as mobilisation advance which is secured against the Advance Payment Guarantee. Further, Rs.152.93 million have been invoiced as running bills of the contract.

The contract for the construction of the Phase 2A (Grey Structure Works) is awarded for Rs. 685 million excluding the owner furnished materials. Out of the total amount Rs. 93.20 million have been paid as mobilisation advance which is secured against the Advance Payment Guarantee. Further, Rs.200.22 million have been invoiced as running bills of the contract.

Contingencies

As of reporting date, the Company does not have any contingencies that are required to be disclosed in these financial statements.

	Six months period ended		Three months period ended	
	31 December		31 December	
	2024	2023	2024	2023
15 ADMINISTRATIVE EXPENSES	(Rupees in '000)		(Rupees in '000)	
Legal and professional expenses	1,416	535	1,206	535
Auditor's remuneration	2,100	1,650	1,050	825
Bank charges	-	117	-	1
	3,516	2,302	2,256	1,361

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

16 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of the Parent Entity, associated companies, major shareholders, directors and key management personnel. The transactions with related parties other than those disclosed elsewhere in the financial statements are as follows:

		Three months period ended 31 December	
		2024	2023
		(Rupees in '000)	
The Parent Entity	Note		
TPL REIT Fund I			
Shares subscribed during the period		-	-
Short term loan under bi muajjal structure	16.1	364,000	-
Profit charged on short term loan		13,227	-
Associates - by means of common directorship			
TPL Security Services (Private) Limited			
Security Services Received		1,147	2,464
Payments against security services		1,147	2,464
TPL Development (Private) Limited			
Developer margin charged during the period		3,939	231,350
Developer margin paid during the period		16,283	231,350
Sales Commission charged during the period		7,045	-
Sales Commission paid during the period		3,000	-

16.1 This represents the profit rate charged on the outstanding amount at the rate of 3 months KIBOR plus a minimum of 2.5% per annum.

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company.

17 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

HKC (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

		31 December 2024							
		Carrying amount				Fair value			
		Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----							
Financial assets not measured at fair value									
Bank profit receivable	17.1	-	236	-	236	-	-	-	-
Bank balances	17.1	-	11,486	-	11,486	-	-	-	-
		-	11,722	-	11,722	-	-	-	-
Financial liabilities not measured at fair value									
Long-term financing	17.1	-	-	-	-	-	-	-	-
Current maturity of long-term financing	17.1	-	-	516,665	516,665	-	-	-	-
Trade and other payables	17.1	-	-	406,410	406,410	-	-	-	-
Due to related parties	17.1	-	-	435,281	435,281	-	-	-	-
Accrued mark-up	17.1	-	-	23,936	23,936	-	-	-	-
		-	-	1,382,292	1,382,292	-	-	-	-

		30 June 2024							
		Carrying amount				Fair value			
		Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----							
Financial assets not measured at fair value									
Bank profit receivable	17.1	-	172	-	172	-	-	-	-
Bank balances	17.1	-	6,651	-	6,651	-	-	-	-
		-	6,823	-	6,823	-	-	-	-
Financial liabilities not measured at fair value									
Long-term financing	17.1	-	-	-	-	-	-	-	-
Trade and other payables	17.1	-	-	392,963	392,963	-	-	-	-
Due to related parties	17.1	-	-	58,018	58,018	-	-	-	-
Accrued mark-up	17.1	-	-	46,836	46,836	-	-	-	-
		-	-	497,817	497,817	-	-	-	-

17.1 The Company has not disclosed the fair value for these financial assets and financial liabilities as their carrying amounts are reasonable approximation of fair value.

18 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2024.

18 GENERAL

All values including comparative figures have been reported and rearranged in "Rupees in '000" for better presentation and consistency. However, there are no material reclassification to report.

19 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on 17 February 2025 by the Board of Directors of the Company.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

Financial Statements of TPL Technology Zone Phase-1 (Private) Limited

Company Information-TTZ

Board of Directors

Mr. Syed Jamal Baquar Non-Executive Director
Mr. Ali Jameel Executive Director

Chief Executive Officer

Mr. Ali Jameel

Chief Financial Officer

Mr. Imad Zahid Nagi

Company Secretary

Shayan Mufti

Legal Advisor

Ms. Amna Usman
Advocate and Legal Consultants

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Bank Al Habib Limited
Al Baraka Bank Pakistan
The Bank of Punjab
Bank Islami Pakistan Limited
Faysal Bank Limited

Registered Office

20th Floor, Sky Tower, East Wing,
Dolmen City, HC-3, Block 4,
Abdul Sattar Edhi Avenue,
Clifton, Karachi

Web Presence

www.tplfunds.com



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INDEPENDENT AUDITORS' REVIEW REPORT

To the members of TPL Technological Zone Phase-1 (Private) Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **TPL Technology Zone Phase -1 (Private) Limited** ("the Company") as at 31 December 2024 and the related condensed interim profit or loss and other comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows, and notes to the financial statements for the six months period then ended (here-in-after-referred to as "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 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.

Emphasis of Matter Paragraph

We draw attention to Note 1.3 of the condensed interim financial statements, which describes that the Company's financial statements have been prepared on a basis other than going concern because the Company has decided to dispose of its sole investment as duly approved by the investors. The Company has reclassified its land from investment property to an asset held for sale and upon completion of the sale the liquidation process will commence, affecting its going concern status. Our conclusion is not modified in respect of this matter.

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 other comprehensive income for the three months ended 31 December 2024 have not been reviewed and we do not express a conclusion thereon.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Taufiq.

Date: 26 February 2025

Karachi

UDIN: RR202410106kf8YGzgHm


KPMG Taseer Hadi & Co.
Chartered Accountants

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		31 December 2024 (Unaudited)	30 June 2024 (Audited)
	Note	(Rupees in '000)	
ASSETS			
Non-current asset			
Investment property	4	-	2,505,194
Current assets			
Asset held for sale - land	5	2,250,450	-
Advances and other receivables	6	539,231	539,215
Due from related party	7	300,000	-
Bank balances	8	21,172	3,059
		<u>3,110,853</u>	<u>542,274</u>
TOTAL ASSETS		<u><u>3,110,853</u></u>	<u><u>3,047,468</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Share Capital			
300,000,000 ordinary shares of Rs.10/-each.		<u>3,000,000</u>	<u>3,000,000</u>
Issued, subscribed and paid-up capital	9	1,825,000	1,825,000
Fair value reserve	10	1,094,513	1,049,880
Unappropriated profit		572	4,135
		<u>2,920,085</u>	<u>2,879,015</u>
Current liabilities			
Accrued liabilities and other payables	11	15,925	18,594
Advance against sale of land	12	83,000	-
Due to related parties	13	91,843	149,859
		<u>190,768</u>	<u>168,453</u>
CONTINGENCIES AND COMMITMENTS			
	14		
TOTAL EQUITY AND LIABILITIES		<u><u>3,110,853</u></u>	<u><u>3,047,468</u></u>

The annexed notes from 1 to 21 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	Six months ended		Three months ended	
		31 December	31 December	31 December	31 December
		2024	2023	2024	2023
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Administrative expenses	15	(3,938)	(1,682)	(2,887)	(857)
Other income	16	375	127	233	85
Unrealised gain on remeasurement of investment property	4	44,633	-	44,633	-
Profit / (loss) before taxation		41,070	(1,555)	41,980	(772)
Taxation		-	-	-	-
Profit / (loss) after taxation		41,070	(1,555)	41,980	(772)
Other comprehensive income for the period -		-	-	-	-
Total comprehensive income / (loss) for the period		41,070	(1,555)	41,980	(772)
		----- (Rupees) -----		----- (Rupees) -----	
Earning per share - basic and diluted		0.225	(0.009)	-	(0.004)

The annexed notes from 1 to 21 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Reserves			Total
	Issued, subscribed and paid up capital	Capital reserve - Fair value reserve (Note 8)	Revenue reserve - Unappropriated profit	
----- (Rupees in '000) -----				
Balance as at 30 June 2023	1,825,000	1,049,880	8,629	2,883,509
Total comprehensive loss for the period				
Loss after taxation	-	-	(1,555)	(1,555)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(1,555)	(1,555)
Balance as at 31 December 2023	<u>1,825,000</u>	<u>1,049,880</u>	<u>7,074</u>	<u>2,881,954</u>
Balance as at 1 July 2024	1,825,000	1,049,880	4,135	2,879,015
Total comprehensive income for the period				
Profit / (loss) after taxation	-	44,633	(3,563)	41,070
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	44,633	(3,563)	41,070
Balance as at 31 December 2024	<u>1,825,000</u>	<u>1,094,513</u>	<u>572</u>	<u>2,920,085</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	31 December 2024	31 December 2023
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	41,070	(1,555)
Adjustments for:		
Unrealised gain on remeasurement of investment property	(44,633)	-
	(3,563)	(1,555)
Changes in:		
Advances and other receivables	(16)	(19)
Accrued liabilities and other payables	(2,669)	1,659
Due to related parties	(58,016)	10,485
	(60,701)	12,125
Net cash (used in)/generated from operating activities	(64,264)	10,570
CASH FLOW FROM INVESTING ACTIVITIES		
Development expenditure for the period	(623)	(11,040)
Advance against sale of land	83,000	-
Net cash generated from/(used in) investing activities	82,377	(11,040)
Net increase / (decrease) in cash and cash equivalents	18,113	(470)
Cash and cash equivalents at the beginning of the period	3,059	2,422
Cash and cash equivalents at the end of the period	21,172	1,952

The annexed notes from 1 to 21 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

1 THE Company AND ITS OPERATIONS

1.1 TPL Technology Zone Phase-1 (Private) Limited (formerly G-18 (Private) Limited) was incorporated in Pakistan as a private limited Company on April 12, 2018 under the Companies Act, 2017. The principal activity of the Company is to purchase, acquire, take on lease or in any other lawful manner any area, house, land, building, structures and to turn the same into account, develop the same and dispose of or maintain the same and to build townships, markets or other buildings residential and commercial or conveniences thereon and by advancing money to and entering into contracts and arrangements of all kind with builders, tenants and others. The Company is classified as a Special Purpose Vehicle (SPV) as per the Real Estate Investment Trust Regulations, 2022; and in turn is a subsidiary of TPL REIT Fund I which owns 100% shareholding of the Company as of reporting date.

1.2 The Company's principal objective is acquisition and development of real estate, rental of buildings and letting out.

1.3 During the period, the Parent Company "TPL REIT Fund 1" has obtained approval from the majority anchor investor for the disposal of the sole land recorded in the books of TPL Technology Zone Phase 1 (The Company). As of 30th December 2024, the Company entered into a sale agreement with the buyer for the disposal of land and the same is expected to be disposed of by the end of June 2025. The land has been reclassified from investment property to assets held for sale as presented in these condensed interim financial statements. Following the disposal of the land, the Company will be wound up as approved by the majority anchor investors.

Accordingly, these financial statements have not been prepared on going concern basis. Therefore, all assets and liabilities will be realised and discharged respectively at their carrying values as reflected in the financial statements.

1.4 Geographical location and address of the business premises:

Addresses

Registered office: The Company's registered office is situated at 20th Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi, Sindh.

Investment property site (Technology Park): Open Industrial Plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi.

1.5 The Company has the following related party relationships during the year:

Company Name	Relationship	Common Directorship	Percentage of Shareholding
TPL REIT Fund I	Parent Entity	Yes	100%
TPL REIT Management Company Limited	Management company of TPL REIT Fund I	Yes	-
TPL Investment Management Limited	Subsidiary of management company	Yes	-
HKC (Private) Limited	Associated company	Yes	-
National Management and Consultancy Services (Private) Limited	Associated company	Yes	-
TPL Properties Limited	Associated company of RMC	N/A	-
TPL Logistic Park (Private) Limited	Associated company of RMC	N/A	-
TPL Security Services (Private) Limited	Associated company of RMC	N/A	-
TPL Corp Limited	Associated company of RMC	N/A	-
TPL Holdings (Private) Limited	Associated company of RMC	N/A	-
TPL Property Management (Private) Limited	Associated company of RMC	N/A	-
TPL Developments (Private) Limited	Associated company of RMC	N/A	-
TPL Insurance Limited	Associated company of RMC	N/A	-
TPL Life Insurance Limited	Associated company of RMC	N/A	-
TPL Trakker Limited	Associated company of RMC	N/A	-
Key Management Personnel	-	N/A	-

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements of the Company 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 the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- The Real Estate Investment Trust Regulations, 2022 (the REIT Regulations) and requirements of the Trust Deed.
- Accounting Standard on Non-Going Concern Basis of Accounting issued by the Securities and Exchange Commission of Pakistan.

Where provisions of and directives issued under the Companies Act, 2017, differ with the requirements of IAS 34, the provisions of directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of Measurement

The financial statements have not been prepared on a going concern basis as the Company is considering voluntary wind up of its operations as mentioned in note 1.3 of these financials statement. Therefore, all assets and liabilities are carried at realisable value.

These condensed interim financial statement have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of condensed interim financial position presented in these condensed interim financial statements as at December 31, 2024 has been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the unaudited condensed interim financial statements of the Company for the six months ended December 31, 2023.

2.3 Functional and presentation currency

The financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All amounts are rounded-off to nearest thousand rupees, unless otherwise stated.

2.4 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

a) Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these condensed interim financial statements.

b) Standards, Interpretations and Amendments to published approved accounting 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 January 01, 2025.

3 MATERIAL ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGMENTS

3.1 Material accounting policies

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Company for the year ended June 30, 2024 except for the accounting policy as disclosed below:

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

3.1.1 Assets held for sale

"Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. "

3.2 Use of judgements and estimates

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 30 June 2024.

	31 December	30 June
	2024 (Unaudited)	2024 (Audited)
(Rupees in '000)		
4 INVESTMENT PROPERTY		
Carrying amount at the beginning of the year	2,505,194	2,450,248
Development costs incurred during the period / year	623	38,682
Borrowing costs capitalised during the period / year	-	16,264
Designing cost transferred to NMC (Private) Limited	(300,000)	-
	<u>2,205,817</u>	<u>2,505,194</u>
Fair value as at 31st December 2024	2,250,450	-
Unrealised gain on remeasurement of property	44,633	-
Investment property transferred to held for sale	(2,250,450)	-
Carrying amount at the end of the period / year	<u>-</u>	<u>2,505,194</u>

4.1 This represents leasehold land located in an Open Industrial Plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi. This land is carried at revaluation basis and no depreciation is charged on it.

4.2 Total development costs capitalised as at 31 December 2024 is Rs. 622.76 million (30 June 2024: Rs. 603.78 million).

4.3 As of 31 December 2024, MYK Associates Private Limited the valuer of the Company determined the fair value of the property at Rs. 2,250.45 million. The valuation was carried out on the basis of present market values for similar property in the vicinity of land and replacement values of similar type of land based on present cost.

4.3.1 Fair value hierarchy

The land has been valued by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for the land has been categorised as a Level 3 fair value based in the inputs to the valuation technique used.

4.3.2 Valuation Technique

The valuation has been conducted in accordance with International Valuation Standards, employing the market approach which comes under IFRS 13.

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

Valuation Technique	Significant unobservable Input	Inter- relationship between key unobservable input and fair value measurement
Market Approach	Fair value of comparable properties	The estimated fair value of investment property would increase / (decrease) if there is any change in the Fair value of comparable properties

	Level 1	Level 2	Level 3	Fair value as at 31 December 2024
Note	----- (Rupees in '000) -----			
Land	-	-	2,250,450	2,250,450

	Level 1	Level 2	Level 3	Fair value as at 30 June 2024
	----- (Rupees in '000) -----			
Land	-	-	2,505,194	2,505,194

	31 December 2024 (Unaudited)	30 June 2024 (Audited)
5 ASSETS HELD FOR SALE	(Rupees in '000)	
Land	2,250,450	-

5.1 During the period, the Parent Entity "TPL REIT Fund 1" has obtained approval from the majority anchor investor for the disposal of the sole land recorded in the books of the Company. As of 30th December 2024, the Company entered into a sale agreement with the buyer for the disposal of land and the same is expected to be disposed of by the end of June 2025.

	31 December 2024 (Unaudited)	30 June 2024 (Audited)
6 ADVANCES AND OTHER RECEIVABLES	(Rupees in '000)	
Note		
Advance to contractor - secured	539,000	539,000
Profit on bank receivable	-	51
Advance tax	231	164
	539,231	539,215

6.1 This represents mobilisation advance extended to contractor and its partially secured by coverage of guarantee issued in favour of the Company.

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

aFOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

		31 December 2024 (Unaudited)	30 June 2024 (Audited)
7 DUE FROM RELATED PARTIES	Note	(Rupees in '000)	
National Management and Consultancy Services (Pvt) Ltd	7.1	300,000	-

7.1 This pertains to cost of design transferred to National Management and Consultancy Services (Pvt) Limited.

		31 December 2024 (Unaudited)	30 June 2024 (Audited)
8 BANK BALANCES	Note	(Rupees in '000)	
- Saving accounts - local currency	8.1	21,110	2,997
- Current account - local currency		62	62
		<u>21,172</u>	<u>3,059</u>

8.1 These carry profit / mark-up rates ranging from 11.00% to 17.75% (30 June 2024: 11.00% to 20.75%) per annum.

9 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	31 December 2024 (Unaudited)	30 June 2024 (Audited)		31 December 2024 (Unaudited)	30 June 2024 (Audited)
	(Number of shares)			(Rupees in '000)	
	182,500,000	182,500,000	Ordinary shares of Rs. 100/- each in cash	1,825,000	1,825,000
	<u>182,500,000</u>	<u>182,500,000</u>	Shares in issue	<u>1,825,000</u>	<u>1,825,000</u>

9.1 Following shares are held by the Parent Entity:

		31 December 2024 (Unaudited)	30 June 2024 (Audited)
Name	Percentage of Shareholding	(Number of shares)	
TPL REIT Fund I	100%	182,500,000	182,500,000

9.2 Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

10 FAIR VALUE RESERVE

The fair value reserve pertains to cumulative net changes in fair value of investment/held for sale property which is not free for distribution by way of dividend in accordance with the constitutive document of the Company.

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
11 ACCRUED LIABILITIES AND OTHER PAYABLES		(Rupees in '000)	
Accrued liabilities		7,435	7,435
Donation payable		6	6
Accrued auditor's remuneration		2,127	6,594
Withholding tax payable		6,357	4,559
		<u>15,925</u>	<u>18,594</u>

12 ADVANCE AGAINST SALE OF LAND

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
Advance from buyer	12.1	<u>83,000</u>	<u>-</u>

12.1 This includes advance consideration received from buyer against sale of land as disclosed in note 5 of the condensed interim financial statements.

	Note	31 December	30 June
		2024 (Unaudited)	2024 (Audited)
13 DUE TO RELATED PARTY		(Rupees in '000)	
TPL Properties Limited	13.1	-	16,132
TPL REIT Fund I	13.2	90,000	122,000
TPL REIT Management Company Limited	13.3	1,843	11,727
		<u>91,843</u>	<u>149,859</u>

13.1 This pertains to mark-up payable on payments made on behalf of the Company. Profit was applicable at 3 months KIBOR plus 2.5% per annum which is repayable on demand. The outstanding principal amount was completely paid in the previous year. No borrowing cost is applicable during the current period.

13.2 This is paid for meeting short term working capital requirement of the Company which is repayable on demand.

13.3 This pertains to the payments made by TPL RMC on behalf of the Company which is repayable on demand.

14 CONTINGENCIES AND COMMITMENTS

As of reporting date, the Company does not have any contingencies and commitments that are required to be disclosed in these financial statements (30 June 2024: Nil).

	Note	Six months ended 31 December		Three months ended 31 December	
		2024	2023	2024	2023
15 ADMINISTRATIVE EXPENSES		(Rupees in '000)		(Rupees in '000)	
Auditor's remuneration		2,100	1,650	1,049	825
Legal and professional expenses		1,838	22	1,838	22
Bank charges		-	10	-	10
		<u>3,938</u>	<u>1,682</u>	<u>2,887</u>	<u>857</u>
16 OTHER INCOME					
Profit on saving accounts	8.1	<u>377</u>	<u>127</u>	<u>235</u>	<u>85</u>

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

17 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of the parent entity, associated companies, major shareholders, directors and key management personnel. The transactions with related parties other than those disclosed elsewhere in the financial statements are as follows:

	Note	Six months ended 31 December	
		2024	2023
Parent Entity		(Rupees in '000)	
TPL REIT Fund I			
Payments made during the period		32,000	-
Associates - by means of common directorship			
TPL REIT Management Company Limited			
Expenses paid on behalf of the Company		-	772
Payments made during the period		11,727	-
Payments on behalf of the Company		1,843	-
TPL Properties Limited			
Borrowing cost	13.1	-	10,485
Payments during the current period		16,132	-
National Management and Consultancy Services (Pvt) Limited			
Design plan sold	7.1	300,000	-

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company.

18 FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and other financial liabilities reflected in these condensed interim financial statements are estimated to approximate their fair values, as these are either short-term in nature or repriced accordingly.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques;

- Level 1: Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs are unobservable inputs for the asset or liability inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

If inputs used to measure the fair values of an asset or a liability fall into different levels then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024

Transfers, if any, between levels of the fair value hierarchy is recognized at the end of the reporting period during which the transfer has occurred. The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of changes in market and trading activity and changes in inputs used in valuation techniques.

As at period end the fair value of all the financial assets and liabilities approximates to their carrying values. The Company does not expect that unobservable inputs may have significant effect on fair values as there are no assets and liabilities which are categorized under level 3 category except land held for sale which is categorised under level 3 as disclosed in note 4.3.2.

19 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2024.

20 GENERAL

All values including comparative figures have been reported and rearranged in "Rupees in '000" for better presentation and consistency.

21 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on 17 February 2025 by the Board of Directors of the Company.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR