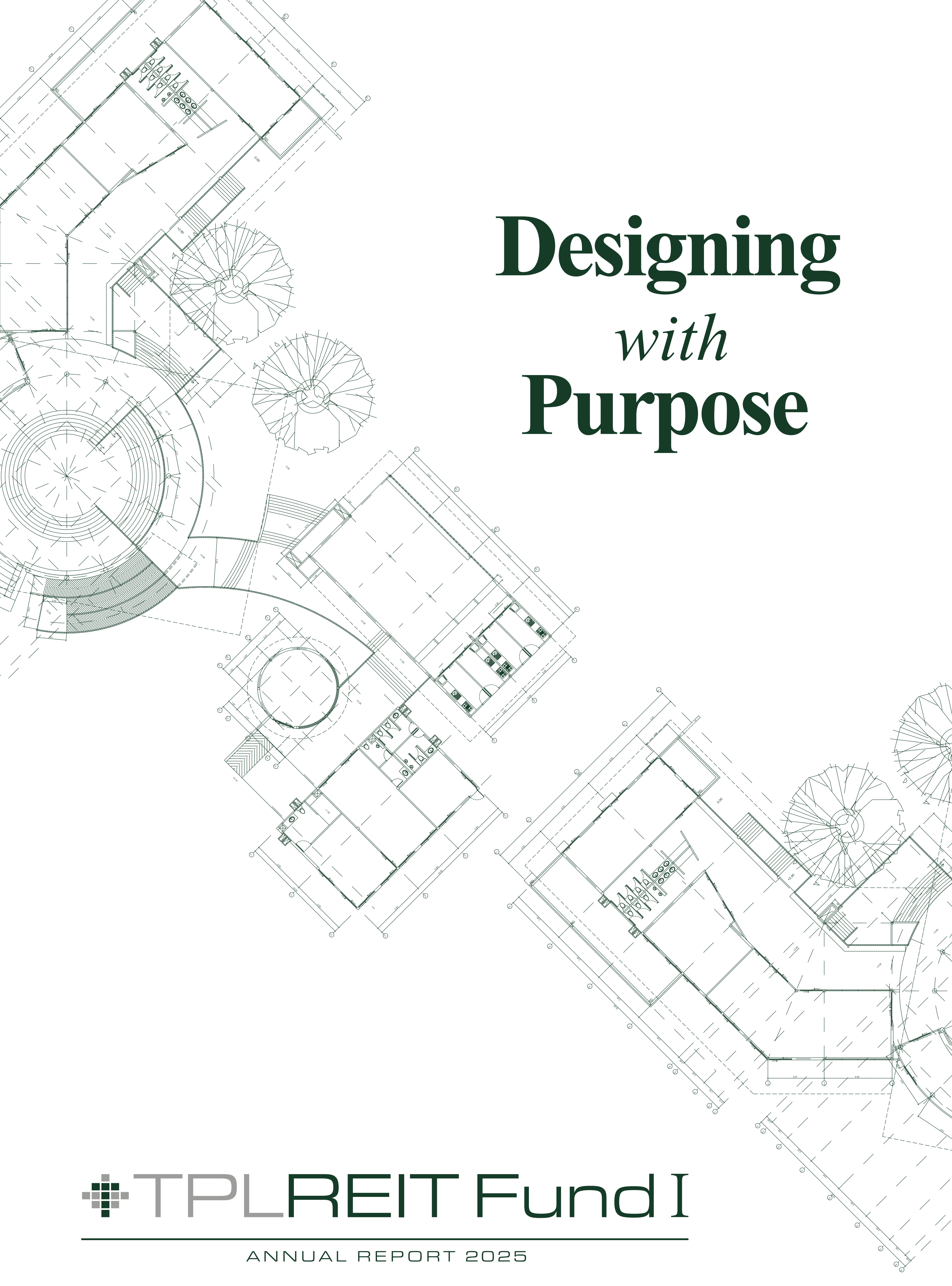
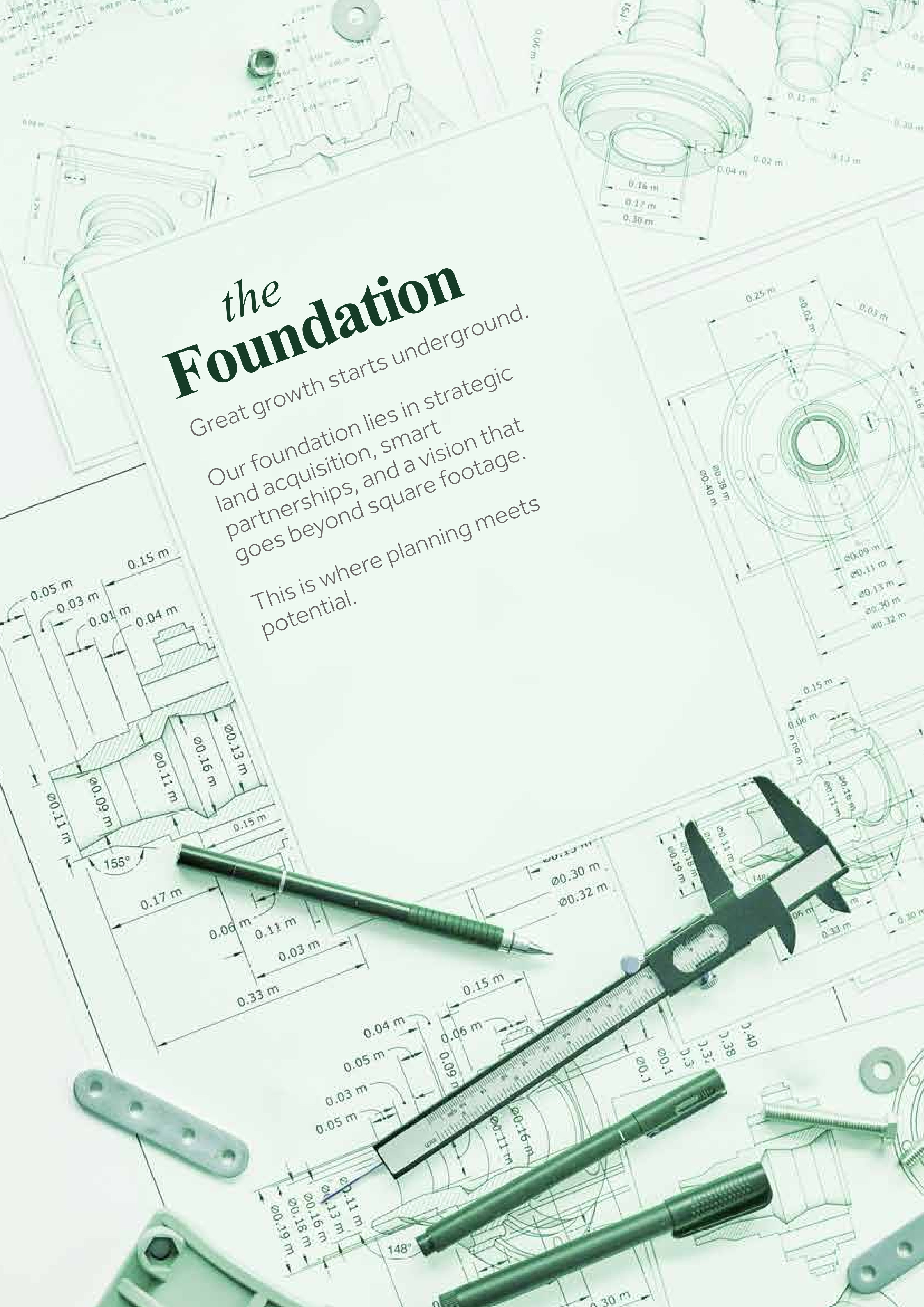


Designing *with* Purpose

TPLREIT Fund I

ANNUAL REPORT 2025

Designing *with* Purpose



the Foundation

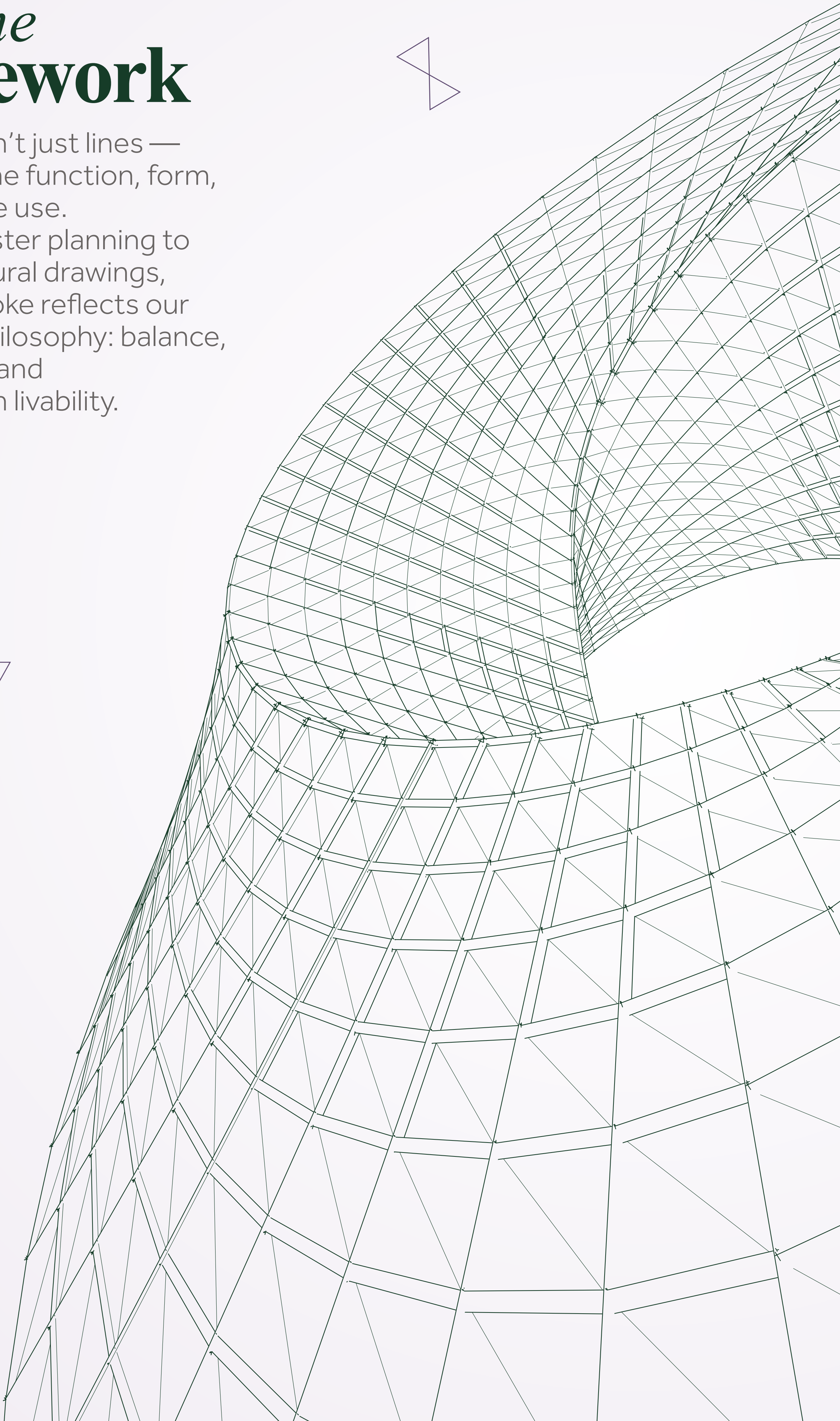
Great growth starts underground.

Our foundation lies in strategic land acquisition, smart partnerships, and a vision that goes beyond square footage.

This is where planning meets potential.

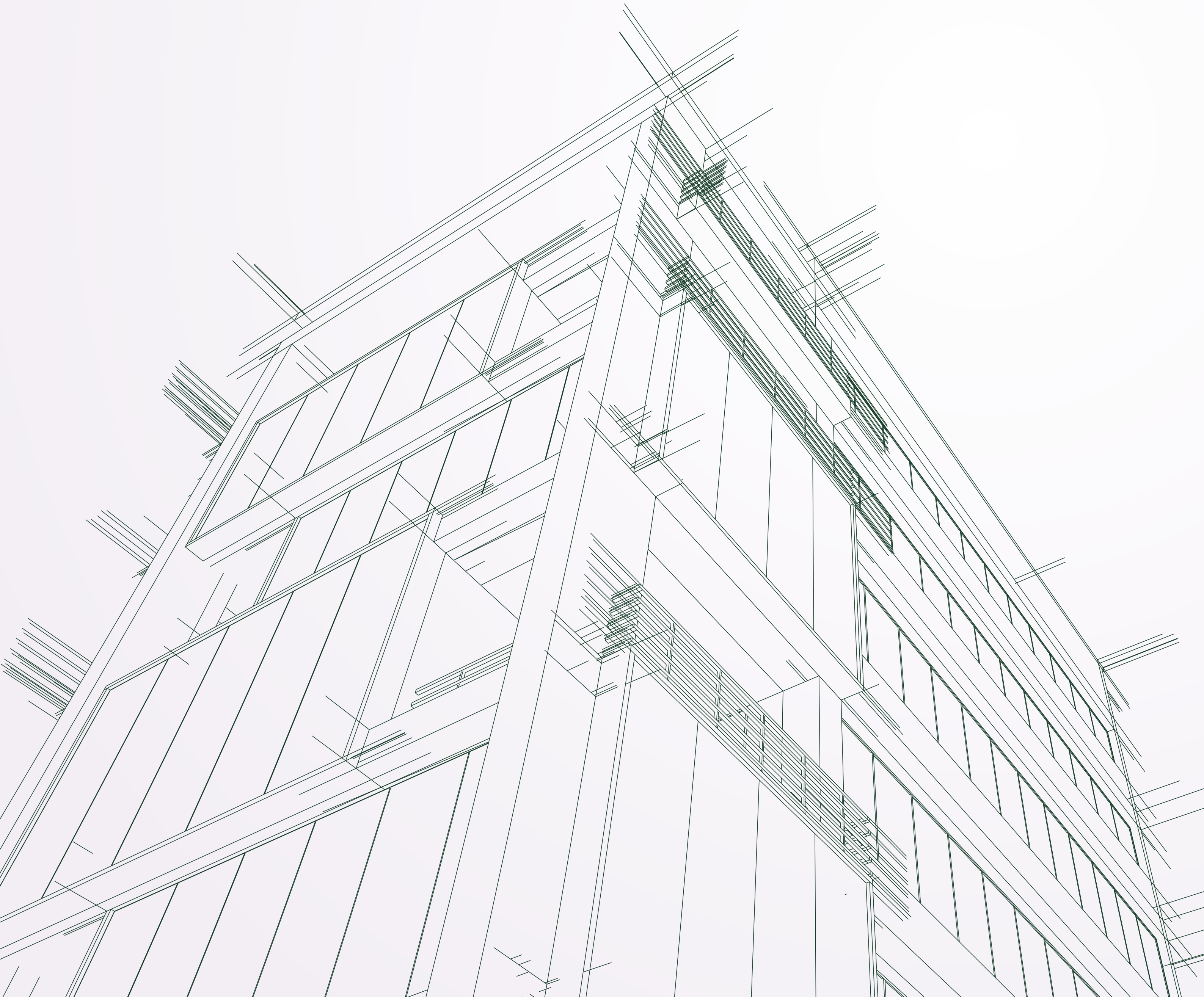
the
Linework

Lines aren't just lines — they define function, form, and future use.
From master planning to architectural drawings, every stroke reflects our design philosophy: balance, purpose, and long-term livability.



the Framework

Structure is where vision becomes visible. Our projects stand tall because of smart engineering, responsible materials, and timelines that move with discipline.



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ESG AT TPL REIT FUND I

The Fund's strategic direction is firmly anchored in Environmental, Social, and Governance (ESG) principles. Working closely with various consultants, the Fund has designed and implemented an Environmental and Social Management System (ESMS) that spans its entire project portfolio. This system focuses on enhancing labor conditions, safeguarding the environment, and strengthening governance practices.

OUR COMMITMENT TO UNSDGS

The Fund has strategically incorporated key United Nations Sustainable Development Goals (UNSDGs) into its vision and long-term strategy. This integration strengthens social responsibility, enhances reputation, opens new market opportunities, mitigates risks, fosters innovation, and generates sustainable long-term value.

As part of this commitment, we developed the Mangrove Biodiversity Park in collaboration with the Sindh Forest Department (SFD), supporting UNSDG 15: Life on Land, while contributing to climate change mitigation. This initiative raises awareness about the importance of mangroves in Korangi Creek, engages local communities through livelihood opportunities, and promotes sustainable practices.

Moreover, the Mangrove, the mixed-use residential tower exemplifies our commitment to sustainable urban development. This project integrates environmentally conscious design, green spaces, and community centric amenities, further promoting ecological preservation while delivering modern, high-quality living spaces.

Additionally, the development of One Hoshang, Pakistan's first ultra-luxury residential tower, demonstrates our dedication to heritage preservation. The project restores the 130-year-old façade of the Homie Katrak Chambers and incorporates a world-class museum that celebrates its historical significance.

PERFORMANCE METRICS AND BASELINE KPIS (FY 2024-25)

While we are tracking multiple KPIs across our initiatives, some of the key ESG KPIs being monitored and reported across the projects are depicted in the accompanying table. Regular ESG audits by a dedicated internal team ensure ongoing alignment between senior management and the Fund's ESG goals.

Category	Focus Area	Key Performance Indicators	Unit	HKC	Mangrove
Labour	Audits and Inspections/ Employee Engagement	External Audits completed	No.	-	3
		Internal ESG Audits completed	No.	-	4
	Training Details	Toolbox meetings held (No. Safety Talks)	No.	-	93
		Total HSE training Man-hours (Health Awareness)	Hrs.	-	-
		Man-hours worked	No.	-	69,490
	Accidents Resulting in Injury	First Aid Cases Reported	No.	-	2
		Fatalities reported	No.	-	-
Environment	Total Consumption	Fuel	kL	-	5
		Energy	kWh	-	-
		Water	kL	-	270
	Waste Water*	Hydrogen Ions - (Optimal Range = 6 to 9)	pH	8.06	7.69
	Drinking Water*	Hydrogen Ions - (Optimal Range = 6.5 to 8.5)	pH	7.33	7.49
	Air Quality*	Carbon Monoxide - CO (SEQS Limits = 5)	µg m-3	2.1	2.70
		Nitrogen - NO2 (Max = 80)	µg m-3	28.5	17.37
		Particulate Matter - SPM (Max = 500)	µg m-3	155.8	128.4
		Particulate Matter - PM2.5 (Max = 75)	µg m-3	39.4	25.84
	Noise Exposure*	A-weighted decibel - (Max = 75)	dB (A)	72.4	72.95
	Lighting Level*	Illuminance (Min = 250)	Lx	334	368.5
	Waste Management	Total Waste Generated (as collected)	kg	-	1100
Governance	Employee Engagement	Safety Inductions Conducted	No.	-	61
	Stakeholder Engagement	Stakeholder Engagement Meetings held from ESG Audit Form	No.	-	3

*This depicts the annual average values

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. Muhammad Ali Jameel	Non-Executive Director
Mr. Naveed Kamran Baloch	Independent Director
Mr. Osman Asghar Khan	Independent Director

Chief Executive Officer
Syed Jamal Baquar

Chief Financial Officer
Mr. Imran Butt

Company Secretary
Ms. Shayan Mufti

Audit, Risk & Oversight Committee

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

Human Resource, Nomination and Remuneration Committee

Mr. Osman Asghar Khan	Chairman
Syed Jamal Baquar	Member
Mr. Muhammad Ali Jameel	Member
Mr. Nader Bashir Nawaz	Secretary

Investment Committee

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 Husain
Non-Executive Director

Vanessa Eastham Fisk
Independent Director

Mr. Muhammad Ali Jameel
Non-Executive Director

Naveed Kamran Baloch
Independent Director

Osman Asghar Khan
Independent Director

Syed Jamal Baquar
Chief Executive Officer

CEO'S MESSAGE

Jamal Baquar

Dear Valued Stakeholders,

As we reflect on the previous year, I am delighted to share that TPL REIT Fund 1 has achieved a number of milestones in FY 2025, further cementing our position as a pioneer in Pakistan's sustainable real estate investment landscape. Despite prevailing economic challenges, we have not only persevered but progressed, demonstrating the strength of our vision and the resilience of our development strategy.

Our financial performance this year has been particularly noteworthy. As of June 2025, our Fund's Net Asset Value (NAV) has increased to PKR 33.6 billion, up from PKR 32.2 billion the previous fiscal year.

We launched our transformative flagship project – The Mangroves - which we believe will be a true game changer for Pakistan's real estate sector. Conceived as a next-generation urban ecosystem, The Mangroves integrates sustainability, technology, and community-centric planning offering a model for smart, green, and future-ready development in the country.

Another highlight of the year was the successful launch of Lagoon Views Tower 1, a landmark residential development within The Mangrove project that underscores our commitment to delivering modern, world-class living spaces.

Looking ahead, our strategy remains firmly anchored in sustainability, innovation, and value creation for our investors. With a diversified portfolio spanning commercial, residential, and mixed-use developments, we are well-positioned to capitalize on the rising demand for modern, green, and smart infrastructure in Pakistan.

We recognize the challenges posed by macroeconomic volatility, inflationary pressures, and shifting global capital flows. Yet, we remain confident that TPL REIT's strong fundamentals, strategic vision, and well accomplished and dedicated management team will allow us to navigate uncertainties and continue delivering steady returns for its investors.

On behalf of the Board and management of TPL RMC, I extend my deepest gratitude to our investors, partners, regulators, and employees for their unwavering trust and support. Together, we will continue to build a sustainable real estate ecosystem that contributes meaningfully and responsibly to Pakistan's economic development.

Sincerely,

Syed Jamal Baquar
Chief Executive Officer
TPL REIT Management Company Limited

HORIZONTAL ANALYSIS - BALANCE SHEET

	30 June 2025	30 June 2024	30 June 2023	30 June 2022
	(Rupees in '000)			
Preliminary expenses and floatation costs	10,488	15,611	20,734	25,885
Security deposits	100	100	100	100
Investments in SPVs at fair value	35,908,037	34,652,687	31,082,959	15,340,691
Advances and prepayments	9,678	21,817	20,747	1,485
Due from related parties	441,118	160,000	2,000	-
Bank balances	15,452	29,274	991,671	2,647,064
TOTAL ASSETS	36,384,873	34,879,489	32,118,211	18,015,225
Total unit holders' fund	33,558,812	32,800,526	29,049,153	15,960,667
Payable to the REIT management company	2,372,529	2,042,240	2,435,576	1,023,477
Payable to the trustee	3,996	3,812	3,273	267
Payable to the SECP	25,000	25,000	25,000	558
Advance against issuance of units	-	-	600,000	1,000,000
Accrued expenses and other liabilities	11,055	7,911	5,209	30,256
Due to related parties	413,481	-	-	-
TOTAL EQUITY AND LIABILITIES	36,384,873	34,879,489	32,118,211	18,015,225

VERTICAL ANALYSIS - BALANCE SHEET

	30 June 2025	30 June 2024	30 June 2023	30 June 2022
			(Rupees in '000)	
Preliminary expenses and floatation costs	0.03%	0.04%	0.06%	0.14%
Security deposits	0.00%	0.00%	0.00%	0.00%
Investments - financial assets designated at fair value through profit or loss	98.69%	99.35%	96.78%	85.15%
Advances and prepayments	0.03%	0.06%	0.06%	0.01%
Due from related parties	1.21%	0.46%	0.01%	0.00%
Bank balances	0.04%	0.08%	3.09%	14.69%
TOTAL ASSETS	100%	100%	100%	100%
Total unit holders' fund	93.23%	94.04%	90.44%	88.60%
Payable to the REIT management company	6.52%	5.86%	7.58%	5.68%
Payable to the trustee	0.01%	0.01%	0.01%	0.00%
Payable to the SECP	0.07%	0.07%	0.08%	0.00%
Advance against issuance of units	0.00%	0.00%	1.87%	5.55%
Accrued expenses and other liabilities	0.03%	0.02%	0.02%	0.17%
TOTAL EQUITY AND LIABILITIES	100%	100%	100%	100%

HORIZONTAL ANALYSIS - PROFIT & LOSS

	For the year ended 30 June 2025	For the year ended 30 June 2024	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
			(Rupees in '000)	
INCOME				
Unrealised gain on revaluation	1,255,350	564,728	11,122,268	6,285,691
Dividend income	285,000	445,000	-	-
Bank profit	29,074	29,318	130,088	7,977
TOTAL REVENUE	1,569,424	1,039,046	11,252,356	6,293,668
OPERATING EXPENSES	(811,139)	(662,673)	(2,038,870)	(1,433,001)
PROFIT FOR THE PERIOD BEFORE TAXATION	758,285	376,373	9,213,486	4,860,667
Taxation	-	-	-	-
PROFIT FOR THE PERIOD	758,285	376,373	9,213,486	4,860,667

VERTICAL ANALYSIS - PROFIT & LOSS

	For the year ended 30 June 2025	For the year ended 30 June 2024	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
			(Rupees in '000)	
INCOME				
Unrealised gain on revaluation	79.99%	54.35%	98.84%	99.87%
Dividend income	18.16%	42.83%	0.00%	0.00%
Bank profit	1.85%	2.82%	1.16%	0.13%
TOTAL REVENUE	100.00%	100.00%	100.00%	100.00%
OPERATING EXPENSES	-51.68%	-63.78%	-18.12%	-22.77%
PROFIT FOR THE PERIOD BEFORE TAXATION	48.32%	36.22%	81.88%	77.23%
Taxation	0.00%	0.00%	0.00%	0.00%
PROFIT FOR THE PERIOD	48.32%	36.22%	81.88%	77.23%

HORIZONTAL ANALYSIS - CASH FLOWS

	For the year ended 30 June 2025	For the year ended 30 June 2024	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
			(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the period before taxation	758,285	376,373	9,213,486	4,860,667
Adjustments:				
Unrealised gain on revaluation	(1,255,350)	(564,728)	(11,122,268)	(6,285,691)
Amortization of preliminary expenses and floatation costs	5,123	5,123	5,151	85
	(1,250,227)	(559,605)	(11,117,117)	(6,285,606)
Changes in working capital	479,120	(549,165)	1,393,238	1,027,003
Net cash used in operating activities	(12,822)	(732,397)	(510,393)	(397,936)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash consideration paid on acquisition of SPV	-	-	-	(2,380,000)
Loan disbursed during the year	(376,000)	-	-	-
Right issue subscription of investments	-	(3,005,000)	(2,995,000)	(1,200,000)
Net cash used in investing activities	(376,000)	(3,005,000)	(2,995,000)	(3,580,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received on issue of units	-	2,775,000	1,850,000	5,625,000
Loan received during the year	420,000	-	-	-
Loan repaid during the year	(45,000)	-	-	-
Advance against issuance of units	-	-	-	1,000,000
Net cash generated from financing activities	375,000	2,775,000	1,850,000	6,625,000
Net change in cash and cash equivalents	(13,822)	(962,397)	(1,655,393)	2,647,064
Cash and cash equivalents at beginning of the period	29,274	991,671	2,647,064	-
Cash and cash equivalents at end of the period	15,452	29,274	991,671	2,647,064

VERTICAL ANALYSIS - CASH FLOWS

	For the year ended 30 June 2025	For the year ended 30 June 2024	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
			(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the period before taxation	-5486%	-39.11%	-556.57%	183.62%
Adjustments:				
Unrealised gain on revaluation	9082%	58.68%	671.88%	-237.46%
Amortization of preliminary expenses and floatation costs	-37%	-0.53%	-0.31%	0.00%
	9045%	58.15%	671.57%	-237.46%
Changes in working capital	-3466%	57.06%	-84.16%	38.80%
Net cash used in operating activities	93%	76.10%	30.83%	-15.03%
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash consideration paid on acquisition of SPV	0.00%	0.00%	0.00%	-89.91%
Advance against issuance of units	0.00%	312.24%	180.92%	-45.33%
Net cash used in investing activities	2720%	312.24%	180.92%	-135.24%
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received on issue of units	0.00%	-288.34%	-111.76%	212.50%
Advance against issuance of units	0.00%	0.00%	0.00%	37.78%
Net cash generated from financing activities	-2713%	-288.34%	-111.76%	250.28%
Net change in cash and cash equivalents	100.00%	100.00%	100.00%	100.00%
Cash and cash equivalents at beginning of the period	-212%	-103.04%	-159.91%	0.00%
Cash and cash equivalents at end of the period	-112%	-3.04%	-59.91%	100.00%

RATIO ANALYSIS

		For the year ended 30 June 2025	For the year ended 30 June 2024	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
Profitability Ratios					
Net profit to revenue	Percent	48.32%	36.22%	81.88%	77.23%
Return on equity	Percent	1.20%	1.22%	49.85%	43.79%
Liquidity Ratio					
Current ratio	Ratio	1.19	0.10	0.33	1.29
Cash to current liabilities	Ratio	0.01	0.01	0.32	1.29
Investment Valuation ratio					
Earning per unit	Rupees	0.41	0.23	6.97	4.38
Ending NAV per unit	Rupees	18.28	17.87	19.39	14.38

DIRECTORS' REPORT

The Board of Directors of TPL REIT Management Company Limited is pleased to present its report together with Financial Statements of TPL REIT Fund I (the Fund) for the year ended June 30, 2025.

ECONOMIC REVIEW

In FY25, Pakistan's GDP growth stood at 2.7%, showing a marginal increase of 2.5% compared to last year. This was backed by growth of 4.8% in the industrial sector, primarily driven by small scale manufacturing. Services sector growth accelerated to 2.9% compared to 2.2% last year, while agriculture sector growth slowed down to 0.6% in FY25, compared to 6.4% last year.

Headline inflation for FY25 averaged at 4.5%, depicting significant improvement from 23.4% and 29.2% reported in FY24 and FY23, respectively. Given the improvements in macro-economic indicators and decline in inflation, the State Bank of Pakistan (SBP) made a record reduction in the policy rate by a cumulative 950 bps during FY25 from 20.5% to 11.0%.

Given the controlled monthly inflation of 4.1% in Jul' FY26 and 3.0% in Aug' FY26, there were anticipations for further decline in interest rates. However, the recent floods and torrential rains are likely to result in inflationary pressures, which could deter any further monetary easing in the near term.

During FY25, fiscal account deficit remained 5.4% of GDP, outperforming the target of 5.6%. The primary balance showed a surplus of 2.4% of GDP, being the highest surplus recorded in over two decades.

On the external front, current account showed a surplus of $2.1bn (i.e. 0.5% of GDP), which is Pakistan's first reported surplus in 14 years. This was achieved on the back of strong growth in remittances (up 27% to USD 38bn), textile exports (up 7.4% to USD 17.9bn), Foreign Direct Investment (FDI) (up 5% to USD 2.5bn). Furthermore, SBP's net reserves increased YoY from USD 9.4bn to USD 14.5bn as June Y25

The KSE-100 Index posted a return of 60.1% during FY25, with a 2-year cumulative return of 203%. Making it the eighth best performing market in the world.

The economic outlook of the country is viewed as cautiously optimistic. Given successful discussions with the US on trade tariffs, wherein the country is exposed to lower tariffs vis-à-vis regional counterparts, there is room to build on this positive momentum.

With the improvement in economic outlook and sovereign risk profile of the Country, the international rating agencies upgraded Pakistan's risk rating. The Government is targeting GDP growth of 4.2% for FY26, however with the recent floods and climate change risks to economic output, the fiscal and monetary interventions will be critical for achievement of the target growth.

REAL ESTATE MARKET REVIEW

In the Budget FY26, the Government has introduced few incentives to support growth and formalization of the Real Estate sector. These include:

1. reduction in withholding tax on property purchase, making transactions more affordable
2. withdrawing FED of 3-7% imposed in FY25 has been withdrawn
3. tax credits have been reintroduced for house loans

However, exemption of capital gains tax on transfer of property to REIT Scheme under Second Schedule 99A of Income Tax Ordinance was not reinstated, which we believe is essential to promote REITs.

The property prices showed modest growth during FY25. Going forward, prices are expected to show increase with the improvements in economic environment. The construction industry is poised to show recovery given the decline in inflation and interest rates. The average steel prices saw a decline from ~PKR 270,000/Ton in FY24 to ~PKR 247,000/Ton in FY25, while cement prices largely remained range bound in between PKR 1300-1400/ 50KG Bag during FY25.

OPERATING RESULTS

TPL REIT Fund I

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

Description	Rupees '000
Profit after taxation for the year	758,285
Other comprehensive income	-
	758,285
Appropriations:	-
Unappropriated profit brought forward	**758,285**
Earnings per unit (Rupees)	**0.41**

During the year under review the total income of the Fund stood at PKR 1,541 million including fair value gain of PKR 1,227 million on investments compared to total income of PKR 1,043 million during the comparative period last year.

Total operating expenses during the year stood at PKR 772 million compared to PKR 662 million during the comparative period last year. Total expenses included management and performance fee accrued to the Management Company to the tune of PKR 574 million and PKR 133 million respectively.

The net profit after tax stood at PKR 758 million as at the year-end compared to PKR 376 million during comparative period last year. This translates into earnings per unit of PKR 0.41 per unit.

The net assets of the Fund increased to PKR 33,558 million on June 30, 2025 from PKR 32,800 million on June 30, 2024.

TPL Technology Zone Phase - 1 (Private) Limited

As of June 30, 2025 the investment property of the Company is valued at PKR 2,254 million realizable value of held for sale.

The investment property owned by the Company consists of an open commercial plot measuring 10,002 square yards situated at Korangi Industrial Area, Karachi.

HKC (Private) Limited

As of June 30, 2025 the development property of the Company is valued at PKR 5,047 million. MYK Associates Private Limited is the valuator of the Fund for determination of the fair value of the development property.

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.

National Management and Consultancy Services (Private) Limited

As of June 30, 2025 the development property of the Company is valued at PKR 29,149 million out of which PKR 25,074 million pertains to fair value of the land and PKR 4,074 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 development property.

The investment property owned by the Company consists of a land parcel of 40 acre commercial property situated at Korangi Creek, Karachi.

PROJECT PROGRESS REPORT

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.

HKC (Private) Limited

One Hoshang is Pakistan's first LEED Gold residential project that seamlessly integrates and conserves a historic façade dating back 130 years with high-end modern amenities and architecture. Project is expected to be completed by Q3 of 2028. Construction of grey structure with the raft foundation, basement floors, ground, first and second floor slabs have been completed. Further, structural works up to third floor is in progress. However, due to the slowdown in off plan sales, there has been a slowdown in the on-going construction works at site since August 2024. TPL RMC is evaluating various financing plans to cover the shortfall and fast track the progress.

National Management and Consultancy Services (Private) Limited

The largest project of TPL REIT Fund I continues to progress at a steady pace. The Mangroves, a mixed-use development project spanning 40 acres of waterfront property, its detailed master plan has been completed by SSH International, an international design team renowned for their expertise in designing sustainable waterfront developments. The detailed master plan is sustainable and incorporates the project's pragmatic requirement of seamless blending of the project with the natural terrain of the surrounding vicinity. Currently, the detailed design work of individual buildings is in progress by SSH International.

The Sales and Site Office for the project has been fully operational since October and its formal launch was done in December 2024. The infrastructure works for the project are phased out and currently tendering of phase one works have been initiated. Moreover, the first building named Lagoon Views-I was launched in February 2025 and its detailed design along with the engineer's estimate has also been received in March 2025. The ground improvement works for Lagoon Views-1 has also been initiated with a target date of end Sep 2025. This will be followed up with test piling and subsequently foundation piling activities. Other key initiatives have been undertaken to develop the neighborhood includes connecting road improvement works, area landscaping and setting up of a sports facility and are targeted to be completed by Q2 of 2026.

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

On behalf of the Board of
TPL REIT Management Company Limited

Chief Executive Officer

ڈائریکٹرز کی رپورٹ

TPL REIT مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز کو یہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے، جو کہ ٹی پی ایل REIT فنڈ I (''فنڈ'') کے مالی بیانات کے ساتھ سال 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے پیش کی جا رہی ہے۔

اقتصادی جائزہ

مالی سال 2025 میں پاکستان کی جی ڈی پی میں 2.7 فیصد اضافہ ریکارڈ کیا گیا، جو گزشتہ سال کے 2.5 فیصد کے مقابلے میں معمولی بہتری ظاہر کرتا ہے۔ اس نمو کی بنیاد صنعتی شعبے میں 4.8 فیصد اضافے پر رہی، جس کی بڑی وجہ چھوٹے پیمانے کی صنعتوں میں ترقی تھی۔ خدمات کے شعبے میں نمو 2.9 فیصد تک پہنچ گئی جو گزشتہ سال 2.2 فیصد تھی، جبکہ زرعی شعبے کی شرح نمو مالی سال 2025 میں کم ہو کر 0.6 فیصد رہی جو گزشتہ سال 6.4 فیصد تھی۔

مالی سال 2025 میں عمومی افراطِ زر (ہیڈ لائن انفلیشن) اوسطاً 4.5 فیصد رہی، جو مالی سال 2024 اور 2023 میں بالترتیب 23.4 فیصد اور 29.2 فیصد کے مقابلے میں نمایاں بہتری ظاہر کرتی ہے۔ معاشی اشاریوں میں بہتری اور افراطِ زر میں کمی کے پیشِ نظر، اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں مجموعی طور پر 950 بیسس پوائنٹس کی تاریخی کمی کی، جو 20.5 فیصد سے کم ہو کر 11.0 فیصد پر آ گئی۔

مالی سال 2026 کے جولائی اور اگست میں بالترتیب 4.1 فیصد اور 3.0 فیصد کی قابو میں افراطِ زر کے پیشِ نظر شرح سود میں مزید کمی کی توقع تھی، تاہم حالیہ سیلاب اور شدید بارشوں کے باعث افراطِ زر کے دباؤ میں اضافے کا خدشہ ہے، جو قریبی مدت میں کسی مزید مالی نرمی کی راہ میں رکاوٹ بن سکتا ہے۔

مالی سال 2025 کے دوران مالی خسارہ جی ڈی پی کا 5.4 فیصد رہا، جو 5.6 فیصد کے ہدف سے بہتر کارکردگی ہے۔ بنیادی توازن 2.4 فیصد سرپلس رہا، جو گزشتہ دو دہائیوں میں سب سے زیادہ ہے۔

بیرونی محاذ پر، کرنٹ اکاؤنٹ میں 2.1 ارب امریکی ڈالر (یعنی جی ڈی پی کا 0.5 فیصد) کا سرپلس ریکارڈ کیا گیا، جو گزشتہ 14 سالوں میں پاکستان کا پہلا کرنٹ اکاؤنٹ سرپلس ہے۔ یہ کامیابی ترسیلاتِ زر میں 27 فیصد اضافے (38 ارب امریکی ڈالر)، ٹیکسٹائل برآمدات میں 7.4 فیصد اضافے (17.9 ارب امریکی ڈالر) اور براہِ راست غیر ملکی سرمایہ کاری میں 5 فیصد اضافے (2.5 ارب امریکی ڈالر) کے باعث حاصل ہوئی۔ اسٹیٹ بینک کے زرمبادلہ کے ذخائر سال بہ سال بڑھ کر 9.4 ارب امریکی ڈالر سے 14.5 ارب امریکی ڈالر تک پہنچ گئے۔

کے ایس ای-100 انڈیکس نے مالی سال 2025 میں 60.1 فیصد منافع دیا، جب کہ دو سالہ مجموعی منافع 203 فیصد رہا، جس کے نتیجے میں پاکستان دنیا کی آٹھویں بہترین کارکردگی دکھانے والی مارکیٹ کے طور پر سامنے آیا۔

ملکی معیشت کا مجموعی منظرنامہ محتاط طور پر مثبت قرار دیا جا سکتا ہے۔ امریکہ کے ساتھ تجارتی محصولات کے حوالے سے کامیاب مذاکرات کے بعد پاکستان کو علاقائی ممالک کے مقابلے میں کم محصولات کے فوائد حاصل ہوئے ہیں، جو مثبت رجحان کو مزید مستحکم کرنے کا موقع فراہم کرتے ہیں۔

معاشی حالات میں بہتری اور ملکی خودمختاری کے خطرے میں کمی کے پیشِ نظر، بین الاقوامی ریٹنگ ایجنسیوں نے پاکستان کی کریڈٹ ریٹنگ میں بہتری کی۔ حکومت نے مالی سال 2026 کے لیے 4.2 فیصد جی ڈی پی نمو کا ہدف مقرر کیا ہے، تاہم حالیہ سیلاب اور ماحولیاتی تبدیلی کے خطرات کے باعث مالی و معاشی پالیسی اقدامات اس ہدف کے حصول میں کلیدی کردار ادا کریں گے۔

ریئل اسٹیٹ مارکیٹ کا جائزہ

مالی سال 2026 کے بجٹ میں حکومت نے ریئل اسٹیٹ سیکٹر کی ترقی اور رسمی معیشت میں شمولیت کے فروغ کے لیے چند مراعات متعارف کرائی ہیں، جن میں شامل ہیں:

- جائیداد کی خریداری پر ود ہولڈنگ ٹیکس میں کمی، تاکہ لین دین کو مزید قابل برداشت بنایا جا سکے۔
- مالی سال 2025 میں عائد کردہ 3 تا 7 فیصد فیڈرل ایکسائز ڈیوٹی (FED) کا خاتمہ۔
- گھریلو قرضوں پر ٹیکس کریڈٹ کی دوبارہ بحالی۔

تاہم انکم ٹیکس آرڈیننس کے سیکنڈ شیڈول کی شق 99A کے تحت REIT اسکیم میں جائیداد کی منتقلی پر کیپٹل گین ٹیکس کی معافی دوبارہ نافذ نہیں کی گئی، جو ہماری رائے میں ریٹس (REITs) کے فروغ کے لیے نہایت ضروری ہے۔

مالی سال 2025 کے دوران جائیداد کی قیمتوں میں معمولی اضافہ دیکھا گیا۔ مستقبل میں معاشی حالات کی بہتری کے ساتھ قیمتوں میں مزید اضافے کی توقع ہے۔ تعمیراتی صنعت میں افراطِ زر اور شرح سود میں کمی کے باعث بحالی کے آثار نمایاں ہیں۔ اوسط اسٹیل قیمت مالی سال 2024 میں تقریباً 270,000 روپے فی ٹن سے کم ہو کر مالی سال 2025 میں تقریباً 247,000 روپے فی ٹن رہی، جبکہ سیمنٹ کی قیمت مالی سال 2025 کے دوران عموماً 1,300 تا 1,400 روپے فی 50 کلوگرام بیگ کے درمیان مستحکم رہی۔

عملی نتائج

ٹی پی ایل REIT فنڈ I

ٹی پی ایل REIT فنڈ I کے غیر متفقہ مالی نتائج حسبِ ذیل ہیں:

تفصیل	روپے 000 میں
سال کا بعد از ٹیکس منافع	758,285
دیگر جامع آمدنی	-
	758,285
تصرفات	-
آگے لایا گیا غیر موزوں منافع	758,285
آمدنی فی یونٹ (روپے میں)	0.41

سال کے اختتام پر ٹیکس کے بعد خالص منافع 758 ملین روپے رہا، جو گزشتہ سال کے 376 ملین روپے کے مقابلے میں دوگنا سے زیادہ ہے۔ اس کے مطابق فی یونٹ آمدنی 0.41 روپے فی یونٹ رہی۔

فنڈ کے خالص اثاثے 30 جون 2025 کو بڑھ کر 33,558 ملین روپے تک پہنچ گئے، جو 30 جون 2024 کو 32,800 ملین روپے تھے۔

ٹی پی ایل ٹیکنالوجی زون فیز-1 (پرائیویٹ) لمیٹڈ

30 جون 2025 تک کمپنی کی سرمایہ کاری جائیداد کی فروخت کے لیے متوقع قابلِ وصول قدر 2,254 ملین روپے مقرر کی گئی ہے۔

کمپنی کی زیرِ ملکیت سرمایہ کاری جائیداد ایک کھلا کمرشل پلاٹ ہے جس کا رقبہ 10,002 مربع گز ہے، جو کورنگی انڈسٹریل ایریا، کراچی میں واقع ہے۔

HKC (پرائیویٹ) لمیٹڈ

30 جون 2025 تک کمپنی کی ترقیاتی جائیداد کی قدر 5,047PKR ملین مقرر کی گئی ہے۔ فنڈ کی ترقیاتی جائیداد کی منصفانہ قدر کے تعین کے لیے MYK ایسوسی ایٹس پرائیویٹ لمیٹڈ بطور ویلیوایئر مقرر ہے۔

کمپنی کی زیرِ ملکیت ترقیاتی جائیداد ایک کمرشل پلاٹ پر مشتمل ہے جس کا رقبہ 2,539 مربع گز ہے، جو عبداللہ ہارون روڈ اور ہوشنگ روڈ کے کونے پر، کراچی میں واقع ہے۔

نیشنل مینجمنٹ اینڈ کنسلٹنسی سروسز (پرائیویٹ) لمیٹڈ

30 جون 2025 تک کمپنی کی ترقیاتی جائیداد کی مجموعی قدر 29,149 ملین روپے مقرر کی گئی ہے، جس میں سے 25,074 ملین روپے زمین کی منصفانہ قدر اور 4,074 ملین روپے ترقیاتی کاموں کی قدر پر مشتمل ہے۔ فنڈ کی ترقیاتی جائیداد کی منصفانہ قدر کے تعین کے لیے MYK ایسوسی ایٹس پرائیویٹ لمیٹڈ ویلیوایئر ہے۔

کمپنی کی زیرِ ملکیت سرمایہ کاری جائیداد 40 ایکڑ پر محیط کمرشل واٹرفرنٹ زمین پر مشتمل ہے، جو کورنگی کریک، کراچی میں واقع ہے۔

عملی کارکردگی کی رپورٹ

جائزہ سال کے دوران فنڈ کی کل آمدنی 1,541 ملین روپے رہی، جس میں سرمایہ کاری پر 1,227 ملین روپے کا منصفانہ قدر میں اضافہ شامل ہے، جو گزشتہ سال کے موازنہ میں 1,043 ملین روپے کی کل آمدنی کے مقابلے میں زیادہ ہے۔

سال کے دوران کل آپریٹنگ اخراجات 772 ملین روپے رہے، جو گزشتہ سال کے 662 ملین روپے کے مقابلے میں زیادہ ہیں۔ کل اخراجات میں مینجمنٹ کمپنی کو واجب الادا مینجمنٹ فیس 574 ملین روپے اور پرفارمنس فیس 133 ملین روپے شامل ہیں۔

پروجیکٹ کی پیش رفت کی رپورٹ

ٹی پی ایل ٹیکنالوجی زون فیز-1 (پرائیویٹ) لمیٹڈ

جیسا کہ 27 دسمبر 2024 کو پاکستان اسٹاک ایکسچینج کو جاری کردہ خط میں بتایا گیا، فنڈ نے ٹی پی ایل ٹیک زون فیز-1 (پرائیویٹ) لمیٹڈ سے سرمایہ کاری ختم کرنے کا فیصلہ کیا ہے۔ اس فیصلے کے تحت پروجیکٹ کی زمین فروخت کی جائے گی، جس کے بعد پروجیکٹ ایس پی وی کو تحلیل کرکے اس کی آمدنی یونٹ ہولڈرز میں تقسیم کردی جائے گی۔

HKC (پرائیویٹ) لمیٹڈ

ون ہوشنگ پاکستان کا پہلا LEED گولڈ معیار کا رہائشی منصوبہ ہے، جو 130 سال پرانے تاریخی فَسادکو جدید سہولیات اور فنِ تعمیر کے ساتھ کامیابی سے یکجا کرتا ہے۔ یہ منصوبہ 2028 کی تیسری سہ ماہی (Q3) تک مکمل ہونے کی توقع ہے۔

اب تک رافٹ فاؤنڈیشن، بیسمنٹ فلورز، گراؤنڈ، پہلی اور دوسری منزل کی سلیبز کی تعمیر مکمل ہو چکی ہے۔ تیسری منزل تک ڈھانچے پر کام جاری ہے۔ تاہم اگست 2024 سے پری سیل میں سست روی کے باعث تعمیراتی سرگرمیوں میں بھی کمی آئی ہے۔

ٹی پی ایل REIT مینجمنٹ کمپنی مختلف مالی منصوبے پر غور کر رہی ہے تاکہ فنڈنگ کے خلا کو پورا کرکے تعمیراتی عمل کو تیز کیا جاسکے۔

نیشنل مینجمنٹ اینڈ کنسلٹنسی سروسز (پرائیویٹ) لمیٹڈ

ٹی پی ایل REIT فنڈ I کا سب سے بڑا منصوبہ مستحکم انداز میں ترقی کررہا ہے۔ دی مین گرووز ایک مخلوط استعمال ترقیاتی منصوبہ ہے جو 40 ایکڑ واٹرفرنٹ پراپرٹی پر محیط ہے۔

اس کا تفصیلی ماسٹر پلان International SSH نامی عالمی ڈیزائن فرم نے مکمل کیا ہے، جو پائیدار واٹرفرنٹ ترقیات کے ماہرین میں شمار ہوتی ہے۔ ماسٹر پلان پائیدار اور عملی دونوں پہلوؤں پر مبنی ہے، اور قدرتی ماحول کے ساتھ ہم آہنگ ڈیزائن کو ترجیح دیتا ہے۔

فی الحال، انفرادی عمارات کے تفصیلی ڈیزائن International SSH کے زیرِ تکمیل ہیں۔

پروجیکٹ کا سیلز اور سائٹ آفس اکتوبر 2024 سے مکمل طور پر فعال ہے اور اس کا باضابطہ افتتاح دسمبر 2024 میں کیا گیا۔

پروجیکٹ کے انفراسٹرکچر کاموں کو مرحلہ وار تقسیم کیا گیا ہے اور پہلے مرحلے کے ٹینڈرز جاری کیے جا چکے ہیں۔

پروجیکٹ کی پہلی عمارت "Lagoon Views-I" فروری 2025 میں متعارف کرائی گئی۔ اس کا تفصیلی ڈیزائن اور انجینئرز کا تخمینہ مارچ 2025 میں موصول ہوا۔

Lagoon Views-I کے گراؤنڈ امپرومنٹ کے کام جاری ہیں، جنہیں ستمبر 2025 کے اختتام تک مکمل کرنے کا ہدف رکھا گیا ہے۔ اس کے بعد ٹیسٹ پائلنگ اور پھر فاؤنڈیشن پائلنگ کے مراحل انجام دیے جائیں گے۔

مزید برآں، علاقے کی بہتری کے لیے سڑکوں کی مرمت، لینڈ اسکیپنگ، اور اسپورٹس فسیلیٹی کی تعمیر جیسے اہم اقدامات جاری ہیں، جنہیں 2026 کی دوسری سہ ماہی (Q2) تک مکمل کرنے کا ہدف مقرر کیا گیا ہے۔

فنڈ ریٹنگ

پاکرہ کریڈٹ ریٹنگ کمپنی نے فنڈ کو ریئل اسٹیٹ انویسٹمنٹ ٹرسٹ (REIT) فنڈ ریٹنگ 3RFR+ (مستحکم نظرِ ثانی) تفویض کی ہے۔

اسی طرح، پاکرہ کریڈٹ ریٹنگ کمپنی نے فنڈ کی مینجمنٹ کمپنی کو ریئل اسٹیٹ انویسٹمنٹ ٹرسٹ مینیجر ریٹنگ 3RM+ (مستحکم نظرِ ثانی) بھی تفویض کی ہے۔

اظہارِ تشکر

کمپنی کا بورڈ اس موقع پر اپنے معزز اسپانسرز، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، دیگر ریگولیٹری اداروں، مالیاتی اداروں اور آڈیٹرز کا شکریہ ادا کرتا ہے جنہوں نے مسلسل رہنمائی اور تعاون فراہم کیا۔

بورڈ اپنے عملے کی انتھک محنت، لگن اور پیشہ ورانہ وابستگی پر بھی گہری قدردانی کا اظہار کرتا ہے۔

منجانب بورڈ

ٹی پی ایل REIT مینجمنٹ کمپنی لمیٹڈ

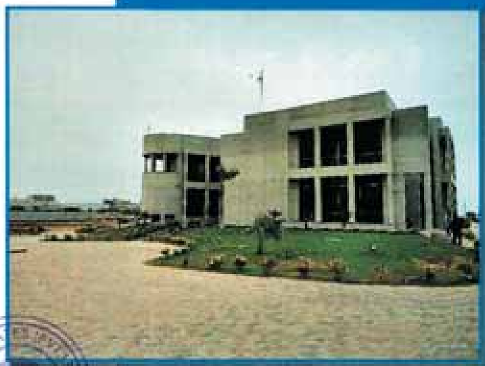
چیف ایگزیکٹو آفیسر

REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (PRIVATE) LIMITED

MYK
ISO 9001: 2015 QMS

JULY, 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, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi.

TPLRMC

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 NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (PRIVATE) LIMITED

MYK
ISO 9001: 2015 QMS

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

AFFILIATED PARTNER
Windmills
Producing Opportunities
Real Estate Valuation Services LLC, U.A.E.

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

COVERING PAGE OF REPORT

MYK Reference No:	MYK/18156/07/2025
Date of Valuation Report:	July 25, 2025
Date of Visit:	July 23, 2025
Date of Request Received:	Through Email on dated July 21, 2025
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:	Contonment Board Korangi Creek
Status of NOC (if any):	Yes
Type of Property:	Open Commercial Land
Property Utilization:	Fully Commercial [ ] **Vacant [√]** Fully Industrial [ ]
Type of Title:	Commercial (As per Documents)
Surroundings:	Industrial and Commercial [√] Fully Residential [ ] Fully Industrial [ ] Fully Commercial [ ] Residential cum Commercial []
FAR:	1:8 (As per Provided documents & Approvals)
Value of Land:	**PKR. 25,074,510,000.00**
CWIP Amount:	**PKR. 4,074,653,364.00**
Net Present Value:	**PKR. 29,149,163,364.00**
Valuation Basis:	**Sales Comparison Approach [√]** **Residual Value [√]**

HEAD OFFICE: MYK HOUSE, 52-A, Block 'B', Street No. 5, Sindhi Muslim Cooperative Housing Society Karachi-74400, Pakistan.
T: (+92-21)38704421-28 www.mykassociates.com E: info@mykassociates.com
LAHORE OFFICE: House No.9, Green Avenue, Old Muslim Town, Lahore. T:(+92-42) 35845836-35845837 E:lahore@mykassociates.com
FAISALABAD OFFICE: 1st Floor, Gill Plaza, Farooq Shaheed Road, Madina Town, Faislabad. T:(+92-41) 8530430, 8714695, 8734075, 4549468 E: faisalabad@mykassociates.com
MULTAN OFFICE: Plot No. 181, 2nd Floor, Shafqat Colony, Al Tamash Road, Multan Cantt, Multan T:(+92-61) 4519468, 4503201 E: multan@mykassociates.com
GUJRANWALA OFFICE: 1st Floor, Trust Plaza, 16 Main Block Gujranwala T:(+92-55) 3843799, 3253799 E: gujranwala@mykassociates.com
ISLAMABAD OFFICE: House No. 4 Abu hurira Street, Islamabad view colony, Pirwadai More, Rawalpindi M: (+92-315) 0392805 E: islamabad@mykassociates.com
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REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (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

VALUATION INITIATIVE:

In accordance with the provision of REIT Regulations-2015 and amendments – 2018 & 2022, 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'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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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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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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ABOUT KEY PROFESSIONALS OF MYK ASSOCIATES PVT LTD:

SENIOR GENERAL MANAGER:

Engr. Iftekhar 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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VALUATION REPORT OF OPEN COMMERCIAL LAND
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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**
  he 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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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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**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**

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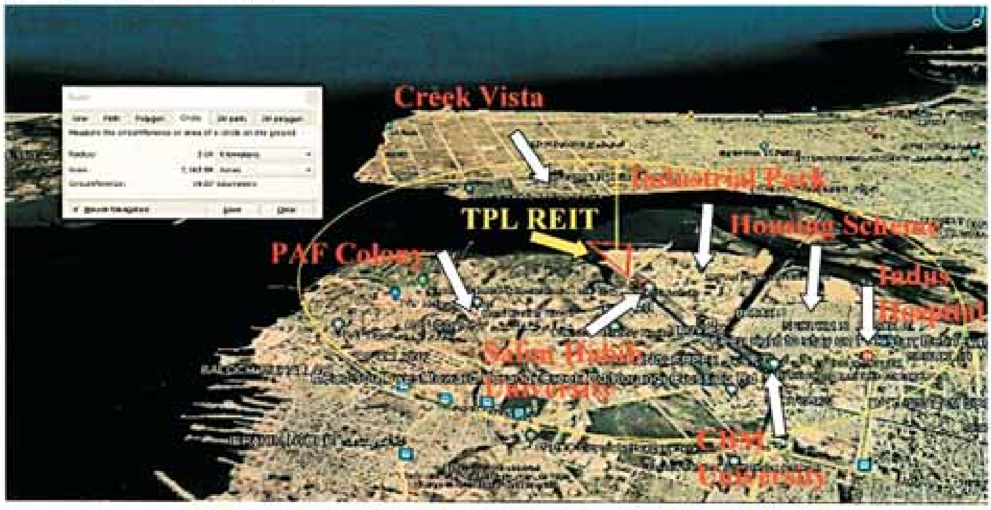
The Commercial Land is located around 4.33 Kilometer distance from Bundle Island through Mangroves and Sea Water.



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

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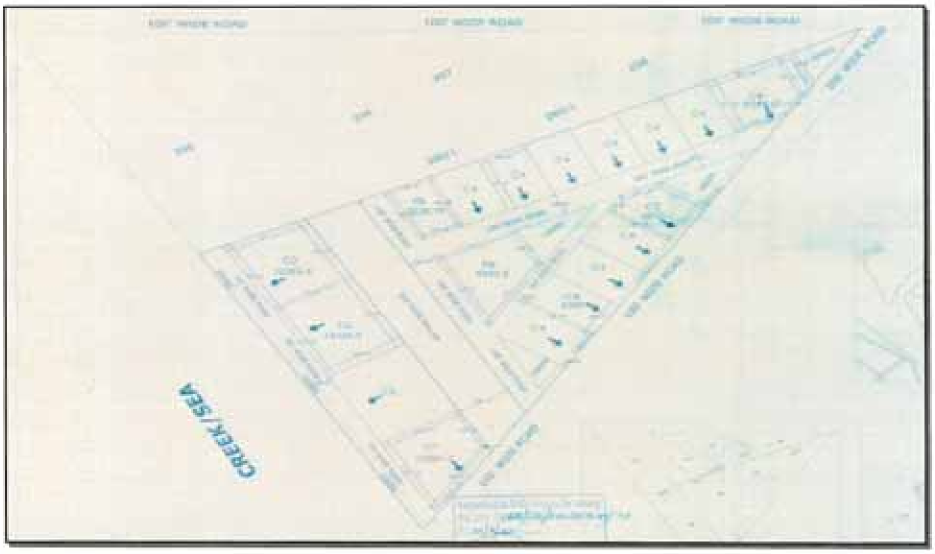
"DESCRIPTION OF LAND"

Approach: Main Road [ ] **Side Road [√]** 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 RIET 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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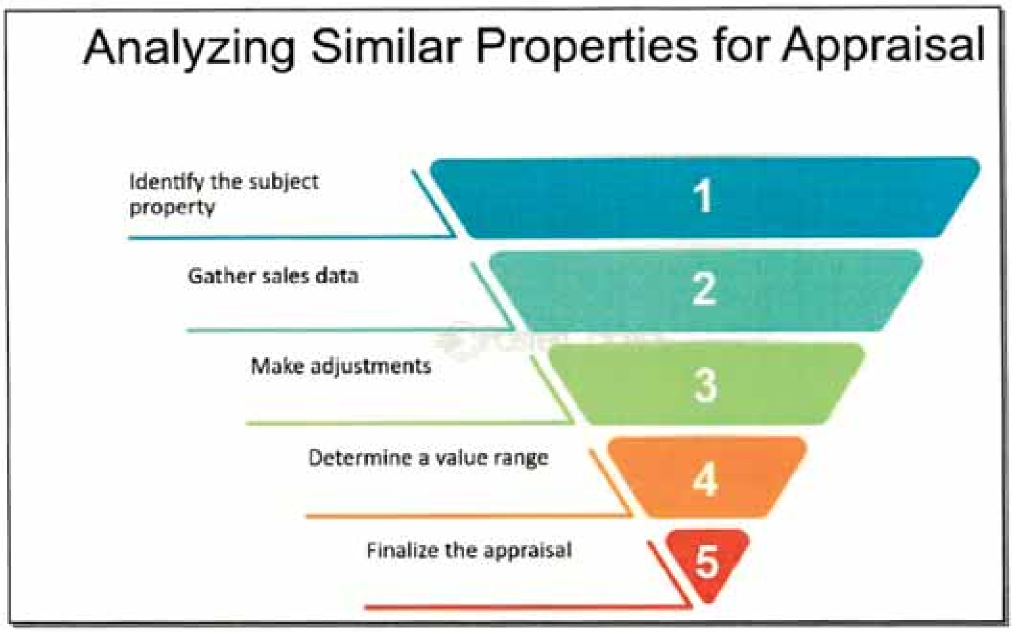
- **SALE COMPARAISION APPROACH**

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. 80,000.00 To PKR. 210,000.00 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	210,000.00	10	11,130,000,000.00
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	80,000.00	1	442,240,000.00
Plot No PB	9,995.00	80,000.00	1	799,600,000.00
GRAND TOTAL			**18**	**25,074,510,000.00**

Total Assessment of Land: **PKR. 25,074,510,000.00**
(Rupees Twenty-Five Billion Seventy Four Million Five Hundred and Ten Thousand Only)

CWIP Amount: **PKR. 4,074,653,364.00**
Rupees Four Billion Seventy Four Million Six Hundred Fifty-Three Thousand Three Hundred and Sixty Four Only)

Net Present Value: **PKR. 29,149,163,364.00**
Rupees Twenty-Nine Billion One Hundred Forty Nine Million One Hundred Sixty Three Thousand Three Hundred and Sixty Four 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.

- Please note that we have obtained NOC for construction and sale of apartments at plot C-4. NOC date for sale of apartment is March 6, 2025. Also note that approval granted by Cantt deptt for proposed building plan on February 17, 2025 vide letter # 6/95/DKR/P-119/KOR/02/ for plot C-4.

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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).

- 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. 23,319,330,691.00
(Rupees Twenty-Three Billion Three Hundred Nineteen Million Three Hundred Thirty Thousand Six Hundred and Ninety One Only)

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METHODOLOGY USED IN VALUATION:

In accordance with Section 104 of the valuation standards, the Market Value approach is the preferred method, as it represents the most probable price a property would achieve in an open and competitive market. This approach takes into account prevailing market conditions and relies on comparable sales data for similar properties.

However, if the Market Value approach is not suitable due to lack of comparable or specific circumstances, other methods, such as the Income Approach (based on potential income generation) or the Residual Value Method (based on development potential), may be applied. The choice of method depends on the purpose of valuation and the property's characteristics.

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.

WORKING FOR RESIDUAL VALUE METHOD BASED ON THE RCEM:

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, Afroze 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 & contiguencies, determine the net present value of land.

REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (PRIVATE) LIMITED

MYK
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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

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
Sales Approach / Residual Value + CWIP	29,149	Rupees Twenty-Nine Billion One Hundred Forty Nine Million.
Cost Approach Value	-	Not Applicable
Force Sale Value (Less 20%)	23,319	Twenty-Three Billion Three Hundred and Nineteen Million.

Applicable Approach: **Sales Comparison / Residual Value Method [√]** 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 Managament 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. Amir Ali Engineer – Evaluation	Syed Shabab Raza. G.M-Evaluation & Inspection	M. Shariq Siddiqui. G.M. Operations

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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 NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (PRIVATE) LIMITED

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

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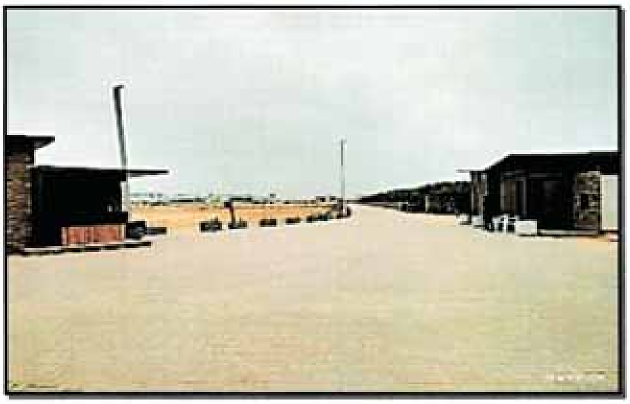
VALUATION REPORT OF OPEN COMMERCIAL LAND
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



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

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REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (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 NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (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 NATIONAL MANAGEMENT AND CONSULTANCY SERVICES (PRIVATE) LIMITED

F589350

Rupees 50

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FAIZAN TAHIR STAMP VENDOR

S. NO

DATE

ISSUED TO WITH ADDRESS

THROUGH WITH ADDRESS ..... Majid Ali Advocate

PURPOSE

11968.

09 DEC 2024

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 July 25, 2025 are as below:

VALUATION APPROACH	VALUE (in round figures) (PKR-Millions)	VALUE IN WORDS
Sale Approach Value + CWIP	29,149	Rupees Twenty-Nine Billion One Hundred Forty Nine Million.
Cost Approach Value	-	Not Applicable
Force Sale Value (Less 20%)	23,319	Twenty-Three Billion Three Hundred and Nineteen Million.

   Applicable Approach: **Sales Comparison / Residual Value Method** [√] 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.

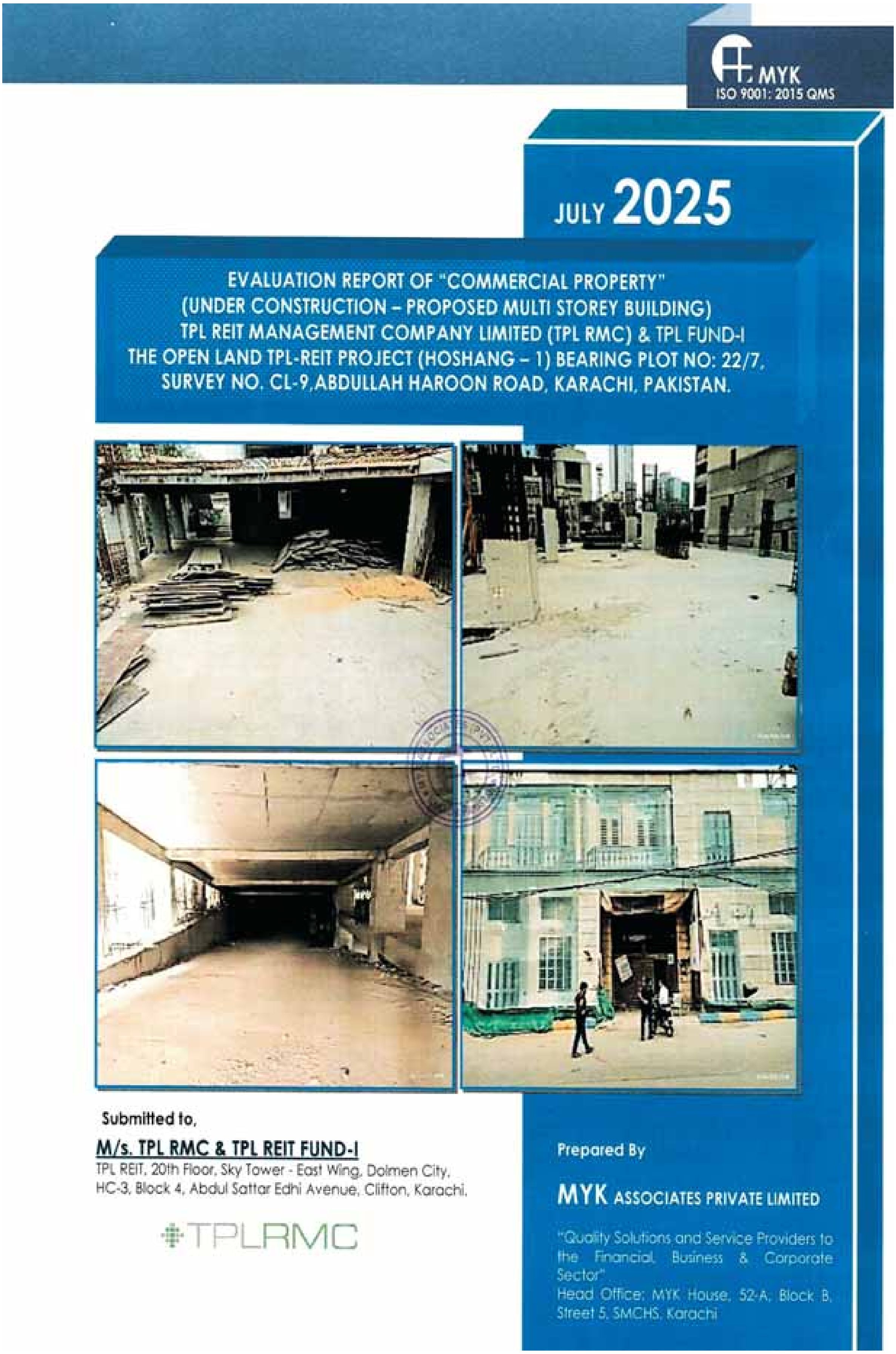
DECLARED BY:

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

WITNESSED BY:

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

REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY HKC (PRIVATE) LIMITED



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JULY 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.

TPLRMC

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

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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

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

AFFILIATED PARTNER
Windmills
Producing Opportunities
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/18157/07/2025	
Date of Valuation Report:	July 25, 2025	
Date of Visit:	July 23, 2025	
Date of Request Received:	Through Email on dated July 21, 2025	
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 [ ] **Under Construction** [√]	Fully Industrial [ ]
Type of Title:	Commercial (As per Documents)	
Surroundings:	Industrial and Commercial [√] Fully Industrial [ ] Residential cum Commercial []	Fully Residential [ ] Fully Commercial [ ]
FAR:	1:8 (As per Provided documents & Approvals)	
Value of Land: **Value of Building Structure:**	**PKR. 3,427,650,000.00** **PKR. 1,620,213,063.00**	
Net Assessed Value:	**PKR. 5,047,863,063.00**	
Valuation Basis:	**Sales Comparison Approach [√]**	**Cost Approach [√]**

MYK Ref No: MYK/18157/07/2025 Page No: 3 of 24

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

T: (+92-21)38704421-28 www.mykassociates.com E: info@mykassociates.com

LAHORE OFFICE: House No. 3, Green Avenue, Old Muslim Town, Lahore. T:(+92-42) 35845836-35845837 E: lahore@mykassociates.com

FAISALABAD OFFICE: 1st Floor, Gill Plaza, Farooq Shaheed Road, Madina Town, Faisalabad. T:(+92-41) 8530430, 8714695, 8734075, 4549468 E: faisalabad@mykassociates.com

MULTAN OFFICE: Plot No. 181, 2nd Floor, Shafqat Colony, Al-Tamash Road, Multan Cantt, Multan. T:(+92-61) 4519468, 4503201 E: multan@mykassociates.com

GUJRANWALA OFFICE: 1st Floor, Trust Plaza, 1E Main Block Gujranwala. T:(+92-55) 3843798, 3233798 E: gujranwala@mykassociates.com

ISLAMABAD OFFICE: House No. 4 Abu Hurira Street, Islamabad View colony, Pirwadai More, Rawalpindi M: (+92-315) 0392805 E: islamabad@mykassociates.com

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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

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: 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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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 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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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

ABOUT KEY PROFESSIONALS OF MYK ASSOCIATES PVT LTD:

SENIOR GENERAL MANAGER:

Engr. Iftekhar 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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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

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**
  he 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.

MYK Ref No: MYK/18157/07/2025 Page No: 8 of 24

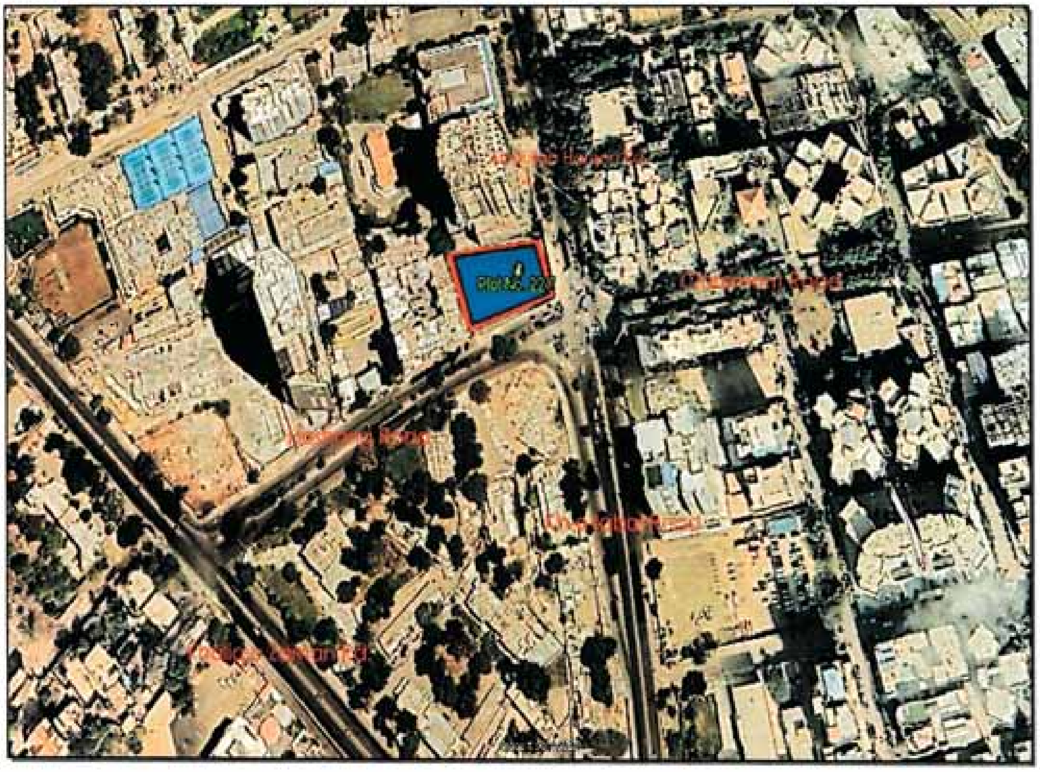
REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY HKC (PRIVATE) LIMITED

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

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 Datails of commercial plot and project break-up are provided on page No: 11-12.



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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

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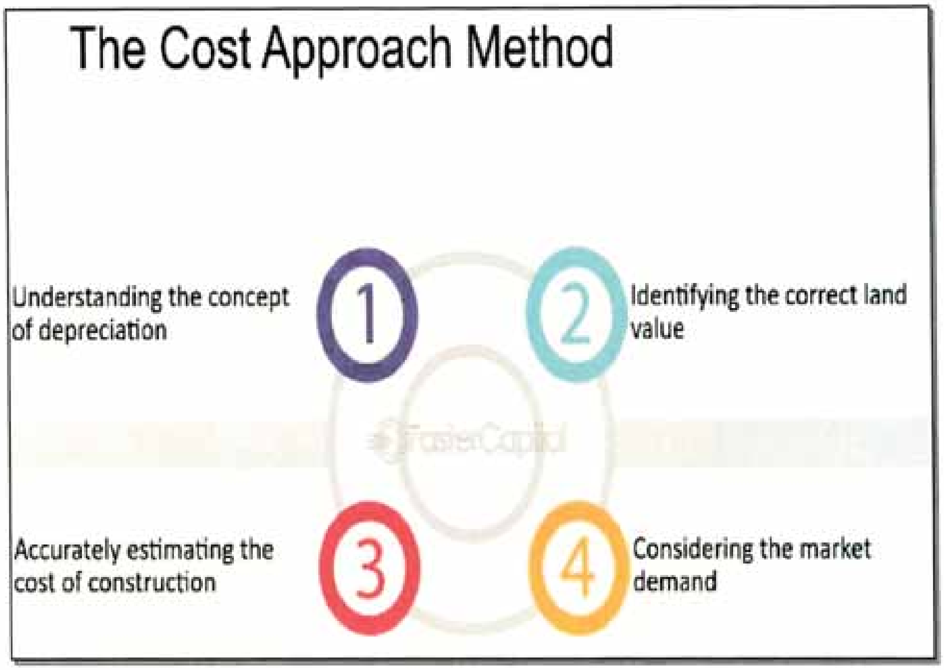
VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK, KARACHI EAST
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

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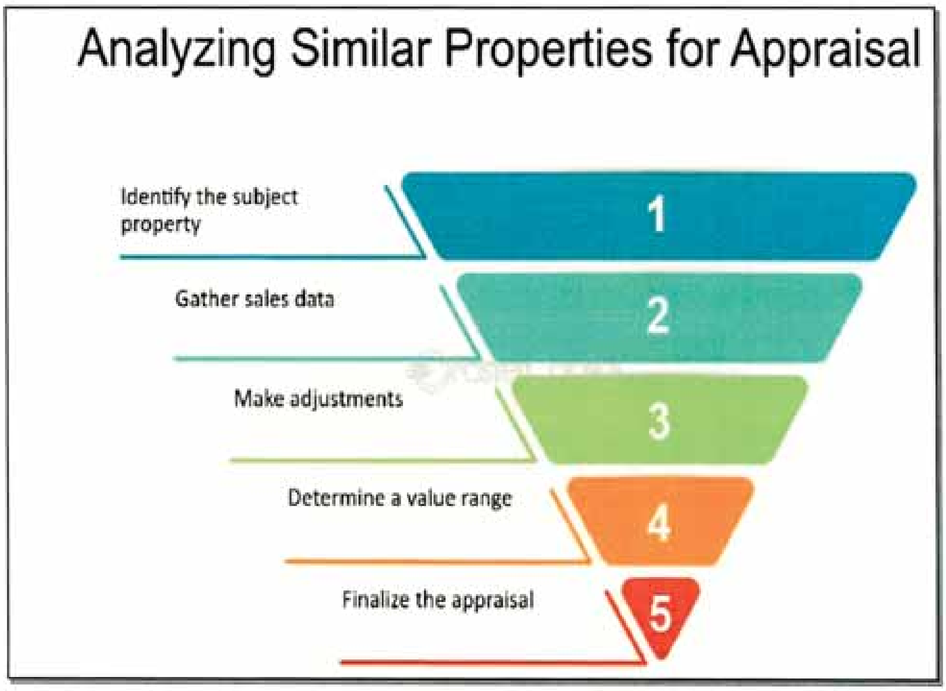
**VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT DEH DIH, TAPPO IBRAHIM HYDERI, TALUKA KORANGI CREEK, KARACHI EAST
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I**

SALE COMPARAISION 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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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

"DESCRIPTION OF LAND"

Approach: **Main Road [√]** 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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REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY HKC (PRIVATE) LIMITED

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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

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)	**Gross Area(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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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

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	26,000.00	594,100,000.00
Basement 1	22,850.00	16,500.00	377,025,000.00
Ground floor	22,850.00	18,000.00	411,300,000.00
Podium 1	19,293.15	12,325.00	237,788,063.00
GRAND TOTAL			1,620,213,063.00

Total Assessment of Building Structure: PKR. 1,620,213,063.00
(Rupees One Billion Six Hundred Twenty Million Two Hundred Thirteen Thousand and Sixty Three Only)

Grand Total: (Land + Building Structure+CWIP) **PKR. 5,047,863,063.00**
(Rupees Five Billion Forty Seven Million Eight Hundred Sixty Three Thousand and Sixty Three Only)

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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

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. 4,038,290,450.00
(Rupees Four Billion Thirty Eight Million Two Hundred Ninety Thousand Four Hundred and Fifty Only)

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

METHODOLOGY USED IN VALUATION:

In accordance with Section 104 of the valuation standards, the Market Value approach is the preferred method, as it represents the most probable price a property would achieve in an open and competitive market. This approach takes into account prevailing market conditions and relies on comparable sales data for similar properties.

However, if the Market Value approach is not suitable due to lack of comparable or specific circumstances, other methods, such as the Income Approach (based on potential income generation) or the Residual Value Method (based on development potential), may be applied. The choice of method depends on the purpose of valuation and the property's characteristics.

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.

WORKING FOR RESIDUAL VALUE METHOD BASED ON THE RCEM:

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 & contiguencies, 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

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)	1,620	Rupees One Billion and Six Hundred Twenty Million.
Total Value (Land+Structure+CWIP)	5,047	Rupees Five Billion and Forty Seven Million.
Force Sale Value (Less 20%)	4,038	Rupees Four Billion and Thirty Eight Million.

Applicable Approach: **Sales Comparison / Residual Value Method [√]** **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 Shabbo 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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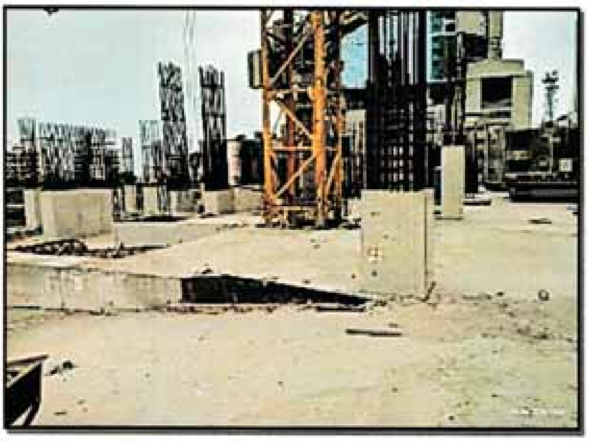
VALUATION REPORT OF COMMERCIAL LAND - PROPOSED MULTI STORY PROJECT
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I



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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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REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY HKC (PRIVATE) LIMITED

F589349

Rupees 50 روپیہ ۵۰

11968.

FAIZAN TAHIR STAMP VENDOR
Nagar, North Nazimabad Karachi
S. NO
DATE
ISSUED TO WITH ADDRESS
THROUGH WITH ADDRESS Majid Ali
PURPOSE

09 DEC 2024

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 July 25, 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)	1,620	Rupees One Billion and Six Hundred Twenty Million.
Total Value (Land+Structure+CWIP)	5,047	Rupees Five Billion and Forty Seven Million.
Force Sale Value (Less 20%)	4,038	Rupees Four Billion and Thirty Eight Million.

Applicable Approach: **Sales Comparison / Residual Value Method [√] 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)
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

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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

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LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

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MYK Reference No:	MYK/18158/07/2025	
Date of Valuation Report:	July 25, 2025	
Date of Visit:	July 23, 2025	
Date of Request Received:	Through Email on dated July 21, 2025	
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 [√]** Fully Industrial [ ]	
Type of Title:	Commercial (As per Documents)	
Surroundings:	Industrial and Commercial [√] Fully Industrial [ ] Residential cum Commercial []	Fully Residential [ ] Fully Commercial [ ]
FAR:	1:8 (As per Provided documents & Approvals)	
Net Value of Land:	**PKR. 2,250,450,000.00**	
Valuation Basis:	**Sales Comparison Approach [√]**	**Residual Value [√]**

HEAD OFFICE: MYK HOUSE, 32-A, Block 'B', Street No. 5, Sindhi Muslim Cooperative Housing Society Karachi-75400, Pakistan.
T: (+92-21)38704421-28 www.mykassociates.com E: info@mykassociates.com

LAHORE OFFICE: House No.5, Green Avenue, Old Muslim Town, Lahore. T:(+92-42) 35845836-35846837 lahore@mykassociates.com

FAISALABAD OFFICE: 1st Floor, Gill Plaza, Farooq Shaheed Road, Madina Town, Faisalabad. T:(+92-41) 8530430, 8714695, 8734075, 4549468 E: faisalabad@mykassociates.com

MULTAN OFFICE: Plot No. 181, 2nd Floor, Shafqat Colony, Al-Tamash Road, Multan Cantt, Multan. T:(+92-61) 4519468, 4505201 E: multan@mykassociates.com

GUJRANWALA OFFICE: 1st Floor, Trust Plaza, 16 Main Block Gujranwala. T:(+92-55) 3843799, 3253799 E: gujranwala@mykassociates.com

ISLAMABAD OFFICE: House No. 4 Abu hurra Street., Islamabad view colony, Piwadai More, Rawalpindi M: (+92-315) 0392805 E: islamabad@mykassociates.com

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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.

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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

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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**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.

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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

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. Iftekhar 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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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**
  he 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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REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED

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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

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.

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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

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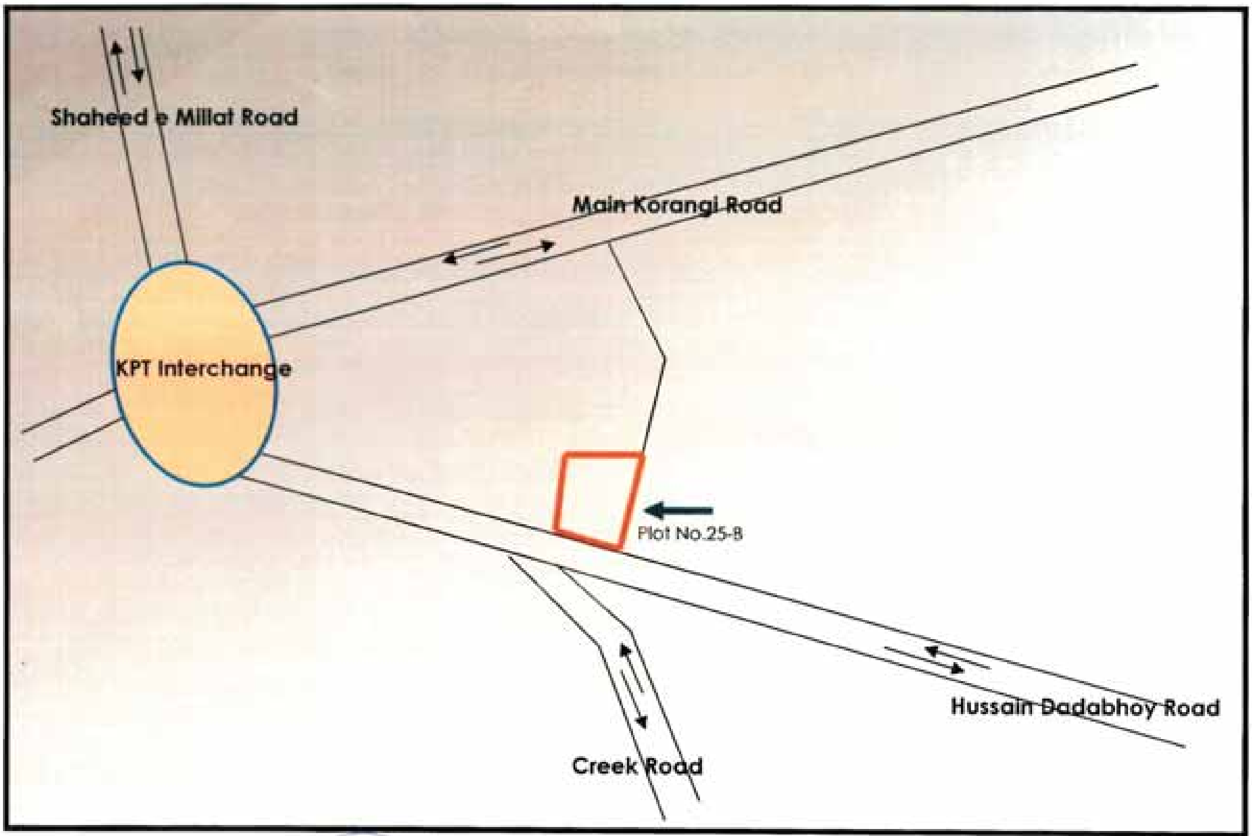
VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

"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 RIET 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	-



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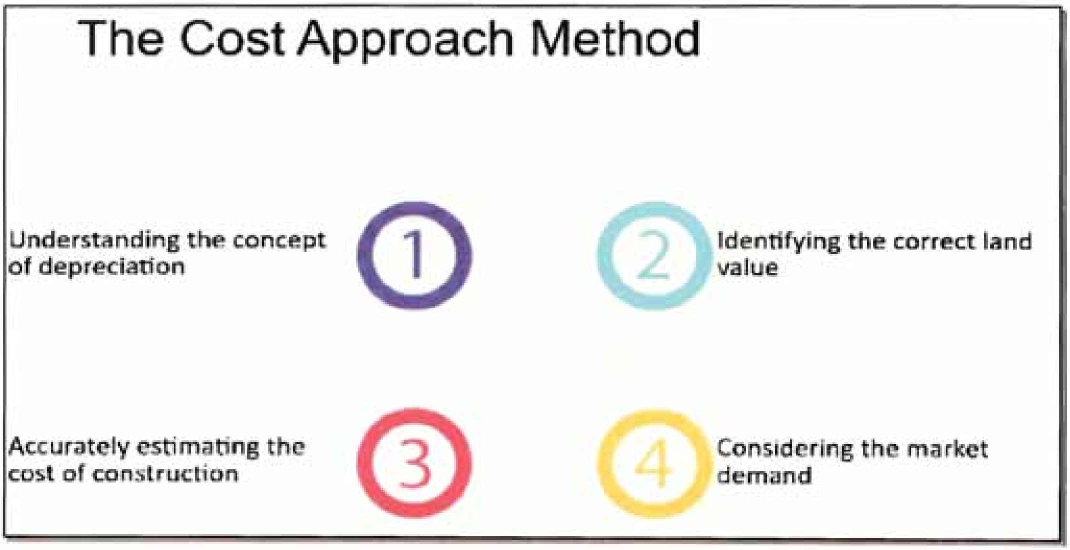
VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

- **COST APPROACH METHOD:**

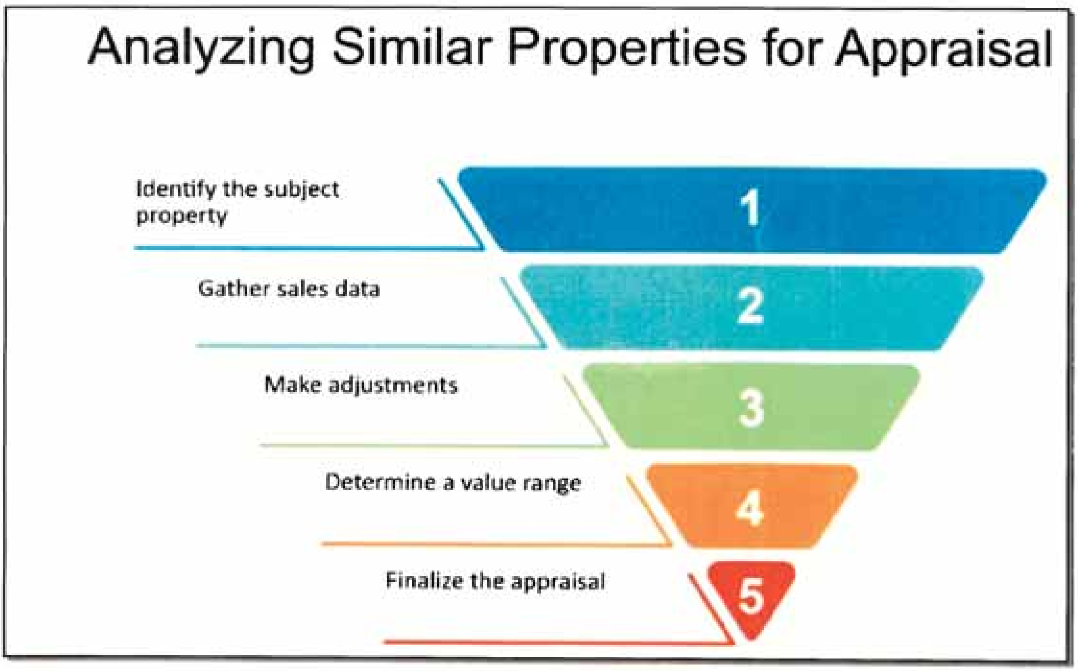
The Cost Approach for property valuation estimates the value by calculating the cost to replace or reproduce the property's improvements and adjusting for depreciation, while separately determining the land value. It is especially useful for new or unique properties, where comparable market data may 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.



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 COMPARAISION 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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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)

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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

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.
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METHODOLOGY USED IN VALUATION:

In accordance with Section 104 of the valuation standards, the Market Value approach is the preferred method, as it represents the most probable price a property would achieve in an open and competitive market. This approach takes into account prevailing market conditions and relies on comparable sales data for similar properties.

However, if the Market Value approach is not suitable due to lack of comparable or specific circumstances, other methods, such as the Income Approach (based on potential income generation) or the Residual Value Method (based on development potential), may be applied. The choice of method depends on the purpose of valuation and the property's characteristics.

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.

WORKING FOR RESIDUAL VALUE METHOD BASED ON THE RCEM:

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: Saima 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 & contiguencies, determine the net present value of land.

REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED

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VALUATION REPORT OF OPEN COMMERCIAL LAND
LOCATED AT KORANGI INDUSTRIAL AREA, QAYYUMABAD, DISTRICT KORANGI, KARACHI.
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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 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 [√]**

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 Shabab Raza.
G.M-Evaluation & Inspection

M.Sharjeel Siddiqui.
G.M. Operations

MYK Ref No: MYK/18158/07/2025

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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

(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-B, 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 July 23, 2025 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 [√]**

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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REPORT AND VALUATION OF COMMERCIAL PROPERTY OWNED BY TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED

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TPL REIT MANAGEMENT COMPANY LIMITED & TPL REIT FUND-I

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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

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

MYK Ref No: MYK/18158/07/2025

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October 7, 2025

بسم الله الرحمن الرحيم

الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2025 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in TPL REIT Fund I managed by TPL REIT Management Company Limited are permissible and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.

AL-HILAL SHARIAH ADVISORS (PVT.) LTD. KARACHI

Mufti Irshad Ahmad Aijaz
Member Shariah Council

Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited
Suite 807, 8th Floor, Horizon Towers, Com 2/6, Khayaban-e-Saadi,
Block 03 Clifton, Karachi
Tel :+92-21-35305931-37, Web: www.alhilalsa.com

TPLRMC

Management's Statement of Compliance with the Shariah Principles for the year ended June 30, 2025

TPL Reit Fund I (the Fund) has fully complied with Shariah Principles specified in the trust deed of the Fund and in the guidelines issued by the shariah advisor of the fund for its operations, investment and placements for the year ended June 30, 2025. This has been duly confirmed by the Shariah Advisor of the Fund.

Chief Executive Officer

Karachi

October 8, 2025

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

+92-21-37130227
info@tplfunds.com
www.tplfunds.com

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 ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To the Board of Directors of TPL REIT Management Company, Management Company of TPL REIT Fund - I

Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of the **TPL REIT Fund - I** ('the Fund') for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended 30 June 2025. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended 30 June 2025) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations, and reproduced as under:

i. legal and regulatory framework administered by the Commission;

ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the Commission;

iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;

iv. guidance and recommendations of the Shariah advisory committee, as notified by Commission; and

v. approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended 30 June 2025, which are annexed.

Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions and stakeholders and related policies and procedures are, in substance and in their

KPMG Taseer Hadi & Co.

legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility and summary of the work performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended 30 June 2025 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

KPMG Taseer Hadi & Co.

Conclusion

Based on our reasonable assurance engagement, we report that in our opinion the Fund's financial arrangements, contracts and transactions for the year ended 30 June 2025 are in compliance with the Shariah principles (criteria specified in the paragraph 2 above), in all material respects.

Date: 27 November 2025

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

UNCONSOLIDATED FINANCIAL STATEMENTS OF TPL REIT FUND I

Grant Thornton

Grant Thornton Anjum Rahman
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF TPL REIT MANAGEMENT COMPANY LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of TPL REIT Management Company (the Company) for the year ended 30 June 2025 in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's' personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2025.

Chartered Accountants
Karachi
Date: 28 November 2025
UDIN: CR202510093fk7RZJ5wn

TPLRMC

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of company TPL REIT Management Company Limited
Year ended: June 30, 2025

The Regulation 15 (xxxi) of the Real Estate Investment Trust Regulations, 2022 requires the REIT Management Company to ensure that it confirms with provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2022 (The Regulations). The TPL REIT Management Company Limited complied with requirement of the Regulations for the year ended June 30, 2025.

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are Seven (07) as per the following:

Male	Female
6	1

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Muhammad Adnan Afaq Mr. Naveed Kamran Baloch Mr. Osman Asghar Khan
Non-Executive Directors	Mr. Muhammad Ali Jameel Mr. Abdul Wahab Al-Halabi Mr. Imran Husain
Independent Female Director	Ms. Vanessa Eastham Fisk
Chief Executive Officer	Mr. Syed Jamal Baquar

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ Shareholders as empowered by the relevant provisions of the Act and the Regulation.

7. The meetings of the Board were presided over by the Chairman and in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

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

+92-21-37130227
info@tplfunds.com
www.tplfunds.com

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board has duly complied with the Directors' Training Program as required under Regulation 19 of the Listed Companies Code of Corporate Governance, 2019. Majority of the Board members have completed their certification while one Director was granted exemption by SECP and one Director is exempted based on prescribed qualification and experience. All the Directors are well conversant with their duties and responsibilities as director of a listed company.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. The Chief Financial Officer and Chief Execution Officer have duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a. Audit, Risk and Oversight Committee

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

b. HR and Remuneration Committee

Name	Designation
Mr. Osman Asghar Khan	Chairman
Mr. Imran Husain	Member
Mr. Muhammad Ali Jameel	Member
Mr. Syed Jamal Baquar	Member
Mr. Nader Nawaz	Secretary

c. Investment Committee

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

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance.

14. The frequency of meetings of the committee were as per following:

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

+92-21-37130227
info@tplfunds.com
www.tplfunds.com

TPLRMC

Name of Committee	Frequency of Meeting
Audit Committee	4 meetings were held during the Year. The meetings of the Audit Committee are held on a quarterly basis
HR and Remuneration Committee	2 meetings were held during the Year. The meeting of the HR and Remuneration Committee is held on a half-yearly basis.

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Instituted of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Instituted of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parents, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with; and

Chief Executive Officer

Director

Karachi
September 19, 2025

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

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www.tplfunds.com

KPMG

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 AUDITOR'S REPORT

To the Unit Holders of TPL REIT Fund - I

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **TPL REIT Fund - I** (the Fund), which comprise the unconsolidated statement of assets and liabilities as at 30 June 2025, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in unit holders fund, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated financial statements, including material accounting policy information and we state we have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of assets and liabilities, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in unit holders fund, the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Fund's affairs as at 30 June 2025 and of the profit and other comprehensive income, the changes in unit holders' fund and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the unconsolidated Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the Key audit matter:

S. No.	Key Audit Matter	How the matters were addressed in our audit
1.	**Valuation of Investments** (Refer Note 5)	
	The carrying amount of the investment held by Fund amounting to Rs. 33,000.624 million, which constitute 90.70% of the total assets as at 30 June 2025. These comprise of investments made by the Fund in its subsidiaries, namely National Management and Consultancy Services (Private) Limited and HKC (Private) Limited, amounting to 29,855.574 million and 3,145.050 million respectively and are measured at fair value under IFRS 13, "Fair Value Measurement." The investments are classified as a Level 3 financial instrument in the fair value hierarchy, as their valuation relies on significant unobservable inputs. Due to the complexity and judgment involved in the valuation of the Level 3 investments and its significance to the unconsolidated financial statements, we have determined that the valuation of investment is a key audit matter.	Our audit procedures amongst others, included the following: • Obtaining an understanding of the process relating to valuation of investment held in subsidiaries and testing design and implementation of key internal controls; • Obtaining and inspecting the results of valuation carried out by the management of the Company itself and through externally appointed experts, and incorporated in the financial statements, on which the management assessment of valuation of investment was based including evaluating the contents of externally appointed experts' reports comply with the requirements of REIT Regulations 2022; • Assessing the appointment of external expert engaged by the management by evaluating whether the external expert is independent and complies with the necessary competence requirements of REIT Regulations 2022, this also included evaluating their scope of work; • Evaluating the completeness and appropriateness of information and source data used in the valuation by inspecting the relevant underlying documentation; • Evaluating the appropriateness of key methods used by the management and reasonableness of key estimates and assumptions used by the management in valuation exercise; and • Assessing the appropriateness of disclosures as presented in unconsolidated financial statements for compliance with the requirements of the applicable accounting and reporting standards as applicable in Pakistan.

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Information other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included In the Annual Report, but does not include the unconsolidated financial statements, consolidated financial statements and our Auditor's Reports thereon. We were provided with the Director's Report to the unitholders prior to the date of this Auditor's Report and the remaining parts of the Annual Report are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materiality inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and the REIT Regulations, 2022 and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable

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in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Fund as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of assets and liabilities, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in unit holders fund and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Fund's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

KPMG Taseer Hadi

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 27 November 2025

Karachi

UDIN: AR202510106b8BiWfapt

TPL REIT FUND I
UNCONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Non-current assets			
Preliminary expenses and floatation costs	4	10,488	15,611
Security deposits		100	100
Investments	5	33,000,624	34,652,687
		33,011,212	34,668,398
Current assets			
Asset held for sale - Investment	6	2,907,413	-
Prepayment and other receivables	7	9,678	21,817
Due from related parties	8	441,118	160,000
Bank balances	9	15,452	29,274
		3,373,661	211,091
TOTAL ASSETS		36,384,873	34,879,489
LIABILITIES			
Non-current liability			
Payable to the REIT Management Company Limited	10	5,344	10,688
Current Liability			
Payable to the REIT Management Company Limited	10	2,367,185	-
Current liabilities			
Payable to the REIT Management Company	10	2,372,529	2,031,552
Payable to the Trustee	11	3,996	3,812
Payable to the SECP	12	25,000	25,000
Due to related party	13	413,481	-
Accrued expenses and other liabilities		11,055	7,911
		2,826,062	2,078,963
TOTAL LIABILITIES		2,826,062	2,078,963
NET ASSETS		33,558,811	32,800,526
CONTINGENCIES AND COMMITMENTS	14		
		(Number of units)	
Units in issue	15	1,835,000,000	1,835,000,000
		(Rupees per unit)	
Net assets value per unit		18.28	17.87
REPRESENTED BY:		(Rupees in '000)	
Total unit holders' fund			
Issued, subscribed and paid up units	15	18,350,000	18,350,000
Fair value reserve	16	19,228,037	17,972,687
Accumulated loss		(4,019,226)	(3,522,161)
		33,558,811	32,800,526

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

CHIEF EXECUTIVE OFFICER　　CHIEF FINANCIAL OFFICER　　DIRECTOR

TPL REIT FUND I
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025

CONTINUING OPERATIONS	Note	2025	2024
		(Rupees in '000)	
INCOME			
Unrealised gain on remeasurement of investments through profit or loss	5	1,226,952	569,222
Dividend income	17	285,000	445,000
Profit on bank deposits and loans		29,074	29,318
Total income		1,541,026	1,043,540
EXPENSES			
Management fee of the REIT Management Company	10.2	574,018	528,919
Performance fee of the REIT Management Company	10.3	133,822	66,419
Remuneration of the Trustee	11.1	15,307	14,105
SECP monitoring fee	12.1	25,000	25,000
Auditor's remuneration	18	6,844	6,210
Legal and professional fee		9,878	11,907
Amortisation of preliminary expenses and floatation costs	4	5,123	5,123
Fund rating fee		467	347
Share registrar fee		345	339
Listing fee		329	-
Bank and custody charges		1,156	4,140
Printing charges		369	164
Total expenses		(772,658)	(662,673)
OPERATING PROFIT		768,368	380,867
Finance cost	13.1	(38,481)	-
PROFIT BEFORE TAXATION		729,887	380,867
Taxation	19	-	-
PROFIT FROM CONTINUING OPERATION		729,887	380,867
DISCONTINUED OPERATIONS:			
Profit / (loss) from discontinued operations - net of tax	6	28,398	(4,494)
PROFIT FOR THE YEAR		758,285	376,373
		------------ (Rupees) ------------	
EARNINGS PER UNIT - BASIC AND DILUTED	20	0.41	0.23

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

CHIEF EXECUTIVE OFFICER | CHIEF FINANCIAL OFFICER | DIRECTOR

TPL REIT FUND I
UNCONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	(Rupees in '000)	
PROFIT FOR THE YEAR	758,285	376,373
Other comprehensive income for the year	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	758,285	376,373

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL REIT FUND I
UNCONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS FUND
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Issued, subscribed and paid up units	Reserves: Capital reserve - Fair value reserve	Reserves: Revenue reserve - Accumulated loss	Total
		---------- (Rupees in '000) ----------			
Balance as at 01 July 2023		14,975,000	17,407,959	(3,333,806)	29,049,153
Profit for the year		-	-	376,373	376,373
Reclassification adjustment for changes in fair value of investments	5	-	564,728	(564,728)	-
Transactions with unit holders:					
Issue of 337,500,000 units	15	3,375,000	-	-	3,375,000
Balance as at 30 June 2024	15	18,350,000	17,972,687	(3,522,161)	32,800,526
Balance as at 01 July 2024	15	18,350,000	17,972,687	(3,522,161)	32,800,526
Profit for the year		-	-	758,285	758,285
Reclassification adjustment for changes in fair value of investments	5	-	1,255,350	(1,255,350)	-
Balance as at 30 June 2025	15	18,350,000	19,228,037	(4,019,226)	33,558,811

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL REIT FUND I
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		758,285	376,373
Adjustments for non-cash items:			
Unrealised gain on remeasurement of investments through profit or loss	5	(1,255,350)	(564,728)
Dividend income	17	(285,000)	(445,000)
Profit expense		38,481	-
Profit income		(27,118)	-
Amortisation of preliminary expenses and floatation costs	4	5,123	5,123
		(1,523,864)	(1,004,605)
Changes in working capital:			
Prepayment and other receivables		12,139	(1,070)
Payable to the REIT Management Company		330,290	(393,336)
Due from related party other than financing		122,000	120,000
Payable to the Trustee		184	539
Accrued expenses and other liabilities		3,144	2,702
Cash generated from operations		467,757	(271,165)
Net cash used in operating activities		(297,822)	(899,397)
CASH FLOWS FROM INVESTING ACTIVITIES			
Right issue subscription of NMC	5	-	(2,830,000)
Loan disbursed during the year		(376,000)	(358,000)
Loan repayments received during the year		-	80,000
Dividend received	17	285,000	445,000
Right issue subscription of HKC	5	-	(175,000)
Net cash used in investing activities		(91,000)	(2,838,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		-	2,775,000
Loan received during the year		420,000	-
Loan repiad during the year		(6,519)	-
Profit paid during the year		(38,481)	-
Net cash used in financing activities		375,000	2,775,000
Net decrease in cash and cash equivalents		(13,821)	(962,397)
Cash and cash equivalents at the beginning of the year		29,274	991,671
Cash and cash equivalents at the end of the year	9	15,452	29,274

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

CHIEF EXECUTIVE OFFICER　　CHIEF FINANCIAL OFFICER　　DIRECTOR

1 THE FUND AND ITS OPERATIONS

TPL REIT FUND - I (the Fund) was established under a Trust Deed, dated 10 December 2021, executed between the TPL REIT Management Company Limited as the Management Company and Digital Custodian Company Limited (formerly MCB Financial 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 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) on 20 May, 2024, with the approval of the SECP under the REIT Regulations, 2022.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the 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, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, Sindh.

The Fund is a perpetual close-end, shariah-compliant, hybrid scheme. All of the activities undertaken by the Fund including but not limited to deposits and placements with banks are all in accordance with the principles 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, capital appreciation and through sale of development property.

As of 23 December 2024, the Pakistan Credit Rating Agency Limited (PACRA) in its rating report has assigned a long-term rating of RFR 3+, a stable outlook, to the Fund.

As of 23 December 2024, the Pakistan Credit Rating Agency Limited (PACRA) in its rating report has assigned a long-term rating of RM 3+, a stable outlook, to the TPL REIT Management Company Limited.

Title to the assets of the Fund are held in the name of the Digital Custodian Company Limited as the 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 (RMC)	Management Company	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 (formerly G-18 (Private) Limited)	Subsidiary Company	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	-

Company Name	Relationship	Common Directorship	Percentage of Shareholding
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	-
TPL Trakker Middle East LLC	Associated Company of RMC	N/A	-
Key Management Personnel of RMC	-	N/A	-
Digital Custodian Company Limited	Trustee	N/A	-

2 BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated financial statements of the Fund for the year ended 30 June 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards 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, 2022) 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, 2022 and requirements of the Trust Deed differ with the requirements of IFRS, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations, 2022 and requirements of the Trust Deed have been followed.

These unconsolidated financial statements are separate financial statements, herein after referred to as the “unconsolidated financial statements”, of the Fund in which investments in subsidiaries are stated at fair value through profit or loss. The consolidated financial statements of the Fund and its subsidiaries have been prepared separately.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the basis of 'historical cost convention', except for investments which are measured at fair value and investment held-for-sale which is measured at its realisable value.

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

The preparation of the unconsolidated financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which forms the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements, estimates and assumptions made by the management that may have a risk of material adjustments to the unconsolidated financial statements in the subsequent years are as follows:

		Notes
i)	Fair value of investments	3.1.3

Information about judgments made in applying accounting policies that have an effect on the amounts recognised in the unconsolidated financial statements are discussed in the relevant policy notes.

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

2.5.1 New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after 01 July 2024 are as follows:

There are 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 are therefore not detailed in these unconsolidated financial statements.

2.5.2 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective:

The following International Financial Reporting Standards (IFRSs) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2025:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review. Early adoption continues to be permitted.

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

- when a currency is exchangeable into another currency; and

- how a Fund estimates a spot rate when a currency lacks exchangeability.

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

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

The amendments apply for annual reporting periods beginning on or after 01 January, 2025. Earlier application is permitted.

- Amendments to the classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:

Financial Assets with ESG-linked features:

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

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

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

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

- not related directly to a change in basic lending risks or costs; and

- are not measured at fair value through profit or loss.

The amendments apply for reporting periods beginning on or after 01 January 2026. Fund can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

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

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised and provide an exception for certain financial liabilities settled using an electronic payment system. Fund generally derecognise their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the Fund to derecognise its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;

- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- the settlement risk associated with the electronic payment system is insignificant.

The amendments apply for reporting periods beginning on or after 01 January 2026. Earlier application is permitted.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these unconsolidated financial statements and are the same as those applied in earlier periods presented. The material accounting policies applied in the preparation of these unconsolidated financial statements are set out below;

3.1 Financial instruments

3.1.1 Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.1.2 Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Fund becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3.1.3 Classification and subsequent measurement

Financial asset

- On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income (OCI) - debt investment, fair value through OCI - equity investment, or fair value through profit or loss.

- Financial assets are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets of the Fund are measured at FVTPL.

Financial assets - Business model assessment

The Fund makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether the management's strategy focuses on earning contractual mark-up income, maintaining a particular mark-up rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Fund's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment the Fund considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable-rate features;

- prepayment and extension features; and

- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the unconsolidated statement of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the unconsolidated statement of profit or loss. Any gain or loss on derecognition is recognised in the unconsolidated statement of profit or loss.

Financial liabilities

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the unconsolidated profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in the unconsolidated statement of profit or loss. Any gain or loss on derecognition is also recognised in the unconsolidated statement of profit or loss.

3.1.4 Derecognition

Financial assets

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Fund enters into transactions whereby it transfers assets recognised in its unconsolidated statement of assets and liabilities, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Fund derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Fund also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the unconsolidated statement of profit or loss.

3.1.5 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.2 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.3 Cash and cash equivalents

For the purpose of the unconsolidated statement of cash flows, cash and cash equivalents consist of bank balances.

3.4 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 continued 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 affected when they are classified as held for sale. Impairment losses on initial classification as held-for-sale, and subsequent gains or losses on remeasurement, are recognised in the unconsolidated profit or loss under the caption 'Discontinued Operations' in the unconsolidated financial statements.

When an operation is classified as a discontinued operation, the comparative unconsolidated statement of profit or loss is re-presented as if the operation had been discontinued from the beginning of the comparative period.

3.5 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 in cash.

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.

3.6 Net assets value per unit

The net assets value (NAV) per unit as disclosed in the unconsolidated statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.7 Income

- Unrealised gains / (losses) arising on remeasurement of investment classified as financial assets at fair value through profit or loss are included in the unconsolidated statement of profit or loss in the period in which they arise.

- Profit on bank balance and due from related parties is recognised on a time proportion basis using the effective interest rate (EIR) method.

- Dividends are recognised as dividend income in the unconsolidated statement of profit or loss when the right of payment has been established.

3.8 Fair value measurement

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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Fund determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on valuation technique for which any unobservable input are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in the unconsolidated statement of in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

3.9 Earnings per unit

Earnings per unit (EPU) is calculated by dividing the profit or loss attributable to the unit holders of the Fund by the weighted average number of units outstanding during the year.

4 PRELIMINARY EXPENSES AND FLOATATION COSTS

	Note	2025	2024
		(Rupees in '000)	
Balance at the beginning of the year	4.1	15,611	20,734
Amortisation during the year		(5,123)	(5,123)
Balance at the end of the year		10,488	15,611

4.1 The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund as preliminary expenses and floatation costs which are to be amortised 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 (the REIT Regulations, 2022).

5 INVESTMENTS

At Fair Value through Profit or Loss

5.1 Cost of Investments

	Note	2025	2024
		(Rupees in '000)	
Balance at the beginning of the year		16,680,000	13,675,000
Right issue subscription of NMC	5.2	-	2,830,000
Right issue subscription of HKC	5.3	-	175,000
Transfer to asset held-for-sale	5.4	(2,700,000)	-
		13,980,000	16,680,000
Unrealised gain on remeasurement of investments through profit or loss			
Balance at the beginning of the year		17,972,687	17,407,959
Movement during the year		1,255,350	564,728
Transfer to asset held-for-sale		(207,413)	-
		19,020,624	17,972,687
Balance at the end of the year		33,000,624	34,652,687

5.2 Investments in National Management and Consultancy Services (Private) Limited

	Note	2025	2024
Investment property at fair value	5.2.1	-	25,904,241
Development property at fair value		29,149,163	-
Short-term investments		465,792	1,360,045
Property and equipment		109,599	-
Advances, prepayments and other receivables		362,250	424,478
Due from related party		413,481	-
Contract assets		16,738	-
Bank balances		12,952	1,072,899
Accrued liabilities and other payables		(193,737)	(85,186)
Contract liabilities		(180,664)	-
Due to related party		(300,000)	(1,252)
Other assets less liabilities	5.2.2	706,411	2,770,984
Fair value as at the end of the year		29,855,574	28,675,225
Less: cost of investment		(11,630,000)	(11,630,000)
Unrealised gain at the end of the year		18,225,574	17,045,225

5.2.1 This represents land parcel of 40 acres commercial property situated at Korangi Creek, Karachi. As of 30 June 2025, MYK Associates the independent valuer of the Fund determined the fair value of the development property at Rs. 29,855 (30 June 2024: Rs. 28,675) million.

The valuation has been conducted in accordance with the International Valuation Standards (IVS), employing the residual value approach which is a hybrid of the market approach, the income approach and the cost approach that all comes under IFRS 13. This is based on the completed "gross development value" and the deduction of development costs and the developer's return to arrive at the residual value of the development property.

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 the completion of the project.

The fair value measurement for the development property has been categorised within Level 3 of the fair value hierarchy based on the inputs to the valuation technique used.

The significant unobservable inputs used in the valuation are:

- Estimated cost of construction
- Other contingencies
- Developer profit margin

Other valuation methods were not considered, as they are not applicable to the current state of the property. The market approach requires comparable properties, the cost approach is suitable for completed properties, and the income capitalisation approach is applicable to income-generating properties. Since the property is currently under development, neither fully constructed nor generating income, these methods were deemed inappropriate for valuation.

Sensitivity Analysis

Any significant movement in the assumption used for the valuation of development property such as estimated cost of construction, other contingencies and developers profit margin would result in a significantly lower/higher fair value of the asset.

Fair Value Hierarchy

The development property under construction is classified within Level 3 of the fair value hierarchy because it is valued using significant unobservable inputs. The residual approach is applied, but significant adjustments are made according to condition, characteristic and location, which are not directly observable in the market.

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

	Note	2025	2024
5.3 Investments in HKC (Private) Limited		(Rupees in '000)	
Development property at fair value	5.3.1	5,047,863	4,729,433
Advances, prepayments and other receivables		13,054	12,982
Contract asset		16,254	7,209
Bank balances		5,451	6,651
Trade and other payables		(434,966)	(432,560)
Current maturity of long-term financing		(258,333)	(775,000)
Contract liabilities		(366,975)	(172,250)
Due to related parties		(665,517)	(58,018)
Accrued mark-up		(43,321)	(46,836)
Other assets less liabilities - net	5.3.2	(1,734,353)	(1,457,822)
Fair value as at the end of the year		3,313,510	3,271,611
Fair value of 94.92% (30 June 2024: 94.92%) shareholding		3,145,050	3,098,448
Less: cost of investments		(2,350,000)	(2,350,000)
Unrealised gain at the end of the year		795,050	748,448
Total Investments in HKC (Private) Limited			
Fair value of 94.92% (30 June 2024: 94.92%) shareholding		3,145,050	3,098,448
		3,145,050	3,098,448

5.3.1 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 30 June 2025, MYK Associates, the independent valuer of the Fund determined the fair value of the property at Rs. 5,047.86 (30 June 2024: Rs. 4,729.43) million using a residual value approach.

The valuation has been conducted in accordance with International Valuation Standards (IVS), employing the residual value approach which is a hybrid of the market approach, the income approach and the cost approach which all comes under IFRS 13. This is based on the completed “gross development value” and the deduction of development costs and the developer’s return to arrive at the residual value of the development property.

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 the completion of the project.

The fair value measurement for the development property has been categorised within Level 3 of the fair value hierarchy based in the inputs to the valuation technique used.

The significant unobservable inputs used in the valuation are:

- Estimated cost of construction
- Other contingencies
- Developers profit margin

Sensitivity Analysis

Any significant movement in the assumption used for the valuation of development property such as estimated cost of construction, other contingencies and developers profit margin would result in a significantly lower/higher fair value of the asset.

Fair Value Hierarchy

The development property under construction is classified within Level 3 of the fair value hierarchy because it is valued using significant unobservable inputs. The residual approach is applied, but significant adjustments are made according to condition, characteristic and location, which are not directly observable in the market.

5.3.2 These include the cash and cash equivalents, due to related parties 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.

5.4 Investments in TPL Technology Zone Phase - 1 (Private) Limited	2025	2024
	(Rupees in '000)	
Investment property at fair value	-	2,505,194
Asset held for sale - land		
Bank balances	-	3,059
Advance to contractor - secured	-	539,000
Profit on bank receivable	-	51
Advance tax	-	164
Accrued liabilities and other payables	-	(18,594)
Due to related parties	-	(149,859)
Other assets less liabilities	-	373,821
Fair value as at the end of the year	-	2,879,015
Less: cost of investments	-	(2,700,000)
Unrealised gain at the end of the year	-	179,015

5.4.1 This represents land located in an Open Industrial Plot No. 25-B, measuring 10,002 square yards, situated at Sector 30, Korangi Industrial Area, Karachi. As of 30 June 2024, Savills Pakistan (Private) Limited, the independent valuer of the Fund determined the fair value of the property at Rs. 2,505.19 million. The valuation was carried out on the basis of present market values for similar properties in the vicinity of the land and replacement values of similar types of land based on the present cost, and adjustments are applied on such similar properties based on reasonable qualitative and quantitave factors to determine the valuation of the investment property. The valuation has been conducted in accordance with the International Valuation Standards (IVS), employing the market approach as outlined under IFRS 13 to determine the property's value.

The other valuation methods were not considered as they are not applicable to the current state of the property. The valuation under Cost Approach requires a completed property, while the Income Capitalisation 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.

The significant unobservable inputs used in the valuation are:

- Market price per square yard for comparable properties
- Discount for size

Other adjustments:

- Discount for access, visibility, and location
- Discount for the irregularity in shape
- Discount for the uneven surface
- Discount for cleaner land titles
- Discount for availability for sale

Fair Value Hierarchy

During the prior year, the investment property was classified within Level 3 of the fair value hierarchy because it is valued using significant unobservable inputs. The market approach is applied, but significant adjustments are made according to condition and location, which are not directly observable in the market.

5.4.2 These investments have been made in shariah compliant companies.

		Note	2025	2024
6	**ASSET HELD FOR SALE - INVESTMENT**		(Rupees in '000)	
6.1	**Investments in TPL Technology Zone Phase - 1 (Private) Limited**			
	Investment property at realisable value		-	-
	Asset held for sale - land	6.1.1	2,254,000	
	Bank balances		523	-
	Advances and other receivables		539,284	-
	Due from related party		300,000	-
	Accrued liabilities and other payables		(28,394)	-
	Advance against asset held for sale		(158,000)	-
	Other assets less liabilities - net	6.1.2	653,413	-
	Fair value as at end of the year		2,907,413	-
	Less: cost of investments		(2,700,000)	-
	Unrealised gain at the end of the year		207,413	-

6.1.1 During the year, the Fund obtained approval from the majority anchor investor for the disposal of the sole parcel of land recorded in the books of TPL Technology Zone Phase-1 (Private) Limited. As of 30 December 2024, TTZ had entered into a sale agreement with a buyer for the disposal of the land, which is expected to be completed by the end of December 2025. Following the disposal, TTZ will be wound up, as approved by the majority anchor investors. Accordingly, the financial statements of TTZ have not been prepared on a going concern basis. As a result, the investment in TTZ has been classified under current assets. The expected selling price has been agreed at Rs. 2.3 billion, with estimated costs to sell amounting to Rs. 46 million. Consequently, the land has been carried at its net realisable value of Rs. 2.254 billion.

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

7 PREPAYMENT AND OTHER RECEIVABLES

	Note	2025	2024
		(Rupees in '000)	
Advance tax	7.1	9,488	21,627
Prepayments		190	190
		9,678	21,817

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.

8 DUE FROM RELATED PARTIES

	Note	2025	2024
		(Rupees in '000)	
TPL Technology Zone Phase - I (Private) Limited	8.1	-	122,000
HKC (Private) Limited	8.2	441,118	38,000
		441,118	160,000

8.1 This represents payments made by TPL REIT FUND - I on behalf of TPL Technology Zone Phase - 1 (Private) Limited in respect of development costs and are repayable on demand.

8.2 This amount has been paid for funding the project development needs of HKC (Private) Limited and is repayable on demand. This arrangement carries a profit rate of 7.93% to 15.86%.

8.3 Detail and ageing analysis of the gross amount due from related parties is as follows:

	30 June 2025			
	0 to 30 Days	31 to 180 days	More than 181 days	Total
	(Rupees in '000)			
HKC (Private) Limited	-	-	441,118	441,118
	-	-	441,118	441,118

	30 June 2024			
	0 to 30 Days	31 to 180 days	More than 181 days	Total
	(Rupees in '000)			
TPL Technology Zone Phase - I (Private) Limited	-	120,000	2,000	122,000
HKC (Private) Limited	-	38,000	-	38,000
	-	158,000	2,000	160,000

9 BANK BALANCES

	Note	2025	2024
		(Rupees in '000)	
Balances with banks in:			
Current account - local currency		9	9
Savings account - local currency	9.1	15,443	29,265
		15,452	29,274

9.1 This represents Islamic saving accounts maintained with commercial bank carrying profit at the rate of 10.25% to 19.75% (30 June 2024: 11.00% to 20.75%) per annum.

10 PAYABLE TO THE REIT MANAGEMENT COMPANY

	Note	2025	2024
		(Rupees in '000)	
Non Current			
Preliminary expenses, floatation costs and other payable	10.1	5,344	10,688
Current			
Preliminary expenses, floatation costs and other payable	10.1	6,876	16,032
Management fee payable	10.2	370,651	139,758
Performance fee payable	10.3	1,989,658	1,875,762
		2,367,185	2,031,552

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 of 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.

10.3 Performance fee payable

	Note	2025	2024
		(Rupees in '000)	
Performance fee payable at the end of accelerator period	10.3.1	1,949,511	1,855,836
Performance fee payable after the close of each accounting period		40,147	19,926
	10.3.2	1,989,658	1,875,762

10.3.1 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 a performance fee as follows:

a) 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

b) 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 subject to Sindh sales tax at the rate of 15%.

10.3.2 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.

11 PAYABLE TO THE TRUSTEE

	Note	2025	2024
		(Rupees in '000)	
Trustee fee payable	11.1	3,884	3,728
Share registrar fee payable		112	84
		3,996	3,812

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 subject to Sindh sales tax at the rate of 15%. The fee is paid quarterly in arrears.

		2025	2024
12 PAYABLE TO THE SECP	Note	(Rupees in '000)	
Annual fee payable	12.1	25,000	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.

		2025	2024
13 DUE TO RELATED PARTY	Note	(Rupees in '000)	
National Management and Consultancy Services (Private) Limited - unsecured	13.1	413,481	-
		413,481	-

13.1 This represents shariah compliant loan received from National Management and Consultancy Services (Private) Limited and carry profit at the rate from 11.00% to 15.99% per annum.

14 CONTINGENCIES AND COMMITMENTS

Contingencies

There are no material contingencies outstanding as at 30 June 2025 (30 June 2024: Nil).

Commitments

There are no commitments outstanding as at 30 June 2025 (30 June 2024: Nil).

15 ISSUED, SUBSCRIBED AND PAID UP UNITS

2025	2024			2025	2024
(Number of units)			Note	(Rupees in '000)	
		Ordinary units of Rs. 10 each fully paid			
710,000,000	710,000,000	consideration other than cash (against equity shares)		7,100,000	7,100,000
787,500,000	787,500,000	in cash		7,875,000	7,875,000
		Ordinary units of Rs. 10 each fully paid			
337,500,000	337,500,000	right issue of units		3,375,000	3,375,000
1,835,000,000	1,835,000,000		15.1 & 15.2	18,350,000	18,350,000

15.1 These fully paid ordinary units carry equal right to dividend.

		2025		2024	
15.2 Pattern of Unit Holding	Note	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	15.2.1	2%	32,050,500	2%	32,050,500
		100%	1,835,000,000	100%	1,835,000,000

15.2.1 During the prior year, the units of the Fund were listed on the Pakistan Stock Exchange. The strategic investor and anchor investor offered their units in proportion to their unit holding.

The offer consists of a Base Offer of 22,937,500 Units, which is 1.25% of the total units of the TPL REIT Fund-I, having a face value of Rs. 10 each and a Green Shoe Option of up to 22,387,000 units representing a further 1.22% of the total units of the TPL REIT Fund-I. The offer is being made through the Fixed Price Method at an Offer Price of Rs. 17.59 per unit.

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.

17 DIVIDEND INCOME

	Note	2025	2024
		(Rupees in '000)	
National Management and Consultancy Services (Private) Limited	17.1	285,000	445,000

17.1 This represents the dividend income received during the year from shariah compliant subsidiary company of the Fund.

18 AUDITOR'S REMUNERATION

	2025	2024
	(Rupees in '000)	
Audit fees	4,866	4,250
Other certifications	895	750
Out of pocket	576	770
	6,337	5,770
Sindh sales tax	507	440
	6,844	6,210

19 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 has incurred an accounting loss after deducting capital gains from accounting income. Therefore, there is no distributable income for the current year.

20 EARNINGS PER UNIT - BASIC AND DILUTED

	2025	2024
	(Rupees in '000)	
Profit for the year	758,285	376,373
	(Number of Units)	
Weighted average number of units outstanding during the year	1,835,000,000	1,668,094,262
	(Rupees)	
Earnings per unit - Basic and diluted	0.41	0.23

There is no dilutive effect on the earnings per unit of the Fund, as the fund has no potential units.

21 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 year and balances with them at year end, if not disclosed elsewhere in these unconsolidated financial statements are as follows:

	Note	2025	2024
		(Rupees in '000)	
TPL REIT Management Company Limited			
REIT Management Company			
Management fee of the REIT Management Company		574,018	528,919
Payments made to the REIT Management Company		377,550	988,675
Performance fee of the REIT Management Company		133,822	66,419
Digital Custodian Company Limited			
Trustee			
Remuneration of the Trustee		15,307	14,105
Share registrar fee		345	339
Payments made to the Trustee		15,468	13,905
HKC (Private) Limited			
Subsidiary of the Fund			
1,166,666 Right shares subscribed at subscription price of Rs. 150/- per share		-	175,000
Short term financing for liquidity management		376,000	118,000
Repayment against short-term financing		-	80,000
Profit charged on loan		27,118	-
National Management And Consultancy Services (Private) Limited			
Subsidiary of the Fund			
Right shares subscribed at subscription price of Rs. 10,000/- per share		-	2,830,000
Dividend received	17	285,000	445,000
Loan received		420,000	
Profit charged on loan		38,481	
Repayment made during the year		45,000	-
TPL Technology Zone Phase - 1 (Private) Limited			
Subsidiary of the Fund			
Repayment received		122,000	-
Payment made on behalf of the Company		-	120,000

22 FINANCIAL RISK MANAGEMENT

The Fund's activities are exposed to a variety of financial risks namely credit risk, liquidity risk, and market risk. The Fund manage these risk through monitoring and controlling activities which are primarily set up to be performed based on limits established in the Fund's constitutive documents and REIT Regulation, 2022 and directives of the SECP. The Board of Directors of the REIT Management

Company (RMC) have overall responsibility for the establishment, development and oversight of the Fund's risk management framework and policies. The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The audit committee of REIT Management Company (RMC) oversees how RMC monitors compliance of risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The RMC's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee

22.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Fund attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties and arises principally from the Fund's deposits with banks.

The carrying amount of the financial assets represents maximum exposure to credit risk as at 30 June 2025 and 30 June 2024:

	2025	2024
Financial Assets	(Rupees in '000)	
Bank balances	15,452	29,274
Due from related parties	441,118	-
Deposits	100	100
	456,670	29,374

The Fund manages credit risk as follows:

Due from related party and deposits:

Due from related party and deposits comprises of payments which are neither past due nor impaired based on past relationship, credit rating and financial soundness of the counterparties' chances of default are remote and also there is no material impact of changes in credit risks of such receivables hence no impairment allowance is necessary in respect of these amounts.

The Fund has placed its funds (bank balances) with banks having sound credit ratings. The credit quality of Fund's major balances can be assessed with reference of external credit ratings as follows:

	30 June 2025			
Bank balances	Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
National Bank of Pakistan	PACRA	AAA	A1+	9
Bank Al Habib Limited	PACRA	AAA	A1+	15,316
Faysal Bank Limited	PACRA	AA	A1+	127
				15,452

	30 June 2024			
Bank balances	Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
National Bank of Pakistan	PACRA	AAA	A1+	9
Bank Al Habib Limited	PACRA	AAA	A1+	29,262
Faysal Bank Limited	PACRA	AA	A1+	3
				29,274

The Fund believes that no ECL allowance is necessary in respect of bank balances as the Fund is satisfied that recovery of the amount due is possible.

22.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The table below summarises the maturity profile of the Fund's financial liabilities based on contractual undiscounted payment dates and present market interest rates:

	30 June 2025				
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	---------- (Rupees in '000) ----------				
Payable to the REIT Management Company	1,949,511	370,651	52,367	-	2,372,529
Payable to the Trustee	-	3,996	-	-	3,996
Payable to the SECP	-	-	25,000	-	25,000
Accrued expenses and other liabilities	-	11,055	-	-	11,055
	1,949,511	385,702	77,367	-	2,412,581

	30 June 2024				
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	---------- (Rupees in '000) ----------				
Payable to the REIT Management Company	1,855,836	139,758	46,646	-	2,042,240
Payable to the Trustee	-	3,812	-	-	3,812
Payable to the SECP	-	-	25,000	-	25,000
Accrued expenses and other liabilities	-	7,911	-	-	7,911
	1,855,836	151,481	71,646	-	2,078,963

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Refer note 10.3 where the major liability amounting to Rs. 1,950 million pertains to the Management Company of the Fund and is contingent upon the distribution of first dividend, which depend on the Fund's ability to generate distributable profits and maintain sufficient liquidity for such distributions .Further the Fund manages liquidity risk by maintaining sufficient cash in bank accounts. At 30 June 2025, the Fund had financial assets of Rs. 456.67 million (30 June 2024: Rs. 189.3 million), which include Rs. 15.4 million (30 June 2024: Rs. 29.27 million) of cash placed in bank accounts.

22.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprise three types of risks: currency risk, interest rate risk and other price risk.

22.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at reporting date, the Fund is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant in not reported.

22.3.2 Profit rate risk

Profit rate risk is the risk that fair value or future cash flows of the financial instrument will fluctuate because of change in market profit rates. The Fund does not have any fixed rate financial instrument at fair value through profit or loss. Therefore, the Fund is not exposed to fair value changes for fixed rate instruments. However, the bank and term deposit at variable rates expose the Fund to fluctuations in cash flow due to change in market profit rates. The cash flow sensitivity analysis for variable rate of instrument is depicted below:

Sensitivity Analysis for variable rate instruments

A change of 100 basis points in profit rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as carried out in 30 June 2024.

	Profit or loss		Equity	
	100 bps Increase	100 bps decrease	100 bps Increase	100 bps decrease
	---------------------- (Rupees in '000) ----------------------			
30 June 2025				
Bank deposits	155	(155)	155	(155)
30 June 2024				
Bank deposits	293	(293)	293	(293)

22.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As of the reporting date, the Fund is exposed to equity risk to the extent of its investment in subsidiaries.

	Profit or loss		Equity	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
	---------------------- (Rupees in '000) ----------------------			
30 June 2025				
Investments	(330,006)	330,006	(330,006)	330,006
30 June 2024				
Investments	(346,527)	346,527	(346,527)	346,527

23 UNIT HOLDERS' CAPITAL RISK MANAGEMENT

Management's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns based on income earned and realised gains as per trust deed to its unit holders and to ensure reasonable safety of unit holders' funds.

The Fund manages its other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The Fund is not exposed to externally imposed minimum unit holders' maintenance requirement.

	2025	2024
	(Rupees in '000)	
Debt	413,481	-
Total unit holders fund	33,558,811	32,800,526
Total units	33,972,292	32,800,526
Gearing ratio (%)	1.22%	0.00%

24 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.

Underlying the definition of fair value is the presumption that the Fund 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 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.

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.

	2025			
	Level 1	Level 2	Level 3	Total
	----------------------- (Rupees in '000) -----------------------			
Investments	-	-	33,000,624	33,000,624
	-	-	33,000,624	33,000,624

	2024			
	Level 1	Level 2	Level 3	Total
	----------------------- (Rupees in '000) -----------------------			
Investments	-	-	34,652,687	34,652,687
	-	-	34,652,687	34,652,687

24.1 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.

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

	2025				
	Fair Value through other comprehensive income	Fair value through profit or loss	Financial assets at amortised cost	Other financial liabilities	Total
	(Rupees in '000)				
Financial assets not measured at fair value					
Due from related parties	-	-	441,118	-	441,118
Bank balance	-	-	15,452	-	15,452
	-	-	456,570	-	456,570
Financial liabilities not measured at fair value					
Payable to the REIT Management Company	-	-	2,367,185	-	2,367,185
Payable to the Trustee	-	-	3,996	-	3,996
Payable to the SECP	-	-	25,000	-	25,000
Accured expenses and other liabilities	-	-	11,055	-	11,055
	-	-	2,407,237	-	2,407,237

	2024				
	Fair Value through other comprehensive income	Fair value through profit or loss	Financial assets at amortised cost	Other financial liabilities	Total
	(Rupees in '000)				
Financial assets not measured at fair value					
Due from related parties			160,000		160,000
Bank balance	-	-	29,274	-	29,274
	-	-	189,274	-	189,274
Financial liabilities not measured at fair value					
Payable to the REIT management company	-	-	2,031,552	-	2,031,552
Payable to the trustee	-	-	3,812	-	3,812
Payable to the SECP	-	-	25,000	-	25,000
Accured expenses and other liabilities	-	-	7,911	-	7,911
	-	-	2,068,275	-	2,068,275

24.3 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.

25 GENERAL

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

26 NON ADJUSTING EVENT AFTER THE FINANCIAL STATEMENT DATE

On 14 November 2025, the Fund issued a public notice expressing its intention to sale the project of HKC (Private) Limited, namely One Hoshang (the Project). As of the date of issuance of these financial statements, the process is at a preliminary stage, and no binding agreement has been entered into with any party.

This event does not provide evidence of conditions that existed as at the reporting date. Therefore, no adjustments have been made to the financial statements. However, the Fund has made this disclosure to inform users of developments made subsequent to the reporting period.

27 DATE OF AUTHORIZATION OF ISSUE

These unconsolidated financial statements were authorised for issue on September 26, 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

KPMG

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 AUDITOR'S REPORT

To the Unit Holders of TPL REIT Fund - I

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **TPL REIT Fund - I** ("the Fund") and its subsidiaries ("the Group"), which comprise the consolidated statement of assets and liabilities as at 30 June 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in unit holders' fund, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of the Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG Taseer Hadi & Co.

Following is the Key audit matter:

S. No.	Key audit matter	How the matters were addressed in our audit
1.	**Valuation of Development Properties**	
	Refer note 7 to the financial statements. The development properties amounted to Rs. 33,941 million as of 30 June 2025. Development properties represents 89.86% of the Group's total assets. The Group's development properties is stated at cost. Several estimates and judgments are involved in determining the net realizable value of the development properties. The significance of the balance, coupled with the estimates and judgments involved in its valuation, has resulted in the valuation of development properties being considered a key audit matter.	Our audit procedures amongst others, include the following: • Obtaining an understanding of the process relating to the valuation of the development properties and testing design and implementation of key internal controls; • Obtaining and inspecting the results of valuation carried out by externally appointed expert and evaluating that the contents of the valuation reports comply with the requirements of REIT Regulations 2022; • Assessing the appointment of external expert engaged by the management by evaluating whether the external expert is independent and complies with the necessary competence requirements of REIT Regulations 2022, this also included evaluating their scope of work; • Evaluating the completeness and appropriateness of information and source data used in the valuation by inspecting the relevant underlying documentation; • Evaluating the appropriateness of key methods used by the management and reasonableness of key estimates and assumptions used by the management in valuation exercise; and • Evaluating the appropriateness of the amount transferred from investment property to the development properties; • Assessing the appropriateness of disclosures presented in the consolidated financial statements for compliance with the

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S. No.	Key audit matter	How the matters were addressed in our audit
		requirements of the applicable accounting and reporting standards as applicable in Pakistan.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included In the annual report but does not include the consolidated financial statements, unconsolidated financial statements and our Auditor's Report thereon. We were provided with the Director's report to the unitholders prior to the date of this Auditor's Report and the remaining parts of the annual report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and the REIT Regulations, 2022 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Group's financial reporting process.

KPMG Taseer Hadi & Co.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG Taseer Hadi & Co.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 27 November 2025

Karachi

UDIN: AR202510106FmcDANfPp

TPL REIT FUND I
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property and equipment	4	109,599	-
Preliminary expenses and floatation costs	5	10,489	15,611
Security deposit		100	100
Investment properties	6	-	28,409,435
		120,188	28,425,146
Current assets			
Development properties	7	33,941,000	4,553,882
Assets held for sale	8	2,793,807	-
Short term investments	9	465,791	1,360,045
Contract assets	10	32,991	7,209
Advances, prepayments and other receivables	11	384,982	998,492
Bank balances	12	33,855	1,111,884
		37,652,426	8,031,512
TOTAL ASSETS		37,772,614	36,456,658
LIABILITIES			
Non-current liabilities			
Long-term financing	13	-	-
Payable to the REIT Management Company		5,344	10,688
		5,344	10,688
Current liabilities			
Payable to the REIT Management Company	14	2,378,384	2,046,006
Payable to the Trustee	15	3,996	3,812
Payable to the SECP	16	25,000	25,000
Accrued liabilities, trade payables and other liabilities	17	639,758	544,247
Liabilities directly associated with the assets held for sale	8	186,394	-
Contract liabilities	18	547,638	172,250
Current maturity of long-term financing	13	301,654	821,836
Due to related parties	19	213,200	34,676
		4,296,024	3,647,827
TOTAL LIABILITIES		4,301,368	3,658,515
NET ASSETS		33,471,246	32,798,143
		(Rupees in '000)	
Unit holders' fund		33,323,052	32,649,732
CONTINGENCIES AND COMMITMENTS	22		
		(Number of units)	
Units in issue	20	1,835,000,000	1,835,000,000
		(Rupees per unit)	
Net assets value per unit		18.24	17.87
REPRESENTED BY:			
Unit holders of the Group			
Issued, subscribed and paid up units	20	18,350,000	18,350,000
Fair value reserve	21	19,050,706	17,731,559
Accumulated loss		(4,077,654)	(3,431,827)
Non-controlling interest	1.1	148,194	148,411
		33,471,246	32,798,143

The annexed notes 1 to 32 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER | CHIEF FINANCIAL OFFICER | DIRECTOR

TPL REIT FUND I
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
INCOME			
Unrealised gain on revaluation of investment properties	6	1,290,749	503,360
Unrealised gain / (loss) on investments at fair value through profit or loss		1,611	(3,898)
Profit on bank deposits		48,695	337,012
Profit on GOP ijarah sukuks		106,694	122,869
Dividend income		21,502	37,849
Total income		1,469,251	997,192
EXPENSES			
Management fee of the REIT Management Company	14.2	574,018	528,919
Performance fee of the REIT Management Company	14.3.1	133,822	66,419
Remuneration of the Trustee	15.1	15,307	14,105
SECP monitoring fee	16.1	25,000	25,000
Auditor's remuneration	23	17,729	16,382
Legal and professional fee		15,189	13,513
Amortisation of preliminary expenses and floatation costs	5.1	5,122	5,123
Fund rating fee		467	347
Share registrar fee		345	339
Bank and custody charges		1,622	4,308
Printing charges		3,886	193
Depreciation expense	4	3,775	-
Security expense		13,240	-
Selling and marketing expense		5,185	-
Miscellaneous operating expense		9,839	-
Total expenses		(824,546)	(674,648)
		644,705	322,544
PROFIT BEFORE TAXATION			
Taxation	24	-	-
PROFIT FROM CONTINUING OPERATIONS		644,705	322,544
DISCONTINUED OPERATIONS:			
Profit / (loss) from discontinued operations - net of tax	6 & 8	28,398	(4,494)
PROFIT FOR THE YEAR		673,103	318,050
PROFIT ATTRIBUTABLE TO:			
Unit holders of the Group		673,320	318,352
Non-controlling interest		(217)	(302)
		673,103	318,050
		(Rupees)	
EARNINGS PER UNIT - BASIC AND DILUTED		0.37	0.19
EARNINGS PER UNIT - BASIC AND DILUTED (CONTINUING OPERATIONS)	25	0.35	0.19

The annexed notes 1 to 32 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL REIT FUND I
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	(Rupees in '000)	
PROFIT ATTRIBUTABLE TO:		
Unit holders of the Group	673,320	318,352
Non-controlling interest	(217)	(302)
	673,103	318,050
Other comprehensive income for the year	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	673,103	318,050

The annexed notes 1 to 32 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL REIT FUND I
CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS FUND
FOR THE YEAR ENDED 30 JUNE 2025

	Attributable to Unit Holders of the Fund					
		Reserves				
	Issued, Subscribed and paid up units	Capital reserve - fair value reserve	Revenue reserve / (accumulated loss)	Total	Non-Controlling Interest	Total
	(Rupees in '000)					
Balance as at 01 July 2023	14,975,000	17,232,693	(3,261,321)	28,946,372	158,721	29,105,093
Total comprehensive income/ (loss) for the year	-	-	318,352	318,352	(302)	318,050
Reclassification adjustment for changes in fair value of investment properties	-	498,866	(498,866)	-	-	-
Transaction with unit holders:						
Issue of 337,500,000 units	3,375,000	-	-	3,375,000	-	3,375,000
Sale of shares by non-controlling interest	-	-	10,008	10,008	(10,008)	-
Balance as at 30 June 2024	18,350,000	17,731,559	(3,431,827)	32,649,732	148,411	32,798,143
Balance as at 01 July 2024	18,350,000	17,731,559	(3,431,827)	32,649,732	148,411	32,798,143
Total comprehensive income / (loss) for the year	-	-	673,320	673,320	(217)	673,103
Reclassification adjustment for changes in fair value of investment properties	-	1,319,147	(1,319,147)	-	-	-
Balance as at 30 June 2025	18,350,000	19,050,706	(4,077,654)	33,323,052	148,194	33,471,246

The annexed notes 1 to 32 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL REIT FUND I
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		673,103	318,050
Adjustments for:			
Unrealised gain on revaluation of investment properties	6	(1,335,350)	(503,360)
Unrealised gain / (loss) on investments at fair value through profit or loss		(1,611)	3,898
Cumulative effect adjustment		(3,550)	-
Dividend income		(21,502)	(37,849)
Amortisation of preliminary expenses and floatation costs	5.1	5,122	5,123
Depreciation expense	4	3,775	-
		(1,353,116)	(532,188)
Changes in working capital:			
Additions to development properties		(237,954)	(1,104,227)
Contract assets		(25,782)	(7,209)
Advances, prepayments and other receivables		74,225	(385,641)
Payable to the REIT Management Company		327,034	(381,387)
Payable to the Trustee		184	539
Accrued liabilities, trade payables and other liabilities		123,905	492,312
Contract liabilities		375,388	172,250
Due to related parties		(28,476)	(70,464)
		608,524	(1,283,827)
Net cash used in operating activities		(71,489)	(1,497,965)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to investment properties		(1,654,828)	(1,641,598)
Advance against asset held for sale	8	158,000	-
Addition to property and equipment		(113,374)	-
Investments in mutual funds		383,178	(342,273)
Investments in GOP ijarah sukuks		512,687	(669,793)
Dividend received		21,502	37,849
Net cash used in investing activities		(692,835)	(2,615,815)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		-	2,775,000
Loan received from related party		207,000	-
Repayment of loan		(520,182)	-
Net cash (used in) / generated from financing activities		(313,182)	2,775,000
Net decrease in cash and cash equivalents		(1,077,506)	(1,338,780)
Cash and cash equivalents at the beginning of the year		1,111,884	2,450,664
Cash and cash equivalents at the end of the year	26	34,378	1,111,884

The annexed notes 1 to 32 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	DIRECTOR

1 THE GROUP AND ITS OPERATIONS

TPL REIT FUND - I (the Fund) was established under a Trust Deed, dated 10 December 2021, executed between the TPL REIT Management Company Limited as the Management Company and Digital Custodian Company Limited (formerly MCB Financial 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 was authorised by the SECP as a unit trust scheme on 23 December 2021.

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

The Management Company of the Fund in the Group has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the 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, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, Sindh.

The Fund in the Group is a perpetual close-end, shariah-compliant, hybrid scheme. All of the activities undertaken by the Fund including but not limited to deposits and placements with banks are all in accordance with the principles 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, capital appreciation and through sale of development property.

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

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

Title to the assets of the Fund in the Group are held in the name of the Digital Custodian Company Limited as the Trustee of the Fund in 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, Block 4, Abdul Sattar Edhi Avenue, 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:

	Ownership Interest			
	30 June 2025		30 June 2024	
Subsidiary	The Group	NCI	The Group	NCI
National Management and Consultancy Services (Pirvate) 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%	-

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, 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, Sindh. 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, Sindh. 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 12 April, 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.

During the year, TPL REIT Management Company has obtained approval from the majority anchor investors for the disposal of the sole land recorded in the books of the TPL Technology Zone Phase - 1 (Private) Limited (TTZ). In accordance with the approval, 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 December 2025. Following the disposal of the land, the TTZ will be wound up as approved by the majority anchor investors. Accordingly, the standalone financial statements of TTZ have not been prepared on going concern basis.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements of the Fund for the year ended 30 June 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) 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, 2022) 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, 2022 and requirements of the Trust Deed differ with the requirements of IFRS, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations, 2022 and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the basis of 'historical cost convention', except for investments which are measured at fair value.

2.3 Functional and presentation currency

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

2.4 Use of judgements and estimates

The preparation of the consolidated financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which forms the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements, estimates and assumptions made by the management that may have a risk of material adjustments to the consolidated financial statements in the subsequent years are as follows:

		Note
i)	Development property - net realisable value	3.8
ii)	Valuation of investment property	3.7
iii)	Valuation of investments at fair value through profit or loss	3.2

Information about judgments made in applying accounting policies that have an effect on the amounts recognised in the consolidated financial statements are discussed in the relevant policy notes.

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

2.5.1 New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after 01 July 2024 are as follows:

There are new and amended standards, interpretations and amendments that are mandatory for the Group'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 Group's operations and are therefore not detailed in these consolidated financial statements.

There are certain interpretations and amendments that are mandatory for the Group'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 Group's operations and therefore not detailed in these consolidated financial statements.

2.6 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2025:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review. Early adoption continues to be permitted.

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

  - when a currency is exchangeable into another currency; and

  - how a Fund estimates a spot rate when a currency lacks exchangeability.

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

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

The amendments apply for annual reporting periods beginning on or after 01 January 2025. Earlier application is permitted.

- Amendments to the classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:

Financial Assets with ESG-linked features:

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

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

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

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

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

The amendments apply for reporting periods beginning on or after 01 January 2026. Fund can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

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

  The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised and provide an exception for certain financial liabilities settled using an electronic payment system. Group generally derecognise their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the Group to derecognise its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

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

The amendments apply for reporting periods beginning on or after 01 January 2026. Earlier application is permitted.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these consolidated financial statements and are the same as those applied in earlier periods presented. The material accounting policies applied in the preparation of these consolidated financial statements are set out below;

3.1 Basis of Consolidation

3.1.1 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 affect those returns through its power to direct the activities of the Companies. The financial statements of subsidiaries are included in these consolidated financial statements from the date on which control is transferred to the Group until the date when control is lost. 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.

3.1.2 Non-controlling interest (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 transactions with equity owners of the Group.

3.1.3 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 the consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.1.4 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.

3.2 Financial instruments

3.2.1 Financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity of another Company.

3.2.2 Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3.2.3 Classification and subsequent measurement

Financial asset

- On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income (OCI) - debt investment, fair value through OCI - equity investment, or fair value through profit or loss.

- Financial assets are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

(i) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets of the Group are measured at FVTPL.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether the management's strategy focuses on earning contractual mark-up income, maintaining a particular mark-up rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Fund's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment the Fund considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.

Financial liabilities

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of profit or loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit or loss.

3.2.4 Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of assets and liabilities, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in consolidated statement of profit or loss.

3.3 Offsetting

Financial assets and ?nancial liabilities are offset and the net amount is reported in the consolidated statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.4 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of bank balances.

3.5 Assets held-for-sale

Disposal group comprising assets and liabilities are classified as held for sale if it is highly probable that their value will be recovered primarily through a sale transaction rather than through continuing use.

Such disposal group is measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to financial assets or investment properties, which continue to be measured in accordance with the Group's other accounting policies.

3.6 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group. It either represents a separate major line of business or geographic area of operations, or forms part of a single co-ordinated plan to dispose of such a line of business or area of operations.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. Once classified as discontinued, the comparative consolidated statement of profit or loss is represented as if the operation had been discontinued from the beginning of the comparative year.

3.7 Investment property

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time when cost is incurred, if the recognition criteria is met.

The Group evaluates the fair value of its investment property every six months using an independent qualified valuer fulfilling the minimum criteria stated by the REIT Regulations, 2022. The valuer under REIT Regulations, 2022 is required to carry out the valuation and explicitly state the reasoning for the approach adopted that is most appropriate for the Group.

Subsequent to initial recognition, the change in the carrying amount of investment property under construction in any given period will include additions recognised at cost as well as changes in the property's fair value. Gains or losses arising from changes in the fair values are included in the consolidated statement of profit or loss in the year in which they arise.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecognition of investment property are recognised in the consolidated statement of profit or loss in the year of retirement or disposal. Gain or loss on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

Where investment property is reclassified to development property, the property is measured at fair value at the date of reclassification. Such fair value is considered as the deemed cost, with subsequent measurement in accordance with IAS 2 at the lower of cost or net realizable value.

Maintenance and normal repairs are charged to the consolidated statement of profit or loss, as and when incurred. Major renewals and improvements, if any, are capitalised, if recognition criteria is met.

3.8 Development property

Property acquired, constructed or in the course of construction for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties. The Group will sell the completed housing units and not provide any construction services as a contractor engaged by the buyer. In addition, the buyer of housing units does not have an ability to specify the major structural elements of the design or major structural changes before construction and / or construction is in progress. All project costs incurred or to be incurred till the completion of project are capitalised as development properties and is stated in lower of cost or net realisable value. NRV is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Accordingly, the cost of development properties under construction includes:

a) cost of leasehold land;

b) amounts paid to contractors for construction;

c) planning and design costs, cost of site preparation, professional fee for legal services, property transfer taxes, development charges, construction overheads and other related costs necessary to bring the premises in saleable condition; and

d) contractors for developing inner perimeter, including but not limited to road development, amenities and utilities and other infrastructure.

Interest on borrowings specifically taken out for financing the construction of property under construction is capitalized as part of the cost of the property in accordance with IAS 23 Borrowing Costs. The amount capitalized should be the actual interest expense incurred or an appropriate portion thereof, based on the Company's financing arrangements.

Upon completion of construction, development property under construction will be transferred to completed inventory and reclassified as such. The transfer will be made at the carrying amount of the property as of the date of completion.

Investment property under construction is carried at the lower of cost and net realizable value (NRV). NRV is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of investment property under construction is reviewed at each reporting date for indications of impairment. If the carrying amount exceeds the NRV, an impairment loss is recognized in the consolidated statement of profit or loss.

3.9 Property and equipment

Operating fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to the consolidated statement of profit or loss using the straight line method at the rates specified in note 4 to the financial statements. Depreciation on additions are charged from the day the asset is available for use until the date of its disposal.

Maintenance and normal repairs are charged to the consolidated statement of profit or loss as incurred. Major renewals and improvements are capitalised, and any assets replaced are derecognised.

An item of operating fixed assets is derecognised upon disposal or when no future economic benefits are expected from its continued use. Any gain or loss on disposal or retirement of the asset, representing the difference between the sale proceeds and its carrying amount, is charged to the consolidated statement of profit or loss.

3.10 Provisions

Provisions are recognised when the Group has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.11 Taxation

The Group 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.

3.12 Net assets value per unit

The net assets value (NAV) per unit as disclosed on the consolidated statement of assets and liabilities is calculated by dividing the net assets of the Group by the number of units outstanding at the year end.

3.13 Income

- Unrealized capital gains / (losses) arising on revaluation of investment property are included in the 'consolidated statement of profit or loss' in the year in which they arise.

- Unrealized capital gains / (losses) arising on revaluation of investment classified as financial assets 'at fair value through profit or loss' are included in the 'consolidated statement of profit or loss' in the year in which they arise.

- Dividends are recognised as dividend income in the consolidated statement of profit or loss when the right of payment has been established.

- Profit on bank balance is recognized on a time proportion basis using the effective interest rate method.

- Realized capital gains / (losses) arising on sales of investment are included in the 'consolidated statement of profit or loss' on the date on which the transaction takes place.

3.14 Fair value measurement

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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on valuation technique for which any unobservable input are judged to be insignificant in related to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in the consolidated statement of in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

3.15 Borrowing cost

Finance costs comprise mark-up / interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the consolidated statement of profit or loss qualifying assets are capitalised up to the date the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the consolidated statement of profit or loss.

3.16 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in consolidated statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

4 PROPERTY AND EQUIPMENT

	30 June 2025								
	Cost				Accumulated depreciation			Written down value (WDV)	
	As at 01 July 2024	Additions during the year	Disposals during the year	As at 30 June 2025	As at 01 July 2024	Charge for the year	As at 30 June 2025	As at 30 June 2025	Depreciation Rate
	(Rupees in '000)								%
Owned assets									
Equipments	-	4,402	-	4,402	-	1,033	1,033	3,369	33%
Furniture	-	17,380	-	17,380	-	2,157	2,157	15,223	20%
Vehicles	-	6,349	-	6,349	-	585	585	5,764	20%
Capital work in progress									
Sales & Site Office	-	85,243	-	85,243	-	-	-	85,243	
	-	113,374	-	113,374	-	3,775	3,775	109,599	

5 PRELIMINARY EXPENSES AND FLOATATION COSTS

	Note	2025	2024
		(Rupees in '000)	
Balance at the beginning of the year		15,611	20,734
Amortization during the year	5.1	(5,122)	(5,123)
Balance at the end of the year		10,489	15,611

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

6 INVESTMENT PROPERTIES

	Note	2025	2024
		(Rupees in '000)	
Mangrove	6.1	-	25,904,241
Technology park	6.2	-	2,505,194
		-	28,409,435
Movement during the year			
Carrying amount at the beginning of the year		28,409,435	26,264,477
Development expenditures		1,654,828	1,641,598
Unrealised gain on revaluation of investment property - NMC		1,290,749	503,360
Unrealised gain on revaluation of investment property - TTZ		44,601	-
Transfer to asset held for sale - Technology Park		(2,250,450)	-
Investment property transfer to development property - Mangrove		(29,149,164)	-
Carrying amount at the end of the year		-	28,409,435

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

Total development costs capitalised as at 30 June 2025 is Rs. 4,074.65 million (30 June 2024: Rs. 2,121.65 million).

As of the date of reclassification, MYK Associates, the independent valuer of the Company determined the fair value of the property at Rs. 29,149.16 million (30 June 2024: Rs. 25,904.2 million). The valuation was carried out using a residual value approach.

The forced sale value of the investment property is asssessed to be Rs. 23,413.8 million (30 June 2024: Rs. 21,831.20 million).

6.2 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 fair value basis and no depreciation is charged on it.

Total development costs capitalised as at the date of reclassification is Rs. 304.435 million (30 June 2024: Rs. 603.78 million).

As of the date of reclassification, MYK Associates Private Limited, the independent 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.

6.3 Valuation Techniques

Investment Property	Valuation Technique	Significant unobservable Input	Sensitivity to changes in significant unobservable inputs
Mangrove (Note 6.3.1)	Residual Value Approach	- Estimated cost of construction - Other contingencies - Developer profit margin	- An increase in construction costs or contingencies would decrease the residual land value, and vice versa. - A higher developer profit margin assumption would reduce the land's residual value, whereas a lower margin would increase it.
Technology Park (Note 6.3.2)	Market Approach	Fair value of comparable properties	The estimated fair value of land would increase/(decrease) if there is any change in the fair value of comparable properties.

6.3.1 The valuation has been conducted in accordance with International Valuation Standards, employing the residual value approach which is a hybrid of the market approach, the income approach and the cost approach which all comes under IFRS 13. This is based on the completed "gross development value" and the deduction of development costs, any additional contingencies associated with the development and the developer's return to arrive at the residual value of the development property.

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 anticiapted value of the project when completed after consideration of the risks associated with completion of the project.

6.3.2 The valuers has performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilisation and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analyzed through detailed market surveys, the properties that have recently sold or purchased or offered / quoted for sale into given vicinity to determine better estimates of the fair value of comparable properties. The adjustments are applied on such comparable properties based on reasonable qualitative and quantitative factors to determine the valuation of underlying investment property. The valuation has been conducted in accordance with International Valuation Standards, employing the market approach which comes under IFRS 13.

6.4 Fair value hierarchy

The properties have been valued by external, independent property valuer, having appropriate recognised professional qualification and recent experience in the location and category of the properties 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.

	2025			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Mangrove	-	-	-	-
Technology Park	-	-	-	-
	-	-	-	-

	2024			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Mangrove	-	-	25,904,241	25,904,241
Technology Park	-	-	2,505,194	2,505,194
	-	-	28,409,435	28,409,435

7 DEVELOPMENT PROPERTIES

	Note	2025	2024
		(Rupees in '000)	
One Hoshang	7.1	4,791,836	4,553,882
Mangrove	7.2	29,149,164	-
		33,941,000	4,553,882
Break up as of 30 June			
Land		26,750,249	1,675,740
Design, development and related costs		6,556,857	2,353,548
Borrowing Costs		633,894	524,594
		33,941,000	4,553,882

One Hoshang	Note	Acquisition cost of land	Capitalized costs	Total
		(Rupees in '000)		
As at 30 June 2025	7.1	1,675,740	3,116,096	4,791,836
		1,675,740	3,116,096	4,791,836
As at 30 June 2024		1,675,740	2,878,142	4,553,882

The Mangrove	Note	Transferred Value of Land	Capitalized costs	Total
		(Rupees in '000)		
As at 30 June 2025	7.4	25,074,509	4,074,655	29,149,164
		25,074,509	4,074,655	29,149,164
As at 30 June 2024		-	-	-

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.

During the year, borrowing cost amounting to Rs. 109.30 million (2024: Rs. 172.46 million) was capitalised on borrowings from financial institutions as this borrowing cost was incurred on loans that were obtained to fund the project development needs of the Company and hence are qualifying assets.

The property is subject to equitable mortgage charge against the financing facility from financial institution as disclosed in note 13.1 of these consolidated financial statements.

7.2 As at 30 June 2025, the investment property was transferred to development property because it was no longer held for capital appreciation purposes, and Company decided to commence development with a view to sale. This transfer has been accounted for as a transfer from investment property to development property in accordance with the applicable standard.

8 DISPOSAL GROUP - HELD FOR SALE

TPL Technology Zone Phase-1 (Private) Limited has entered into an agreement for the sale of land owned by it in its current condition. As of 30 June 2025, the Company has received token money from the interested buyer. The Company has carried the assets held for sale at the realisable value i.e. the expected sale value less the expected costs to sell. Accordingly, the asset has been classified as held-for-sale in the statement of financial position. Following the disposal of the land the Company will be wound up as approved by the majority anchor investors.

8.1 Assets and liabilities of disposal group held for sale:

At 30 June 2025, the disposal group was stated at fair value less cost to sell and comprise the following assets and liabilities:

	Note	2025	2024
		(Rupees in '000)	
Assets held for sale			
Asset held for sale - land		2,254,000	-
Bank balances		523	-
Advance to contractor - secured	11.1	539,000	-
Profit on bank receivable		5	-
Advance tax		279	-
		2,793,807	-
Liabilities directly associated with the assets held for sale			
Accrued liabilities and other payables		28,394	-
Advance against sale of land		158,000	-
		186,394	-

8.2 Profit or loss of disposal group held for sale:

During the year, the disposal group classified as held for sale included the following income and expenses:

	Note	2025	2024
		(Rupees in '000)	
Profit from discontinued operations			
Administrative expenses		(20,451)	(4,836)
Other income		698	342
Unrealised gain on remeasurement of investment property		44,601	-
Cumulative effect adjustment	8.2.1	3,550	-
Taxation		-	-
		28,398	(4,494)

8.2.1 Cumulative Effect Adjustment

	2025	2024
Investment property transferred to held-for-sale	(2,250,450)	-
Realisable value of asset held-for-sale	2,254,000	-
Cumulative effect adjustment	3,550	-

9 SHORT-TERM INVESTMENTS	Note	2025	2024
		(Rupees in '000)	
Investment in mutual funds	9.1	10,827	394,005
Investment in GOP Ijarah sukuks	9.3	454,964	966,040
		465,791	1,360,045

9.1 Investments in mutual funds

2025	2024	Name of Fund	2025	2024
(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	Mahaana Islamic Cash Plan	10,827	10,101
95,058	7,773,134		10,827	394,005

9.2 During the year dividend of Rs. 21.50 million was received from Shariah-compliant mutual funds which were reinvested.

9.3 Investments in GOP ijarah sukuks

	As at 30 June 2025		
	Carrying amount	Market Value	Deficit on revaluation of investments
	(Rupees in '000)		
GOP Ijarah Sukuk Certificates	458,077	454,964	(3,113)

	As at 30 June 2024		
	Carrying amount	Market Value	Deficit on revaluation of investments
	(Rupees in '000)		
GOP Ijarah Sukuk Certificates	970,584	966,040	(4,544)

9.4 This represents the investment in Government of Pakistan (GOP) ijarah sukuks carrying the profit rates of 10.9% to 11.95% (30 June 2024: 19.44% to 23.66%).

10 CONTRACT ASSETS	Note	2025	2024
		(Rupees in '000)	
Commissions paid	10.1	32,992	7,209

10.1 This represents commission paid to brokers in connection with the sale of apartments, which will be expensed when the related revenue is recognised.

11 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES	Note	2025	2024
		(Rupees in '000)	
Advance to contractors			
- unsecured		300,000	300,000
- secured	11.1	-	539,000
Prepayments		15,901	11,873
Bank profit receivable		164	9,892
GOP ijarah sukuks profit receivable		8,398	33,803
Advance tax	11.2	60,519	103,924
		384,982	998,492

11.1 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.

11.2 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 12 May, 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.

		Note	2025	2024
12	BANK BALANCES		(Rupees in '000)	
	Balances with banks in:			
	Current account - local currency		974	71
	Savings accounts - local currency	12.1	32,881	1,111,813
			33,855	1,111,884

12.1 These carry profit / mark-up rates ranging from 10.25% to 19.75% (2024: 11.00% to 20.75%) per annum.

		Note	2025	2024
13	LONG-TERM FINANCING		(Rupees in '000)	
	Bank Alfalah Limited - secured	13.1	301,654	821,836
	Current maturity of long term financing		(301,654)	(821,836)
			-	-

13.1 HKC (the subsidiary) has availed the facility of Rs. 775 million from a commercial bank through an agreement dated 08 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.

This amount includes accrued markup amounting to Rs. 43.3 million (30 June 2024: Rs. 46.8 million).

HKC has repaid Rs. 520.18 million during the year.

		Note	2025	2024
14	PAYABLE TO THE REIT MANAGEMENT COMPANY		(Rupees in '000)	
	Payable by TPL REIT Fund - I:			
	Non-current portion:			
	Preliminary expenses, floatation costs and other payables	14.1	5,344	10,688
	Current portion:			
	Preliminary expenses, floatation costs and other payables	14.1	6,876	16,032
	Management fee payable	14.2	370,651	139,758
	Performance fee payable	14.3	1,989,658	1,875,763
	National Management and Consultancy Services (Private) Limited		-	1,252
	TPL Technology Zone Phase-1 (Private) Limited		-	11,727
	HKC (Private) Limited		11,199	1,474
			2,378,384	2,046,006

14.1 This represents amount incurred by the TPL REIT Management Company Limited relating to the formation of the Fund in the Group. As per REIT Regulations, this amount is to be reimbursed to the REIT Management Company in equal annual installments of 5.3 million over a period of five years.

14.2 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.

14.3 Performance fee payable

	Note	2025	2024
		(Rupees in '000)	
Performance fee payable at the end of the accelerator period	14.3.1	1,949,511	1,855,837
Performance fee - current portion		40,147	19,926
	14.3.2	1,989,658	1,875,763

14.3.1 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 TPL REIT Management Company Limited is entitled to performance as follows:

a) 15% charged on the year-on-year increase in the NAV of the Fund in the Group over a High Watermark, calculated at the end of each accounting period; and

b) 15% of the profit on sale of real estate assets and/or sale/winding up of SPVs in the Group.

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.

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

14.3.2 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.

15 PAYABLE TO THE TRUSTEE

	Note	2025	2024
		(Rupees in '000)	
Trustee fee payable	15.1	3,884	3,728
Share registrar fee payable		112	84
		3,996	3,812

15.1 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.

16 PAYABLE TO THE SECP

	Note	2025	2024
		(Rupees in '000)	
Annual fee payable	16.1	25,000	25,000

16.1 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.

17 ACCRUED LIABILITIES, TRADE PAYABLES AND OTHER LIABILITIES

	2025	2024
	(Rupees in '000)	
Accrued liabilities	505,509	411,199
Auditor's remuneration	17,861	22,582
Withholding taxes	116,388	110,466
	639,758	544,247

18 CONTRACT LIABILITIES

	2025	2024
Advance from customers	547,638	172,250

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 title is transferred to the customers.

19 DUE TO RELATED PARTIES

	Note	2025	2024
		(Rupees in '000)	
TPL Properties Limited	19.1	-	16,132
TPL Development (Private) Limited	19.2	6,200	18,544
Loan from Director	19.3	207,000	-
		213,200	34,676

19.1 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.

19.2 This pertains to project design and consultation costs payable by the subsidiary Company which is repayable on demand.

19.3 This amount has been received by the subsidiary Company for the purpose of project development and is repayable within 1 year and profit is charged at the rate of 01 year discounted GOP Ijarah Sukuk plus a spread of 2.5% per annum subject to a grace period of 6 months.

20 ISSUED, SUBSCRIBED AND PAID UP UNITS

2025	2024		2025	2024
(Number of units)		**Ordinary units of Rs. 10 each**	(Rupees in '000)	
1,835,000,000	710,000,000	Consideration other than cash (against equity shares)	18,350,000	7,100,000
-	787,500,000	in cash	-	7,875,000
		Ordinary units of Rs. 10 each fully paid		
-	337,500,000	right issue of units	-	3,375,000
1,835,000,000	1,835,000,000		18,350,000	18,350,000

20.1 These fully paid ordinary units carry equal right to dividend.

20.2 Pattern of Unit Holding

	Note	2025 Percentage (%)	2025 Number of units held	2024 Percentage (%)	2024 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	20.2.1	2%	32,050,500	2%	32,050,500
		100%	1,835,000,000	100%	1,835,000,000

20.2.1 During the prior year, the units of the Fund were listed on the Pakistan Stock Exchange. The strategic investor and anchor investors offered their units in proportion to their unit holding.

The offer consists of a Base Offer of 22,937,500 units, which is 1.25% of the total units of the REIT Fund I, having a face value of Rs. 10 each and a Green Shoe Option of up to 22,387,000 units representing a further 1.22% of the total units of the REIT Fund I. The offer is being made through the Fixed Price Method at an offer price of Rs. 17.59 per unit.

21 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.

22 CONTINGENCIES AND COMMITMENTS

22.1 CONTINGENCIES

There are no material contingencies outstanding as at 30 June 2025 (30 June 2024: Nil).

22.2 COMMITMENTS

22.2.1 HKC (Private) Limited entered a contract with M/s Total Construction Limited for the main construction works of the Building. The contract for the construction is awarded for Rs. 2,733 million excluding the owner furnished materials. Out of the total amount, Rs. 519.856 million have been invoiced as running bills of the contract.

22.2.2 National Management and Consultancy Services (Private) Limited has entered into an agreement with SSHIC International Engineering Consultants for the provision of design services in relation to the Mangroves Project. The scope of services covers various stages of design, including pre-concept, concept, scheme, and detailed design, together with the preparation of tender documentation. Under the terms of the agreement, the Company is committed to pay a remaining amount of Rs. 1,230 million as per the milestones defined in the agreement.

23 AUDITOR'S REMUNERATION

	Note	2025	2024
		(Rupees in '000)	
Continuing Operations			
Fee for annual audit		14,084	12,250
Other certifications		897	1,418
Out of pocket		1,434	1,570
		16,415	15,238
Sindh sales tax		1,314	1,144
		17,729	16,382
Discontinued Operations			
Audit fee	23.1	5,441	4,813
		23,170	21,195

23.1 This amount represents Rs. 4.58 million (30 June 2024: Rs. 4 million) and Rs. 0.458 million (30 June 2024: Rs. 0.461 million) in respect of fee for annual audit and out of pocket respectively.

24 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 Fund in the Group has incurred an accounting loss after deducting capital gains from accounting income. Therefore, there is no distributable income for the current year.

25 EARNING PER UNIT - BASIC AND DILUTED

	Note	2025	2024
		(Rupees in '000)	
Total profit for the year		673,103	318,050
Profit for the year from continuing operations		644,705	322,544
		(Number of units)	
Weighted average number of units outstanding during the year		1,835,000,000	1,668,094,262
		(Rupees)	
Earnings per unit - basic and diluted - total		0.37	0.19
Earnings per unit - basic and diluted - continuing operations		0.35	0.19

26 CASH AND CASH EQUIVALENTS

	Note	2025	2024
From continuing operations	12	33,855	1,111,884
From discontinuing operations	8	523	-
		34,378	1,111,884

27 TRANSACTIONS WITH RELATED PARTIES

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

	2025	2024
Transactions during the year	(Rupees in '000)	
Digital Custodian Company Limited		
The Trustee		
Remuneration of the trustee	15,307	14,105
Share registrar fee	345	339
Payments made during the year	15,468	13,905
TPL REIT Management Company		
REIT Management Company		
Remuneration of the REIT Management Company	574,018	528,919
Payments made to the REIT Management Company	377,550	988,674
Performance fee of the REIT Management Company	133,822	66,419
Charges paid on behalf of the subsidiary companies	-	13,589
Short term loan received during the year	-	10,000
Payments against short term loan	-	10,000
TPL Properties Limited		
Holding company of the Management Company		
Charges paid on behalf of the subsidiary companies	-	1,843
Payments during the year	16,132	91,366
Borrowing cost	-	16,365
TPL Security Services (Private) Limited		
Security services received	14,525	4,480
Payments against security services	14,525	5,343
TPL Developments (Private) Limited		
Developer margin	375,139	24,987
Sales commission	9,045	13,245
Development advisory and other services	-	374,740
Payments during the year	291,510	405,728

28 FINANCIAL RISK MANAGEMENT

The Group's activities are exposed to a variety of financial risks namely credit risk, liquidity risk, and market risk. The Group manage these risk through monitoring and controlling activities which are primarily set up to be performed based on limits established in the Group's constitutive documents and REIT Regulation, 2022 and directives of the SECP. The Board of Directors of the REIT Management Company have overall responsibility for the establishment, development and oversight of the Group's risk management framework and policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group's to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The audit committee of REIT Management Company (RMC) oversees how RMC monitors compliance of risk management policies and procedures and reviews the adequecy of the risk management framework in relation to the risks faced by the Group. The RMC's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

28.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties and arises principally from the Group's deposits with banks.

The carrying amount of the financial assets represents maximum exposure to credit risk as at 30 June 2025 and 30 June 2024:

	Note	2025	2024
		(Rupees in '000)	
Bank balances	26	34,378	1,111,884
Investment in GOP Ijarah sukuks	9	454,964	966,040
Investment in mutual funds	9	10,827	394,005
Advance to contractor		539,000	-
Bank profit receivable		169	9,892
GOP ijarah sukuks profit receivable		8,398	33,803
		1,047,736	2,515,624

28.1.1 Bank balances

The Group has placed its funds (bank balances) with banks having sound credit ratings. The credit quality of the Group's major balances can be assessed with reference of external credit ratings as follows:

Bank Names	30 June 2025 Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Bank Al Habib Limited	PACRA	AAA	A1+	19,168
National Bank of Pakistan	PACRA	AAA	A1+	9
The Bank of Punjab	PACRA	AA+	A1+	0
Bank Alfalah Limited	PACRA	AAA	A1+	1,384
JS Bank Limited	PACRA	AA	A1+	0
Faysal Bank Limited	PACRA	AA	A1+	10,036
BankIslami Pakistan Limited	PACRA	AA-	A1	266
Al Baraka Bank (Pakistan) Limited	VIS	AA-	A1	62
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	22
Habib Bank Ltd	VIS	AAA	A1+	3,431
				34,378

Bank Balances	30 June 2024 Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Bank Al Habib Limited	PACRA	AAA	A1+	747,801
National Bank of Pakistan	PACRA	AAA	A1+	10
The Bank of Punjab	PACRA	AA+	A1+	-
Bank Alfalah Limited	PACRA	AA+	A1+	20
JS Bank Limited	PACRA	AA-	A1+	-
Faysal Bank Limited	PACRA	AA	A1+	363,545
BankIslami Pakistan Limited	PACRA	A+	A1+	327
Al Baraka Bank (Pakistan) Limited	VIS	A+	A-1	158
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	23
				1,111,884

28.1.2 Investment in debt securities

Exposure of the Group through investment in GOP ijara sukuks according to credit rating is as follows:

Investment	2025 (Rupees in '000)	%
GOP ijarah sukuks	**454,964**	**100%**

Investment	2024 (Rupees in '000)	%
GOP ijarah sukuks	966,040	100%

28.1.3 Investment in mutual funds

Exposure of the Group through investment in mutual funds according to credit rating is as follows:

Investment	Category	Rating	2025 (Rupees in '000)	%
Mahaana Islamic Cash Plan	Shariah Compliant Money Market	AA+	10,827	100%
			10,827	100%

Investment	Category	Rating	2024 (Rupees in '000)	%
Meezan Rozana Amdani Fund	Shariah Compliant Money Market	AA+	106,657	27%
Mahaana Islamic Cash Plan	Shariah Compliant Money Market	AA+	10,101	3%
AKD Islamic Daily Dividend Fund	Shariah Compliant Money Market	AA+	277,247	70%
			394,005	100%

28.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payment dates and present market interest rates:

	30 June 2025				
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees in '000)				
Long-term financing	301,654	-	-	-	301,654
Payable to the REIT Management Company	1,949,511	370,651	52,878	5,344	2,378,384
Payable to the Trustee	-	3,996	-	-	3,996
Payable to the SECP	-	-	25,000	-	25,000
Accrued liabilities, trade payables and other liabilities	-	-	639,758	-	639,758
Contract liabilities	-	-	547,638	-	547,638
Due to related parties	213,200	-	-	-	213,200
	2,464,365	374,647	1,265,274	5,344	4,109,630

	30 June 2024				
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees in '000)				
Long-term financing	305,169		516,667	-	821,836
Payable to the REIT Management Company	1,870,290	139,758	25,270	10,688	2,046,006
Payable to the Trustee	-	3,812	-	-	3,812
Payable to the SECP	-	-	25,000	-	25,000
Accrued liabilities, trade payables and other liabilities	-	-	544,247	-	544,247
Contract liabilities	-	-	172,250	-	172,250
Due to related parties	34,676	-	-	-	34,676
	1,904,966	143,570	1,283,434	10,688	3,647,827

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Refer note 14.3 where the major liabililty amounting to 1,392 million pertains to the Management Company of the Group and is contingent upon the distribution of first dividend, which depend on the Group's ability to generate distributable profits and maintain sufficient liquidity for such distributions. Further the Group manages liquidity risk by maintaining sufficient cash in bank accounts. At 30 June 2025, the Group had financial assets of Rs. 1,047.8 million (30 June 2024: Rs. 2,515.6 million), which include Rs 34.378 million (30 June 2024: Rs 1,111.9 million) of cash placed in bank accounts and Rs. 465 million (30 June 2024: Rs. 1,005 million) of short-term investments in mutual funds and GOP ijarah sukuks.

28.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency risk, interest rate risk and other price risk.

28.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at reporting date, the Group is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant in not reported.

28.3.2 Profit rate risk

Profit rate risk is the risk that fair value or future cash flows of the financial instrument will fluctuate because of change in market profit rates. The Group does not have any fixed rate financial instrument at fair value through profit or loss. Therefore, the Group is not exposed to fair value changes for fixed rate instruments. However, the bank and term deposit at variable rates expose the Group to fluctuations in cash flow due to change in market profit rates. The cash flow sensitivity analysis for variable rate of instrument is depicted below:

Sensitivity Analysis for variable rate instruments

A change of 1 percent in profit rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as carried out in 30 June 2024.

	Profit or loss		Equity	
	1% increase	1% decrease	1% increase	1% decrease
	(Rupees in '000)			
30 June 2025				
Bank balances	(344)	344	(344)	344
GOP ijarah sukuks	(4,550)	4,550	(4,550)	4,550
30 June 2024				
Bank balances	(11,119)	11,119	(11,119)	11,119
GOP ijarah sukuks	9,660	(9,660)	9,660	(9,660)

28.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investments securities. As of the reporting date, the Group is exposed to debt risk to the extent of its investment in GOP ijarah sukuks.

	Profit or loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	(Rupees in '000)			
30 June 2025				
Investments in GOP ijarah sukuks	4,550	(4,550)	4,550	(4,550)
30 June 2024				
Investments in GOP ijarah sukuks	9,660	(9,660)	9,660	(9,660)

UNIT HOLDERS' CAPITAL RISK MANAGEMENT

Management's objective when managing unit holders' funds is to safeguard the Group's ability to continue as a going concern so that it can continue to provide optimum returns based on income earned and realised gains as per trust deed to its unit holders and to ensure reasonable safety of unit holders' funds.

The Group manages its other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The Group is not exposed to externally imposed minimum unit holders' maintenance requirement.

The Group manages its investment properties and other assets by monitoring return on net assets and makes adjustment to it in the light of changes in market conditions.The Group also manages its capital using a gearing ratio. The gearing ratio of the Group is as follows:

	2025	2024
	(Rupees in '000)	
Long-term financing	-	-
Current maturity of long-term financing	258,333	775,000
Total debts	258,333	775,000
Total equity	33,323,052	32,649,732
Total unit holders fund	33,581,385	33,424,732
Gearing ratio (%)	0.77%	2.32%

29 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).

		30 June 2025							
		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)							
Financial assets measured at fair value									
Investment in mutual funds	9.1	10,827	-	-	10,827	-	10,827	-	10,827
Investment in GOP ijara sukuks	9.3	454,964	-	-	454,964	-	454,964	-	454,964
		465,791	-	-	465,791	-	465,791	-	465,791
Financial assets not measured at fair value									
GOP Ijarah Sukuks profit receivable	29.1	-	8,398	-	8,398	-	-	-	-
Bank profit receivable	29.1	-	169	-	169	-	-	-	-
Advance to contractor	29.1	-	539,000	-	539,000	-	-	-	-
Bank balances	29.1	-	33,855	-	33,855	-	-	-	-
		-	581,422	-	581,422	-	-	-	-
Financial liabilities not measured at fair value									
Payable to the REIT Management Company	29.1	-	2,383,728	-	2,383,728	-	-	-	-
Payable to the Trustee	29.1	-	3,996	-	3,996	-	-	-	-
Payable to the SECP	29.1	-	25,000	-	25,000	-	-	-	-
Advance against issuance of units	29.1	-	-	-	-	-	-	-	-
Accrued expenses, trade payables and other liabilities	29.1	-	639,758	-	639,758	-	-	-	-
Current maturity of long term financing	29.1	-	301,654	-	301,654	-	-	-	-
Contract liabilities	29.1	-	547,638	-	547,638	-	-	-	-
Due to related parties - unsecured	29.1	-	213,200	-	213,200	-	-	-	-
		-	4,114,974	-	4,114,974	-	-	-	-

		30 June 2024							
		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)							
Financial assets measured at fair value									
Investment in mutual funds	9.1	394,005	-	-	394,005	-	394,005	-	394,005
Investment in GOP ijara sukuks	9.3	966,040	-	-	966,040	211,622	754,418	-	966,040
		1,360,045	-	-	1,360,045	211,622	1,148,423	-	1,360,045
Financial assets not measured at fair value									
GOP Ijarah Sukuks profit receivable	29.1	-	33,803	-	33,803	-	-	-	-
Bank profit receivable	29.1	-	9,892	-	9,892	-	-	-	-
Bank balances	29.1	-	1,111,884	-	1,111,884	-	-	-	-
		-	1,155,579	-	1,155,579	-	-	-	-
Financial liabilities not measured at fair value									
Payable to the REIT Management Company	29.1	-	2,056,694	-	2,056,694	-	-	-	-
Payable to the Trustee	29.1	-	3,812	-	3,812	-	-	-	-
Payable to the SECP	29.1	-	25,000	-	25,000	-	-	-	-
Advance against issuance of units	29.1	-	-	-	-	-	-	-	-
Accrued expenses, trade payables and other liabilities	29.1	-	544,247	-	544,247	-	-	-	-
Current maturity of long term financing	29.1	-	775,000	-	775,000	-	-	-	-
Contract liabilities	29.1	-	172,250	-	172,250	-	-	-	-
Due to related parties - unsecured	29.1	-	34,676	-	34,676	-	-	-	-
		-	3,658,515	-	3,658,515	-	-	-	-

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

29.2 Fair value hierarchy of the investment property has been disclosed in note 6.3.3 to these consolidated financial statements.

30 GENERAL

Corresponding figures have been rearranged and reclassified wherever necessary for better presentation. No material reclassifications have been made to the corresponding figures during the year.

31 NON ADJUSTING EVENT AFTER THE FINANCIAL STATEMENT DATE

31.1 The Board of Directors have proposed cash dividend of Rs. Nil per share (2024: Nil) amounting to Rs. Nil (2024: Nil) in their meeting held on September 26,2025. This appropriation will be approved in the forthcoming Annual General Meeting.

31.2 On 14 November 2025, the Group issued a public notice expressing its intention to sale the project of the Group, namely One Hoshang (the Project). As of the date of issuance of these financial statements, the process is at a preliminary stage, and no binding agreement has been entered into with any party.

This event does not provide evidence of conditions that existed as at the reporting date. Therefore, no adjustments have been made to the financial statements. However, the Group has made this disclosure to inform users of developments made subsequent to the reporting period.

32 DATE OF AUTHORIZATION OF ISSUE

These consolidated financial statements were authorized for issue on September 26, 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. Muhammad Ali Jameel	Executive Director
Mr. Syed Jamal Baquar	Non-Executive Director

Interim Chief Executive Officer

Mr. Muhammad Ali Jameel

Chief Financial Officer

Mr. Imran Butt

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

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

KPMG

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 AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **National Management and Consultancy Services (Private) Limited** ("the Company"), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

KPMG Taseer Hadi & Co.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

KPMG Taseer Hadi & Co.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 27 November 2025

Karachi

UDIN: AR2025101064Gq6DcUju

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Non-current asset			
Property and equipment	4	109,599	-
Investment property	5	-	25,904,241
		109,599	25,904,241
Current assets			
Development Property	6	29,149,163	-
Short-term investments	7	465,792	1,360,045
Advances, prepayments and other receivables	8	362,250	424,478
Due from related party	9	413,481	-
Contract assets	10	16,738	-
Bank balances	11	12,952	1,072,899
		30,420,376	2,857,422
TOTAL ASSETS		30,529,975	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	12	95,000	95,000
Share premium		4,702,500	4,702,500
Fair value reserve	13	25,048,120	23,757,371
Unappropriated profit		9,954	120,354
		29,855,574	28,675,225
Current liabilities			
Accrued liabilities and other payables	14	193,737	85,186
Due to related party	15	300,000	1,252
Due to related party	16	180,664	-
		674,401	86,438
CONTINGENCIES AND COMMITMENTS	17		
TOTAL EQUITY AND LIABILITIES		30,529,975	28,761,663

The annexed notes from 1 to 26 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | CHIEF FINANCIAL OFFICER | DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
Administrative expenses	18	(40,428)	(6,410)
Other income	19	213,416	468,412
Unrealised gain on revaluation of investment property	5	1,290,749	503,360
Unrealised loss on investments at fair value through profit or loss		1,611	(3,898)
Profit before taxation		1,465,349	961,464
Taxation		-	-
Profit after taxation		1,465,349	961,464
Other comprehensive income for the year		-	-
Total Comprehensive income for the year		1,465,349	961,464
		(Rupees)	
Earning per share - basic and diluted	20	1,542	1,290

The annexed notes from 1 to 26 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Issued, subscribed and paid-up capital	Reserves			Total
		Capital Reserve - Share premium	Capital Reserve - Fair Value Reserve (Note 9)	Revenue Reserve - Unappropriated Profit	
	(Rupees in '000)				
Balance as at 01 July 2023	66,700	1,900,800	23,254,011	107,250	25,328,761
Total comprehensive income for the year					
Profit after taxation	-	-	-	961,464	961,464
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	961,464	961,464
Reclassification adjustment for changes in fair value of investment property	-	-	503,360	(503,360)	-
Transactions with owners					
Final dividend paid at Rs. 187.40 per share	-	-	-	(125,000)	(125,000)
Interim dividend paid at Rs. 194.90 per share	-	-	-	(130,000)	(130,000)
Interim dividend paid at Rs. 200.00 per share	-	-	-	(190,000)	(190,000)
Issue of right shares at Rs. 10,000 per share	28,300	2,801,700	-	-	2,830,000
Balance as at 30 June 2024	95,000	4,702,500	23,254,011	120,354	28,675,225
Balance as at 01 July 2024	95,000	4,702,500	23,757,371	120,354	28,675,225
Total comprehensive income for the year					
Profit after taxation	-	-	-	1,465,349	1,465,349
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,465,349	1,465,349
Reclassification adjustment for changes in fair value of investment property	-	-	1,290,749	(1,290,749)	-
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)
Interim Dividend at Rs. 52.63 per share	-	-	-	(50,000)	(50,000)
Balance as at 30 June 2025	95,000	4,702,500	25,048,120	9,954	29,855,574

The annexed notes from 1 to 26 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		1,465,349	961,464
Adjustments for:			
Unrealised gain on revaluation of investment property		(1,290,749)	(503,360)
Profit on bank deposits		(1,611)	-
Profit on GOP ijarah sukuks		(46,739)	(307,694)
Dividend income		(103,066)	(122,869)
Profit on bank deposits		(38,481)	-
Profit on GOP ijarah sukuks		(3,628)	-
Dividend income		(21,502)	(37,849)
		(1,505,776)	(971,772)
Changes in:			
Advances, prepayments and other receivables		(4,028)	(311,683)
Accrued liabilities and other payables		108,551	77,963
Additions to Contract Asset		(16,738)	-
Due to related party		-	-
Contract Liabilities		180,664	-
		268,449	(233,720)
Cash generated from / (used in) operating activities		228,022	(244,028)
Due to related party		31,346	(51,410)
Net cash generated from / (used in) operating activities		259,367	(295,438)
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to investment property		(1,654,172)	(1,586,652)
Purchase of property and equipment		(109,599)	-
Investments in mutual funds		383,357	(342,273)
Investments in GOP ijarah sukuks		512,507	(665,895)
Dividends received	19	21,502	37,849
Loan disbursed to related party	21	(420,000)	-
Repayment of loan disbursed to related party	21	45,000	-
Profit on bai-muajjal	19	-	-
Capital gain on GOP Ijarah Sukuks	19	3,628	-
Profit on GOP ijarah sukuks	19	128,472	103,045
Profit on bank deposits	19	56,243	304,873
Net cash flows used in investing activities		(1,033,062)	(2,149,053)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuance of right shares		-	2,830,000
Loan received from related parties	21	-	374,891
Loan repaid to related parties	21	(1,252)	(386,040)
Dividend paid		(285,000)	(445,000)
Net cash (used in) / generated from financing activities		(286,252)	2,373,851
Net decrease in cash and cash equivalents		(1,059,947)	(70,640)
Cash and cash equivalents at the beginning of the year		1,072,899	1,143,539
Cash and cash equivalents at the end of the year	11	12,952	1,072,899

The annexed notes from 1 to 26 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | CHIEF FINANCIAL OFFICER | DIRECTOR

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, structure and to turn the same into account, develop the same and dispose of or maintain the same and to build townships, markets, 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 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, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, Sindh.

Development 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 year:

Company Name	Relationship	Common Directorship	Percentage of Shareholding
TPL REIT Fund I	Parent Entity	Yes	100%
TPL REIT Management Company Limited (RMC)	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 (formerly G-18 (Private) Limited)	Associated company of RMC	Yes	-
TPL Properties Limited	Associated company of RMC	Yes	-
TPL Logistic Park (Private) Limited	Associated company of RMC	Yes	-
TPL Security Services (Private) Limited	Associated company of RMC	Yes	-
TPL Corp Limited	Associated company of RMC	Yes	-
TPL Holdings (Private) Limited	Associated company of RMC	Yes	-
TPL Property Management (Private) Limited	Associated company of RMC	Yes	-
TPL Developments (Private) Limited	Associated company of RMC	Yes	-
TPL Insurance Limited	Associated company of RMC	Yes	-
TPL Life Insurance Limited	Associated company of RMC	Yes	-
TPL Trakker Limited	Associated company of RMC	N/A	-
TPL Trakker Middle East LLC	Associated company of RMC	Yes	-
Key Management Personnel	-	N/A	-

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 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 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 IFRS, 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 financial statements have been prepared under the historical cost convention, except for short-term investments, which are measured at fair value, and investment property, which was measured at fair value until its reclassification as development property.

2.3 Functional and presentation currency

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

2.4 Use of judgements and estimates

The preparation of the financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements, estimates and assumptions made by the management that may have a risk of material adjustments to the financial statements in the subsequent years are as follows:

i) Valuation of investment property (Note 3.1)
ii) Valuation of investments at fair value through profit or loss (Note 3.2)
iii) Development property - net realisable value (3.7)

Information about judgments made in applying accounting policies that have an effect on the amounts recognised in the financial statements are discussed in the relevant policy notes.

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

2.5.1 New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after 01 July 2024 are as follows:

There are new and amended standards, interpretations and amendments that are mandatory for the Company'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 Company's operations and are therefore not detailed in these financial statements.

2.5.2 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2025:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review. Early adoption continues to be permitted.

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

  - when a currency is exchangeable into another currency; and

  - how a company estimates a spot rate when a currency lacks exchangeability.

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

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

The amendments apply for annual reporting periods beginning on or after 01 January 2025. Earlier application is permitted.

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

Financial Assets with ESG-Linked features:

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

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

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

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

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

The amendments apply for reporting periods beginning on or after 01 January 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

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

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the Company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;

- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- the settlement risk associated with the electronic payment system is insignificant.

The amendments apply for reporting periods beginning on or after 01 January 2026. Earlier application is permitted.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these financial statements and are the same as those applied in earlier periods presented. The material accounting policies applied in the preparation of these financial statements are set out below;

3.1 Investment property

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time when cost is incurred, if the recognition criteria is met.

The Company evaluates the fair value of its investment property every six months using an independent qualified valuer. The valuer uses the "Residual Value Approach," which is a hybrid of the market approach, the income approach and the cost approach which all comes under IFRS 13. This is based on the completed "gross development value" and the deduction of development costs and the developer's return to arrive at the residual value of the development property.

Subsequent to initial recognition, the change in the carrying amount of investment property under construction in any given period will include additions recognised at cost as well as changes in the property's fair value. Gains or losses arising from changes in the fair values are included in the statement of profit or loss and other comprehensive income in the year in which they arise.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecognition of investment property are recognised in the statement of profit or loss and other comprehensive income in the year of retirement or disposal. Gain or loss on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

Where investment property is reclassified to development property, the property is measured at fair value at the date of reclassification. Such fair value is considered as the deemed cost, with subsequent measurement in accordance with IAS 2 at the lower of cost or net realizable value.

Maintenance and normal repairs are charged to statement of profit or loss and other comprehensive income, as and when incurred. Major renewals and improvements, if any, are capitalised, if recognition criteria is met.

3.2 Financial instruments

3.2.1 Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.2.2 Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3.2.3 Classification and subsequent measurement

Financial asset

- On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income (OCI) - debt investment, fair value through OCI - equity investment, or fair value through profit or loss.

- Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets of the Company are measured at FVTPL.

Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss and other comprehensive income.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is recognised in statement of profit or loss and other comprehensive income.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the profit or loss and other comprehensive income. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is also recognised in the statement of profit or loss and other comprehensive income.

3.2.4 Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of assets and liabilities, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of profit or loss and other comprehensive income.

3.2.5 Offsetting of financial instruments

Financial assets and ?nancial liabilities are offset and the net amount is reported in the statement of ?nancial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.3 Cash and cash equivalents

Cash and cash equivalents are stated at cost and are defined as cash in hand, cash at banks and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand, cheques in hand and bank balances.

3.4 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.5 Taxation

The Company'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 Shareholders in cash.

3.6 Property and equipment

Operating fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to the statement of profit or loss and other comprehensive income using the straight line method at the rates specified in note 4 to the financial statements. Depreciation on additions are charged from the day the asset is available for use until the date of its disposal.

Maintenance and normal repairs are charged to the statement of profit or loss and other comprehensive income as incurred. Major renewals and improvements are capitalised, and any assets replaced are derecognised.

An item of operating fixed assets is derecognised upon disposal or when no future economic benefits are expected from its continued use. Any gain or loss on disposal or retirement of the asset, representing the difference between the sale proceeds and its carrying amount, is charged to the statement of profit or loss and other comprehensive income.

3.7 Development property

Property acquired, constructed or in the course of construction for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development properties. The Company will sell the completed housing units and not provide any construction services as a contractor engaged by the buyer. In addition, the buyer of housing units does not have an ability to specify the major structural elements of the design or major structural changes before construction and / or construction is in progress. All project costs incurred or to be incurred till the completion of project are capitalised as development properties and is stated in lower of cost or Net Realisable Value (NRV). NRV is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Accordingly, the cost of development property under construction includes:

a) cost of leasehold land;

b) amounts paid to contractors for construction;

c) planning and design costs, cost of site preparation, professional fee for legal services, property transfer taxes, development charges, construction overheads and other related costs necessary to bring the premises in saleable condition; and

d) contractors for developing inner perimeter, including but not limited to road development, amenities and utilities and other infrastructure.

Upon completion of construction, development property under construction will be transferred to completed inventory and reclassified as such. The transfer will be made at the carrying amount of the property as of the date of completion.

The carrying amount of development property is reviewed at each reporting date for indications of impairment. If the carrying amount exceeds the NRV, an impairment loss is recognised in profit or loss.

3.8 Contract assets

The Company recognises a contract asset in respect of sales commissions paid to brokers in connection with obtaining contracts to sell apartments. Such commissions are capitalised as incremental costs of obtaining a contract in accordance with IFRS 15. These costs are expensed to cost of sales in the statement of profit or loss and other comprehensive income, when the related revenue from the sale of apartments, against which the commission was paid, is recognised.

3.9 Contract liabilities

The Company records advances received from customers in respect of the sale of apartments as contract liabilities. These amounts represent the Company's obligation to transfer control of the apartments to customers in the future. Contract liabilities are recognised as revenue in the statement of profit or loss and other comprehensive income, when the related performance obligation is satisfied at a point in time, i.e., when control of the apartment is transferred to the customer.

4 PROPERTY AND EQUIPMENT

	30 June 2025								
	Cost				Accumulated depreciation			Written down value	
	As at 01 July 2024	Additions during the year	Disposals during the year	As at 30 June 2025	As at 01 July 2024	Charge for the year	As at 30 June 2025	As at 30 June 2025	Depreciation Rate
	(Rupees in '000)								%
Owned assets									
Equipments	-	4,402	-	4,402	-	1,033	1,033	3,369	33%
Furniture	-	17,380	-	17,380	-	2,157	2,157	15,223	20%
Vehicles	-	6,349	-	6,349	-	585	585	5,764	20%
Capital work in progress									
Sales & Site Office	-	85,243	-	85,243	-	-	-	85,243	
	-	113,374	-	113,374	-	3,775	3,775	109,599	

5 INVESTMENT PROPERTY

	Note	2025	2024
		(Rupees in '000)	
Carrying amount at the beginning of the year		25,904,241	23,814,229
Development expenditure		1,954,173	1,586,652
Unrealised gain on revaluation of investment property	5.3	1,290,749	503,360
Carrying amount at the end of the year		29,149,163	25,904,241
Investment property transferred to Development property	6	29,149,163	-
Carrying amount at the end of the period / year		-	25,904,241

5.1 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.

5.2 Total development costs capitalised as at 30 June 2025 is Rs. 4,074.65 million (30 June 2024: Rs. 2,120.48 million).

5.3 As of the date of reclassification, MYK Associates, the valuer of the Company determined the fair value of the property at Rs. 29,149.16 million (30 June 2024: Rs. 25,904.2 million). The valuation was carried out using a residual value approach.

The forced sale value of the investment property is asssessed to be Rs. 23,413.8 million.

5.4 Valuation Techniques

The valuation has been conducted in accordance with International Valuation Standards, employing the residual value approach which is a hybrid of the market approach, the income approach and the cost approach which all comes under IFRS 13. This is based on the completed "gross development value" and the deduction of development costs, any additional contingencies associated with the development and the developer's return to arrive at the residual value of the development property.

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 anticiapted value of the project when completed after consideration of the risks associated with completion of the project.

Valuation Technique	Significant unobservable Input	Inter- relationship between key unobservable input and fair value measurement
Residual Value Approach	- Estimated cost of construction - Other contingencies - Developer profit margin	- An increase in construction costs or contingencies would decrease the residual land value, and vice versa. - A higher developer profit margin assumption would reduce the land's residual value, whereas a lower margin would increase it.

	Level 1	Level 2	Level 3	Fair value as at 30 June 2025
	-----------------------	(Rupees in '000)	-----------------------	
Mangrove	-	-	-	-

	Level 1	Level 2	Level 3	Fair value as at 30 June 2024
	-----------------------	(Rupees in '000)	-----------------------	
Mangrove	-	-	25,904,241	25,904,241

6 DEVELOPMENT PROPERTY

	2025	2024
	(Rupees in '000)	
Land	25,074,509	-
Design, development & related costs	4,074,654	-
	29,149,163	-

6.1 As at 30 June 2025, the investment property was transferred to development property because it was no longer held for capital appreciation purposes, and company decided to commence development with a view to sale. This transfer has been accounted for as a transfer from investment property to development property in accordance with the applicable standard.

7 SHORT-TERM INVESTMENTS

	2025	2024
	(Rupees in '000)	
Investments in mutual funds	10,827	394,005
Investments in GOP ijarah sukuks	454,965	966,040
	465,792	1,360,045

7.1 Investments in mutual funds

2025	2024		2025	2024
(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	10,827	10,101
95,058	7,773,134		10,827	394,005

7.2 During the year, dividend of Rs. 21.50 million was received from mutual funds which was reinvested.

7.3 Investments in GOP ijarah sukuks

	As at June 30, 2025		
	Carrying amount	Market value	Deficit on revaluation of investments
	(Rupees in '000)		
GOP ijarah sukuk certificates	458,078	454,965	(3,113)

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

7.4 This represents the investment in Government of Pakistan (GOP) ijarah sukuks carrying the profit rates of 10.9% to 11.95% (30 June 2024: 19.44% to 23.66%).

8 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES	Note	2025	2024
		(Rupees in '000)	
Advance to contractor - unsecured	8.1	300,000	300,000
Prepayments		15,711	11,683
Advance tax		37,977	69,323
GOP profit receivable		8,397	33,803
Profit on bank deposit receivable		165	9,669
		362,250	424,478

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

9 DUE FROM RELATED PARTY	Note	2025	2024
		(Rupees in '000)	
TPL REIT Fund - I - unsecured	9.1	413,481	-

9.1 This represents loan extended to related party and carry profit at the rate from 11.00% to 15.99% per annum.

10 CONTRACT ASSETS	Note	2025	2024
		(Rupees in '000)	
Contract Asset	10.1	16,738	-

10.1 This represents commission paid to brokers in connection with the sale of apartments, which will be expensed when the related revenue is recognized.

11 BANK BALANCES

	Note	2025	2024
		(Rupees in '000)	
Saving accounts	11.1	12,952	1,072,899

11.1 These carry profit / mark-up rates ranging from 10.25% to 19.75% (2024: 11.00% to 20.75%) per annum.

12 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		Note	2025	2024
(Number of shares)				(Rupees in '000)	
		Ordinary shares of Rs. 100/- each in cash			
950,000	667,000	Shares in issue		95,000	66,700
-	283,000	Issued as right shares		-	28,300
950,000	950,000		12.1	95,000	95,000

12.1 Following shares are held by the Parent entity:

Name	Percentage of Shareholding	2025	2024
		(Rupees in '000)	
TPL REIT Fund I	100%	950,000	950,000

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

13 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 documents of the Company.

14 ACCRUED LIABILITIES AND OTHER PAYABLES

	Note	2025	2024
		(Rupees in '000)	
Accrued auditor's remuneration		5,469	5,025
Accrued liabilities	14.1	119,297	13,852
Withholding tax payable		68,970	66,309
		193,737	85,186

14.1 This pertains to payable related to development cost.

15 DUE TO RELATED PARTY

	Note	2025	2024
		(Rupees in '000)	
TPL REIT Management Company Limited	15.1	-	1,252
TPL Technology Zone Phase-1 (Private) Limited	15.2	300,000	-
		300,000	1,252

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

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

16 CONTRACT LIABILITIES

	Note	2025	2024
		(Rupees in '000)	
Customer Advance	16.1	180,664	-

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

17 CONTINGENCIES AND COMMITMENTS

Commitment

17.1 The Company has entered into an agreement with SSHIC International Engineering Consultants for the provision of services in relation to the Mangroves Project. The scope of services covers various stages of design, including pre-concept, concept, schematic design, and detailed design, together with the preparation of tender documentation. Under the terms of the agreement, the Company is committed to pay a remaining amount of Rs. 1,230 million as per the milestones defined in the agreement.

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

18 ADMINISTRATIVE EXPENSES

	Note	2025	2024
		(Rupees in '000)	
Auditor's remuneration	18.1	5,442	5,086
Legal and professional charges		2,300	1,320
Printing charges		105	-
Marketing charges		5,185	-
Bank charges		465	4
Miscellaneous charges		9,916	-
Depreciation expense		3,775	-
Security expense		13,240	-
		40,428	6,410

18.1 Auditor's remuneration

	2025	2024
Audit fees	4,638	4,000
Out of Pocket	400	400
Other Certifications	334	334
	5,038	4,734
Sindh Sales Tax	404	352
	5,442	5,086

19 OTHER INCOME

	Note	2025	2024
Profit on bank deposits	11.1	46,739	307,694
Profit on GOP ijarah sukuks	7.4	103,066	122,869
Dividend income	7.2	21,502	37,849
Profit on bai muajjal		38,481	-
Capital gain on GOP ijarah sukuks		3,628	-
		213,416	468,412

15 EARNING PER SHARE - BASIC AND DILUTED

	2025	2024
	(Rupees in '000)	
Profit after tax for the year	1,465,349	961,464
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	950,000	745,096
	(Rupees)	
Earning per share - basic and diluted	1,542	1,290

21 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:

	2025	2024
The Parent Entity	(Rupees in '000)	
TPL REIT Fund I		
Right shares subscribed during the year	-	2,830,000
Dividend paid by the Company	285,000	445,000
Loan disbursed	420,000	-
Profit charged on loan	38,481	-
Payment received during year	45,000	-
Associates - by means of common directorship		
TPL Security Services (Private) Limited		
Security services received	13,240	4,048
Payments made during the year	13,240	4,048
TPL REIT Management Company Limited		
Charges paid on behalf of the Company	-	151
Payment made during the year	1,252	-
TPL Developments (Private) Limited		
Development advisory and other services	371,200	374,740
Payments made during the year	275,227	386,040
TPL Technology Zone Phase-1 (Private) Limited		
Design plan bought	300,000	-

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

22 FINANCIAL RISK MANAGEMENT

The Board of Directors of the REIT Management Company (RMC) have overall responsibility for the establishment, development and oversight of the Company's risk management framework and policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The audit committee of the RMC oversees how the RMC monitors compliance of risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The RMC's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

22.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties that arises principally from the Company's deposits with banks, investment in debt securities and advance to contractor.

The carrying amount of the financial assets represents maximum exposure to credit risk as at 30 June 2025 and 30 June 2024:

Financial assets	2025 (Rupees in '000)	2024 (Rupees in '000)
Investments - at fair value through profit or loss	465,792	1,360,045
Profit on bank deposit receivable	165	9,669
Advance to contractor - unsecured	300,000	300,000
Bank balances	12,952	1,072,899
	778,909	2,742,613

The Company manages credit risk as follows:

Investments and other receivables

Investment and other receivables comprise of payments which are neither past due nor impaired based on past relationship, credit rating and financial soundness of the counter parties, hence chances of default are remote. There is no material impact of changes in credit risks of such receivables therefore no impairment allowance is necessary in respect of these amounts.

The Company has placed its bank balances with banks having sound credit ratings. The credit quality of Company's major balances can be assessed with reference of external credit ratings as follows:

Bank name	30 June 2025			
	Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Faysal Bank Limited	PACRA	AA	A1+	5,547
Bank Al Habib Limited	PACRA	AAA	A1+	3,852
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	23
BankIslami Pakistan Limited	PACRA	AA-	A1	70
Al Baraka Bank (Pakistan) Limited	VIS	AA-	A1	40
Habib Bank Limited	VIS	AAA	A1+	3,421
				12,952

Bank name	30 June 2024			
	Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Faysal Bank Limited	PACRA	AA	A1+	354,135
Bank Al Habib Limited	PACRA	AAA	A1+	718,538
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	22
BankIslami Pakistan Limited	PACRA	AA-	A1	107
Al Baraka Bank (Pakistan) Limited	VIS	A+	A1	97
				1,072,899

22.1.2 Investment in debt securities

Exposure of the Company through investment in GOP ijarah sukuks is as follows:

Investment	2025 (Rupees in '000)	%
GOP ijarah sukuks	454,965	100%

Investment	2024 (Rupees in '000)	%
GOP ijarah sukuks	966,040	100%

22.1.3 Investments in mutual funds

Exposure of the Company through investments in mutual funds according to credit rating is as follows:

Investment	Category	Rating	2025 (Rupees in '000)	%
AKD Islamic Daily Dividend Fund	Shariah Compliant Money Market	AA+	10,827	3%

Investment	Category	Rating	2024 (Rupees in '000)	%
Meezan Rozana Amdani Fund	Shariah Compliant Money Market	AA+	106,657	27%
Mahaana Islamic Cash Plan	Shariah Compliant Money Market	AA+	10,101	3%
AKD Islamic Daily Dividend Fund	Shariah Compliant Money Market	AA+	277,247	70%

22.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payment dates and present market interest rates:

30 June 2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees in '000)					
Accrued liabilities and other payables*	-	124,766	-	-	-	124,766
Due to related party	300,000	-	-	-	-	300,000
	300,000	124,766	-	-	-	424,766

30 June 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees in '000)					
Accrued liabilities and other payables	-	18,877	-	-	-	18,877
Due to related party	1,251	-	-	-	-	1,251
	1,251	18,877	-	-	-	20,128

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

* Accrued liabilities and other payables that are not financial liabilities is withholding tax payable which amounts to Rs. 68.97 million (30 June 2024: Rs. 66.31 million).

22.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprise three types of risks: currency risk, profit rate risk and other price risk.

22.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at reporting date, the Company is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant is not reported.

22.3.2 Profit rate risk

Profit rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates. The Company does not have any fixed rate financial instrument at fair value through profit or loss. Therefore, the Company is not exposed to fair value changes for fixed rate instruments. However, the bank and term deposit at variable rates expose the Company to fluctuations in cash flow due to change in market profit rates. The cash flow sensitivity analysis for variable rate of instrument is depicted below:

Sensitivity analysis for variable rate instruments

A change of 100 basis points in profit rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as carried out in 30 June 2024.

	Profit or Loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	(Rupees in '000)			
30 June 2025				
Bank balances	130	(130)	130	(130)
Profit on GOP ijarah sukuks	1,031	(1,031)	1,031	(1,031)

	Profit or Loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	(Rupees in '000)			
30 June 2024				
Bank balances	10,729	(10,729)	10,729	(10,729)
Profit on GOP ijarah sukuks	1,229	(1,229)	1,229	(1,229)

22.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk). As of the reporting date, the Company is exposed to debt risk to the extent of its investment in GOP ijarah sukuks.

	Profit or Loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	------------------------ (Rupees in '000) ------------------------			
30 June 2025				
Investments in GOP ijarah sukuks	4,550	(4,550)	4,550	(4,550)
30 June 2024				
Investments in GOP ijarah sukuks	9,660	(9,660)	9,660	(9,660)

22.4 Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support and sustain future development of its business operations and maximise shareholders' value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder or issue new shares. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity.

23 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).

		30 June 2025							
		Carrying amount				Fair value			
	Note	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									
Investments in mutual funds	7.1	10,827	-	-	10,827	-	10,827	-	10,827
Investments in GOP ijarah sukuks	7.3	454,965	-	-	454,965	-	454,965	-	454,965
		465,792	-	-	465,792	-	465,792	-	465,792
Financial assets not measured at fair value									
GOP ijarah sukuk - profit receivable	8	-	8,397	-	8,397	-	-	-	-
Profit on bank deposit receivable	8	-	165	-	165	-	-	-	-
Bank balances	11	-	12,952	-	12,952	-	-	-	-
		-	21,514	-	21,514	-	-	-	-
Financial liabilities not measured at fair value									
Due to related party	15	-	300,000	-	300,000	-	-	-	-
Accrued auditor's remuneration	14	-	5,469	-	5,469	-	-	-	-
Accrued liabilities	14	-	119,297	-	119,297	-	-	-	-
		-	424,766	-	424,766	-	-	-	-

		30 June 2024							
		Carrying amount				Fair value			
	Note	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									
Investments in mutual funds	7.1	394,005	-	-	394,005	-	394,005	-	394,005
Investments in GOP ijarah sukuks	7.3	966,040	-	-	966,040	-	966,040	-	966,040
		1,360,045	-	-	1,360,045	-	1,360,045	-	1,360,045
Financial assets not measured at fair value									
GOP ijarah sukuk - profit receivable	8	-	33,803	-	33,803	-	-	-	-
Profit on bank deposit receivable	8	-	9,669	-	9,669	-	-	-	-
Bank balances	11	-	1,072,899	-	1,072,899	-	-	-	-
		-	1,116,371	-	1,116,371	-	-	-	-
Financial liabilities not measured at fair value									
Due to related party	15	-	1,252	-	1,252	-	-	-	-
Accrued auditor's remuneration	14	-	5,025	-	5,025	-	-	-	-
Accrued liabilities	14	-	13,852	-	13,852	-	-	-	-
		-	20,129	-	20,129	-	-	-	-

23.1 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.

23.2 Fair value hierarchy of the investment property has been disclosed in note 5.4 to these financial statements.

24 NON ADJUSTING EVENT AFTER THE FINANCIAL STATEMENT DATE

The Board of Directors have proposed cash dividend of Rs. 5.26 per share (30 June 2024: Rs. 136.84) amounting to Rs. 5mn (30 June 2024: Rs. 130 million) in their meeting held on September 26, 2025. This appropriation will be approved in the forthcoming Annual General Meeting.

25 GENERAL

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

26 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on September 26, 2025 by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	DIRECTOR

FINANCIAL STATEMENTS OF HKC (PRIVATE) LIMITED

COMPANY INFORMATION-HKC

Board of Directors
Mr. Muhammad Ali Jameel	Executive Director
Mr. Syed Jamal Baquar	Non-Executive Director

Chief Executive Officer
Mr. Muhammad Ali Jameel

Chief Financial Officer
Mr. Imran Butt

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

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

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 AUDITOR'S REPORT

To the members of HKC (Private) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **HKC (Private) Limited** ("the Company"), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

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and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

KPMG Taseer Hadi & Co.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 27 November 2025

Karachi

UDIN: AR202510106Eyu3c124V

HKC (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Current assets			
Development property	4	3,269,214	3,004,142
Contract assets	5	16,254	7,209
Advances and other receivables	6	13,054	12,982
Bank balances	7	5,451	6,651
TOTAL ASSETS		3,303,973	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	8	186,467	186,467
Share premium		1,385,869	1,385,869
Accumulated loss		(37,475)	(26,016)
		1,534,861	1,546,320
Non-current liabilities			
Long-term financing	9	-	-
Current liabilities			
Trade and other payables	10	434,966	432,560
Current maturity of long-term financing	9	301,654	821,836
Contract liabilities	11	366,975	172,250
Due to related parties	12	665,517	58,018
		1,769,112	1,484,664
TOTAL LIABILITIES		1,769,112	1,484,664
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		3,303,973	3,030,984

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

HKC (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
Administrative expenses	14	(11,459)	(5,567)
Loss before taxation		(11,459)	(5,567)
Taxation		-	-
Loss after taxation		(11,459)	(5,567)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(11,459)	(5,567)
		(Rupees)	
Loss per share - basic and diluted	15	(0.61)	(0.30)

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

HKC (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Issued, subscribed and paid up capital	Reserves: Capital Reserve - Share premium	Reserves: Advance against issuance of shares	Reserves: Revenue Reserve - Accumulated loss	Total
	---------- (Rupees in '000) ----------				
Balance as at 01 July 2023	174,800	1,222,536	-	(20,449)	1,376,887
Total comprehensive loss for the year					
Loss after taxation	-	-	-	(5,567)	(5,567)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(5,567)	(5,567)
Transaction with owners					
Issue of right shares dated 15 November 2023	11,667	163,333	-	-	175,000
Balance as at 30 June 2024	186,467	1,385,869	-	(26,016)	1,546,320
Balance as at 01 July 2024	186,467	1,385,869	-	(26,016)	1,546,320
Total comprehensive loss for the year					
Loss after taxation	-	-	-	(11,459)	(11,459)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(11,459)	(11,459)
Transaction with owners of the Company					
Balance as at 30 June 2025	186,467	1,385,869	-	(37,475)	1,534,861

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

HKC (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(11,459)	(5,567)
Changes in:			
Additions to development property		(97,597)	(893,003)
Trade and other payables		2,406	408,097
Contract liabilities		194,725	172,250
Bank profit receivable		172	-
Contract asset		(9,045)	(7,200)
		90,661	(319,856)
Cash generated from / (used in) operations		79,202	(325,423)
Advance tax deducted		(244)	(3,711)
Mark up paid	4.2	(138,369)	(190,603)
Net cash flows used in investing activities		(59,411)	(519,737)
CASH FLOW FROM INVESTING ACTIVITIES			
Bank profit received		1,623	23,112
Dividend received		328	-
Net cash flows generated from investing activities		1,951	23,112
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term loan		(520,182)	-
Loan received from related parties	16	608,364	129,711
Loan repaid to related parties	16	(31,922)	(114,468)
Issuance of shares		-	175,000
Net cash flows generated from financing activities		56,260	190,243
Net decrease in cash and cash equivalents		(1,200)	(306,382)
Cash and cash equivalents at the beginning of the year		6,651	313,033
Cash and cash equivalents at the end of the year	7	5,451	6,651

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

HKC (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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 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, Block 4, Abdul Sattar Edhi Avenue, 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 (RMC)	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	Yes	-
TPL Logistic Park (Private) Limited	Associated company of RMC	Yes	-
TPL Security Services (Private) Limited	Associated company of RMC	Yes	-
TPL Corp Limited	Associated company of RMC	Yes	-
TPL Holdings (Private) Limited	Associated company of RMC	Yes	-
TPL Property Management (Private) Limited	Associated company of RMC	Yes	-
TPL Developments (Private) Limited	Associated company of RMC	Yes	-
TPL Insurance Limited	Associated company of RMC	Yes	-
TPL Life Insurance Limited	Associated company of RMC	Yes	-
TPL Trakker Limited	Associated company of RMC	N/A	-
TPL Trakker Middle East LLC	Associated company of RMC	Yes	-
Key Management Personnel	-	N/A	-

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 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 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 IFRS, 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 financial statements have been prepared on the basis of 'historical cost convention' unless otherwise stated.

2.3 Functional and presentation currency

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

2.4 Use of judgements and estimates

The preparation of the financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions, and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions, and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements, estimates and assumptions made by the management that may have a risk of material adjustments to the financial statements in the subsequent years are as follows:

i) Development property - net realisable value (Note 3.1)

Information about judgements made in applying accounting policies that have significant effect on the amounts recognised in the financial statements are discussed in the relevant policy notes.

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

2.5.1 New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after 01 July, 2024 are as follows:

There are new and amended standards, interpretations and amendments that are mandatory for the Company'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 Company's operations and are therefore not detailed in these financial statements.

2.5.2 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July, 2025:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review. Early adoption continues to be permitted.

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

- when a currency is exchangeable into another currency; and

- how a company estimates a spot rate when a currency lacks exchangeability.

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

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

The amendments apply for annual reporting periods beginning on or after 01 January, 2025. Earlier application is permitted.

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

Financial Assets with ESG-Linked features:

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

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

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

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

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

The amendments apply for reporting periods beginning on or after 01 January, 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

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

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the Company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

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

The amendments apply for reporting periods beginning on or after 01 January, 2026. Earlier application is permitted.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these financial statements and are the same as those applied in earlier periods presented. The material accounting policies applied in the preparation of these financial statements are set out below;

3.1 Development property

Property acquired, constructed or in the course of construction for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as development property. The Company will sell the completed housing units and does not provide any construction services as a contractor engaged by the buyer. In addition, the buyer of housing units does not have an ability to specify the major structural elements of the design or major structural changes before construction and / or construction is in progress. All project costs incurred or to be incurred till the completion of project are capitalised as development property and is stated in lower of cost or net realisable value (NRV). NRV is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Accordingly, the cost of development property under construction includes:

a) cost of leasehold land;

b) amounts paid to contractors for construction;

c) planning and design costs, cost of site preparation, professional fee for legal services, property transfer taxes, development charges, construction overheads and other related costs necessary to bring the premises into saleable condition; and

d) contractors for developing inner perimeter, including but not limited to road development, amenities, utilities and other infrastructure.

Interest on borrowings specifically taken out for financing the construction of development property is capitalised as part of the cost of the property in accordance with IAS 23 Borrowing Costs. The amount capitalised should be the actual interest expense incurred or an appropriate portion thereof, based on the Company’s financing arrangements.

Upon completion of construction, development property under construction will be transferred to completed inventory and reclassified as such. The transfer will be made at the carrying amount of the property as of the date of completion.

The carrying amount of development property is reviewed at each reporting date for indications of impairment. If the carrying amount exceeds the NRV, an impairment loss is recognised in profit or loss.

3.2 Contract assets

The Company recognises a contract asset in respect of sales commissions paid to brokers in connection with obtaining contracts to sell apartments. Such commissions are capitalised as incremental costs of obtaining a contract in accordance with IFRS 15. These costs are expensed to cost of sales in the statement of profit or loss and other comprehensive income, when the related revenue from the sale of apartments, against which the commission was paid, is recognised.

3.3 Contract liabilities

The Company records advances received from customers in respect of the sale of apartments as contract liabilities. These amounts represent the Company’s obligation to transfer control of the apartments to customers in the future. Contract liabilities are recognised as revenue in the statement of profit or loss and other comprehensive income, when the related performance obligation is satisfied at a point in time, i.e., when control of the apartment is transferred to the customer.

3.4 Financial instruments

3.4.1 Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.4.2 Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3.4.3 Classification and subsequent measurement

Financial asset

- On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income (OCI) - debt investment, fair value through OCI - equity investment, or fair value through profit or loss.

- Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent measurement and gains and losses:

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is recognised in statement of profit or loss and other comprehensive income.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit or loss and other comprehensive income. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is also recognised in the statement of profit or loss and other comprehensive income.

3.4.4 Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of assets and liabilities, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statement of profit or loss and other comprehensive income.

3.4.5 Offsetting of financial instruments

Financial assets and ?nancial liabilities are offset and the net amount is reported in the statement of ?nancial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.5 Cash and cash equivalents

Cash and cash equivalents are stated at cost and are defined as cash in hand, cash at banks and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand, and bank balances.

3.6 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.7 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the 'Effective Interest Rate (EIR)' method. Gains and losses are recognised in statement of profit or loss and other comprehensive income, when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

3.8 Borrowing cost

Finance costs comprise mark-up / interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of profit or loss and other comprehensive income, whereas qualifying assets are capitalised up to the date the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss and other comprehensive income.

3.9 Taxation

The Company'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 Shareholders in cash.

		2025	2024
4 DEVELOPMENT PROPERTY	Note	(Rupees in '000)	
Land	4.1	126,000	126,000
Design, development & related costs		2,482,202	2,353,548
Borrowing Costs	4.2	661,012	524,594
		3,269,214	3,004,142

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

4.2 During the year, borrowing cost amounting to Rs. 136.42 million (2024: Rs. 172.46 million) was capitalised on borrowings from financial institutions and Related Party as this borrowing cost was incurred on loans that were obtained to fund the project development needs of the Company and hence are qualifying assets.

4.3 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.

		2025	2024
5 CONTRACT ASSETS	Note	(Rupees in '000)	
Commissions paid	5.1	16,254	7,209
		16,254	7,209

5.1 This represents commission paid to brokers in connection with the sale of apartments, which will be expensed when the related revenue is recognised.

6 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLE

	Note	2025	2024
		(Rupees in '000)	
Advance tax		13,054	12,810
Bank profit receivable		-	172
		13,054	12,982

7 BANK BALANCES

	Note	2025	2024
Balances with banks - Current accounts		1,530	166
Balances with banks - Saving accounts	7.1	3,921	6,485
		5,451	6,651

7.1 These carry profit / mark-up rates ranging from 10.25% to 19.75% (2024: 11.00% to 20.75%) per annum.

8 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		Note	2025	2024
---- (No. of shares) ----				(Rupees in '000)	
		Ordinary shares of Rs. 10/- each in cash			
18,646,667	17,480,000	Shares in issue		186,467	174,800
-	1,166,667	Issued as right shares		-	11,667
18,646,667	18,646,667		8.1	186,467	186,467

8.1 Following shares are held by the Parent Entity and other shareholders:

Name	2025	2024	2025	2024
	Percentage of Shareholding		(Number of shares)	
TPL REIT Fund I	94.92%	94.92%	17,698,636	17,698,636
Mr. Hussain Islam	5.08%	5.08%	948,000	948,000
Directors of the Company			30	30
			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.

9 LONG-TERM FINANCING

	Note	2025	2024
		(Rupees in '000)	
Bank Alfalah Limited - secured	9.1	301,654	821,836
Current maturity of long term financing		(301,654)	(821,836)
		-	-

9.1 The Company had availed a facility of Rs. 775 million from a commercial bank through an agreement dated 08 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 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.

This amount includes accrued mark-up amounting to Rs. 43.3 million (30 June 2024: Rs. 46.8 million).

9.2 The Company has repaid Rs. 520.18 million during the year.

10 TRADE AND OTHER PAYABLES	Note	2025	2024
		(Rupees in '000)	
Accounts payable	10.1	381,179	387,312
Accrued liabilities		5,468	4,752
Share application money		899	899
Withholding tax payable		47,420	39,597
		434,966	432,560

10.1 This pertains to payable related to development cost.

11 CONTRACT LIABILITIES	Note	2025	2024
		(Rupees in '000)	
Advance from customers	11.1	366,975	172,250

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

12 DUE TO RELATED PARTIES	Note	2025	2024
		(Rupees in '000)	
TPL REIT Management Company Limited	12.1	11,199	1,474
TPL Developments (Private) Limited	12.2	6,200	18,544
TPL REIT Fund I	12.3	441,118	38,000
Loan from Director	12.4	207,000	-
		665,517	58,018

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

12.2 This pertains to project management design and consultation costs charged to the Company.

12.3 This amount has been received for funding the project development needs of the Company and is repayable on demand. This arrangement carries a profit rate of 7.93% to 15.86%.

12.4 This amount has been received for meeting short term working capital requirement of the Company and the amount received is repayable within 1 year and profit is charged at the rate of 01 year discounted GOP Ijarah Sukuk plus a spread of 2.5% per annum subject to a grace period of 6 months.

13 CONTINGENCIES AND COMMITMENTS

Commitments

Company entered a contract with M/s Total Construction Limited for the main construction works of the Project. The contract for the construction is awarded for Rs. 2,733 million excluding the owner furnished materials. Out of the total amount Rs. 519.856 million have been invoiced as running bills of the contract.

Contingencies

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

14 ADMINISTRATIVE EXPENSES

	Note	2025	2024
		(Rupees in '000)	
Legal and professional expenses		2,555	286
Auditor's remuneration	14.1	5,441	5,086
Bank charges		1	142
Printing expense		3,462	29
Repair and miscellaneous charges		-	24
		5,567	5,567

14.1 Auditor's Remuneration

	2025	2024
Audit fees	4,580	4,000
Out of pocket	458	400
Other certifications	-	334
	5,038	4,734
Sindh sales tax	403	352
	5,441	5,086

15 LOSS PER SHARE - BASIC AND DILUTED

	2025	2024
	(Rupees in '000)	
Loss after tax for the year	(11,459)	(5,567)
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	18,646,667	18,259,853
	(Rupees)	
Loss per share - basic and diluted	(0.61)	(0.30)

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:

	2025	2024
The Parent Entity	(Rupees in '000)	
TPL REIT Fund I		
Shares subscribed during the year	-	175,000
Short term loan received during the year	376,000	118,000
Profit charged on bai-muajjal transaction	27,118	-
Payment against short term loan	-	80,000
Associates - by means of common directorship		
TPL Security Services (Private) Limited		
Security services received	1,285	432
Payments against security services	1,285	1,295

	2025	2024
	(Rupees in '000)	
TPL REIT Management Company Limited		
Charges paid on behalf of the Company	-	1,711
Short term loan received during the year	25,364	10,000
Payments against short term loan	15,639	11,636
TPL Development (Private) Limited		
Developer margin	3,939	24,987
Sales commission	9,045	13,245
Payments during the year	21,283	19,688
Ali Jameel - Director		
Short term loan received	207,000	-
TPL Properties Limited		
Borrowing cost	-	101
Charges paid on behalf of the Company	-	1,843

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

17 FINANCIAL RISK MANAGEMENT

The Board of Directors of the REIT Management Company (RMC) have overall responsibility for the establishment, development and oversight of the Company's risk management framework and policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The audit committee of the RMC oversees how the RMC monitors compliance of risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The RMC's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

17.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties that arises principally from the Company's deposits with banks.

The carrying amount of the financial assets represents maximum exposure to credit risk as at 30 June 2025 and 30 June 2024:

	2025	2024
Financial assets	(Rupees in '000)	
Bank profit receivable	-	172
Bank balances	5,451	6,651
	5,451	6,823

The Company manages credit risk as follows:

The Company has placed its funds (bank balances) with banks having sound credit ratings. The credit quality of Company's major balances can be assessed with reference of external credit ratings as follows:

Bank name	30 June 2025 Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Bank Alfalah Limited	PACRA	AAA	A1+	1,384
Bank Islami Pakistan Limited	PACRA	AA-	A1	166
Faysal Bank Limited	PACRA	AA	A1+	3,901
				5,451

Bank name	30 June 2024 Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Faysal Bank Limited	PACRA	AA+	A1+	-
Bank Islami Pakistan Limited	PACRA	AA-	A1	166
Bank Alfalah Limited	PACRA	AA	A1+	6,485
				6,651

17.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payment dates and present market interest rates:

30 June 2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees in '000)					
Long-term financing	258,333	-	-	-	-	258,333
Trade and other payables*	-	387,546	-	-	-	387,546
Due to related parties	665,517	-	-	-	-	665,517
	923,850	387,546	-	-	-	1,311,396

30 June 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees in '000)					
Long-term financing	258,333	-	516,667	-	-	775,000
Trade and other payables	-	392,963	-	-	-	392,963
Due to related parties	58,018	-	-	-	-	58,018
	316,351	392,963	516,667	-	-	1,225,981

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

* Trade and other payables that are not financial liabilities is withholding tax payable which amounts to Rs. 47.420 million (30 June 2024: Rs. 39.597 million).

17.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprise three types of risks: currency risk, profit rate risk and other price risk.

17.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at reporting date, the Company is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant is not reported.

17.3.2 Profit rate risk

Profit rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market profit rates. The Company does not have any fixed rate financial instrument at fair value through profit or loss. Therefore, the Company is not exposed to fair value changes for fixed rate instruments. However, the bank and term deposit at variable rates expose the Company to fluctuations in cash flow due to change in market profit rates. The cash flow sensitivity analysis for variable rate of instrument is depicted below:

Sensitivity analysis for variable rate instruments

A change of 100 basis points in profit rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as carried out in 30 June 2024.

	Profit or Loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	------------------------ (Rupees in '000) ------------------------			
30 June 2025				
Bank balances	39	(39)	39	(39)
30 June 2024				
Bank balances	65	(65)	65	(65)

17.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk). As of the reporting date, the Company is not exposed to other price risk.

17.4 Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support and sustain future development of its business operations and maximise shareholders' value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder or issue new shares. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity. Equity comprises of share capital, revenue reserve and accumulated loss. The gearing ratio as at 30 June 2025 and 30 June 2024 is as follows:

	2025	2024
	(Rupees in '000)	
Long-term financing	-	-
Current maturity of long-term financing	301,654	775,000
Due to related parties	648,118	38,000
Total debts	949,772	813,000
Total equity	1,534,861	1,546,320
Total capital	2,484,633	2,359,320
Gearing ratio	38.23%	34.46%

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

18 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).

		30 June 2025							
		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 not measured at fair value									
Bank profit receivable	6	-	-	-	-	-	-	-	-
Bank balances	7	-	5,451	-	5,451	-	-	-	-
		-	5,451	-	5,451	-	-	-	-
Financial liabilities not measured at fair value									
Long-term financing	9	-	-	-	-	-	-	-	-
Current maturity of long-term financing	9	-	-	301,654	301,654	-	-	-	-
Trade and other payables	10	-	-	387,546	387,546	-	-	-	-
Due to related parties	12	-	-	665,517	665,517	-	-	-	-
		-	-	1,354,717	1,354,717	-	-	-	-

		30 June 2025							
		Carrying amount				Fair value			
	Note	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	6	-	172	-	172	-	-	-	-
Bank balances	7	-	6,651	-	6,651	-	-	-	-
		-	6,823	-	6,823	-	-	-	-
Financial liabilities not measured at fair value									
Long-term financing	9	-	-	-	-	-	-	-	-
Current maturity of long-term financing	9	-	-	821,836	821,836	-	-	-	-
Trade and other payables	10	-	-	392,963	392,963	-	-	-	-
Due to related parties	12	-	-	58,018	58,018	-	-	-	-
		-	-	1,272,817	1,272,817	-	-	-	-

18.1 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.

19 GENERAL

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

20 NON ADJUSTING EVENT AFTER THE FINANCIAL STATEMENT DATE

On 14 November 2025, the Parent Company issued a public notice expressing its intention to sale the sole project of the Company, namely One Hoshang (the Project). As of the date of issuance of these financial statements, the process is at a preliminary stage, and no binding agreement has been entered into with any party.

This event does not provide evidence of conditions that existed as at the reporting date. Therefore, no adjustments have been made to the financial statements. However, the Company has made this disclosure to inform users of developments made subsequent to the reporting period.

21 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on September 26, 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. Muhammad Ali Jameel	Executive Director
Mr. Syed Jamal Baquar	Non-Executive Director

Chief Executive Officer
Mr. Muhammad Ali Jameel

Chief Financial Officer
Mr. Imran Butt

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

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 AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **TPL Technology Zone Phase - 1 (Private) Limited** ("the Company"), which comprise the statement of financial position as at 30 June 2025, and the statements of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our knowledge and the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming the part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics and Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1.3 in the financial statements, which describes that the going concern basis of preparing the financial statements has not been used because the Company has decided to dispose of its sole investment in land as duly approved by the majority anchor investor of the Parent. Upon completion of the sale the liquidation process will commence. Our opinion is not modified in respect of this matter.

KPMG Taseer Hadi & Co.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

KPMG

KPMG Taseer Hadi & Co.

- Conclude on the appropriateness of management's use of the going concern basis of accounting. When such use inappropriate and management uses an alternative basis of accounting, we conclude whether the alternative basis used by management is acceptable in the circumstances. We also evaluate the adequacy of the disclosures describing the alternative basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based of our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;

c) invetsments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

KPMG Taseer Hadi & Co.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 27 November 2025

Karachi

UDIN: AR202510106NQOn3wYhG

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
Non-current asset			
Investment property	4	-	2,505,194
Current assets			
Assets held for sale - Land	5	2,254,000	-
Advances and other receivables	6	539,284	539,215
Due from related party	12	300,000	-
Bank balances	7	523	3,059
		3,093,807	542,274
TOTAL ASSETS		3,093,807	3,047,468
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Share Capital			
300,000,000 ordinary shares of Rs.10/-each.		3,000,000	3,000,000
Issued, subscribed and paid-up capital	8	1,825,000	1,825,000
Fair value reserve	9	1,098,031	1,049,880
Unappropriated profit		(15,618)	4,135
		2,907,413	2,879,015
Current liabilities			
Accrued liabilities and other payables	10	28,394	18,594
Advance against asset held for sale	11	158,000	-
Due to related parties	13	-	149,859
		186,394	168,453
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		3,093,807	3,047,468

The annexed notes from 1 to 22 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | CHIEF FINANCIAL OFFICER | DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
Administrative expenses	15	(20,451)	(4,836)
Other income	16	698	342
Unrealised gain on remeasurement of investment property		44,601	-
Cumulative effect adjustment	16	3,550	-
Profit / (Loss) before taxation		28,398	(4,494)
Taxation		-	
Profit / (Loss) after taxation		28,398	(4,494)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		28,398	(4,494)
		(Rupees)	
Earnings / (Loss) per share - Basic and diluted	17	0.16	(0.02)

The annexed notes from 1 to 22 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

		Reserves		
	Issued, subscribed and paid up capital	Capital reserve - Fair value reserve (Note 8)	Revenue reserve - Unappropriated profit	Total
	---------------------------- (Rupees in '000) ----------------------------			
Balance as at 01 July 2023	1,825,000	1,049,880	8,629	2,883,509
Total comprehensive loss for the year				
Loss after taxation	-	-	(4,494)	(4,494)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(4,494)	(4,494)
Balance as at 30 June 2024	1,825,000	1,049,880	4,135	2,879,015
Balance as at 01 July 2024	1,825,000	1,049,880	4,135	2,879,015
Total comprehensive loss for the year				
Loss after taxation	-	48,151	(19,753)	28,398
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	48,151	(19,753)	28,398
Balance as at 30 June 2025	1,825,000	1,098,031	(15,618)	2,907,413

The annexed notes from 1 to 22 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) before taxation		28,398	(4,494)
Adjustments for:			
Unrealised gain on remeasurement of investment property	4	(44,601)	-
Cumulative effect adjustment	5.3	(3,550)	-
		(19,753)	(4,494)
Changes in working capital:			
Advances and other receivables		46	(35)
Accrued liabilities and other payables		9,800	3,533
Advance against asset held for sale		158,000	-
		167,846	3,498
Cash generated from operations		167,846	3,498
Advance tax paid		(115)	(47)
Net cash generated from operating activities		147,978	(1,043)
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to investment property	4	(655)	(54,946)
Net cash used in investing activities		(655)	(54,946)
CASH FLOW FROM FINANCING ACTIVITIES			
Loan received from related parties	18	-	147,991
Loan repaid to related parties	18	(149,859)	(91,365)
Net cash (used in) / generated from financing activities		(149,859)	56,626
Net (decrease) / increase in cash and cash equivalents		(2,536)	637
Cash and cash equivalents at the beginning of the year		3,059	2,422
Cash and cash equivalents at the end of the year	7	523	3,059

The annexed notes from 1 to 22 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
FOR THE YEAR ENDED 30 JUNE 2025

1 THE COMPANY AND ITS OPERATIONS

1.1 TPL Technology Zone Phase-1 (Private) Limited (The Company) (formerly G-18 (Private) Limited) was incorporated in Pakistan as a private limited company on 12 April, 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 (The Parent Company) 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 year, the Parent Company has obtained approval from the majority anchor investors for the disposal of the sole land recorded in the books of the Company. During the year, 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 December 2025. The land has been reclassified from Investment Property to asset held for sale as presented in these 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 these 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, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, Sindh.

Land held for sale 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 (RMC)	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 of RMC	Yes	-
TPL Properties Limited	Associated company of RMC	Yes	-
TPL Logistic Park (Private) Limited	Associated company of RMC	Yes	-
TPL Security Services (Private) Limited	Associated company of RMC	Yes	-
TPL Corp Limited	Associated company of RMC	Yes	-
TPL Holdings (Private) Limited	Associated company of RMC	Yes	-
TPL Property Management (Private) Limited	Associated company of RMC	Yes	-

Company Name	Relationship	Common Directorship	Percentage of Shareholding
TPL Developments (Private) Limited	Associated company of RMC	Yes	-
TPL Insurance Limited	Associated company of RMC	Yes	-
TPL Life Insurance Limited	Associated company of RMC	Yes	-
TPL Trakker Limited	Associated company of RMC	N/A	-
TPL Trakker Middle East LLC	Associated company of RMC	Yes	-
Key Management Personnel	-	N/A	-

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 Standards 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;
- The Real Estate Investment Trust Regulations, 2022 (the REIT Regulations) and requirements of the Trust Deed; and
- Accounting standards 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, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations, requirements of the Trust Deed and accounting standards on Non-Going Concern Basis of Accounting differ with the requirements of IFRS, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the REIT Regulations, requirements of the Trust Deed, and accounting standards on Non-Going Concern Basis of Accounting have been followed.

2.2 Basis of measurement

As detailed in Note 1.3, the financial statements have not been prepared on a going concern basis of accounting. The following accounting approaches have been applied:

- The assets appearing in the financial statements were assessed for impairment prior to the adoption of the non-going concern basis of accounting. Subsequently, the assets have been measured at their realizable value, which reflects the estimated amount of cash or other consideration that the Company expects to collect upon disposal of the asset, less costs of disposal, and
- The liabilities as at the reporting date have been remeasured in accordance with the principles of financial reporting applicable to the respective liabilities.

The carrying amounts of the Company's assets and liabilities as previously measured on a going concern basis are consistent with their re-measured amounts under the non-going concern basis except for the asset held for sale for which cumulative adjustment has been recognized in the statement of profit or loss and other comprehensive income.

2.3 Functional and presentation currency

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

2.4 Use of judgements and estimates

The preparation of the financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements, estimates and assumptions made by the management that may have a risk of material adjustments to the financial statements in the subsequent years are as follows:

i) Valuation of investment property (Note 3.7)

Information about judgments made in applying accounting policies that have an effect on the amounts recognised in the financial statements are discussed in the relevant policy notes.

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

2.5.1 New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after 01 July 2024 are as follows:

There are new and amended standards, interpretations and amendments that are mandatory for the Company'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 Company's operations and are therefore not detailed in these financial statements.

2.5.2 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective

The following International Financial Reporting Standards (IFRSs) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July, 2025:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review. Early adoption continues to be permitted.

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

- when a currency is exchangeable into another currency; and

- how a company estimates a spot rate when a currency lacks exchangeability.

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

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

The amendments apply for annual reporting periods beginning on or after 01 January, 2025. Earlier application is permitted.

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

Financial Assets with ESG-Linked features:

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

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

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

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

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

The amendments apply for reporting periods beginning on or after 01 January, 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

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

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the Company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

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

The amendments apply for reporting periods beginning on or after 01 January 2026. Earlier application is permitted.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these financial statements and are the same as those applied in earlier periods presented. The material accounting policies applied in the preparation of these financial statements are set out below;

3.1 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 or fair value less costs to sell. Impairment losses on initial classification as held-for-sale, as well as subsequent gains and losses on remeasurement, are recognised in the statement of profit or loss and other comprehensive income.

However, since the financial statements have been prepared on a non-going concern basis, the entity is required to record its assets at their realisable values. Accordingly, the asset held-for-sale has been measured at its realisable value.

3.2 Financial instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.2.1 Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

3.2.2 Classification and subsequent measurement

Financial asset

- On initial recognition, a financial asset is classified as: amortised cost, fair value through other comprehensive income (OCI) - debt investment, fair value through OCI - equity investment, or fair value through profit or loss.

- Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets of the Company are measured at FVTPL.

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is recognised in statement of profit or loss and other comprehensive income.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is also recognised in the statement of profit or loss and other comprehensive income.

3.2.3 Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of assets and liabilities, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of profit or loss and other comprehensive income.

3.2.4 Offsetting of financial instruments

Financial assets and ?nancial liabilities are offset and the net amount is reported in the statement of ?nancial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.3 Cash and cash equivalents

Cash and cash equivalents are stated at cost and are defined as cash in hand, cash at banks and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand, cheques in hand and bank balances.

3.4 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.5 Borrowing cost

Finance cost comprises of mark-up / interest expense on borrowing. Borrowing cost that is not directly attributable to the acquisition, construction or production of a qualifying asset is recognised in the statement of profit or loss and other comprehensive income whereas qualifying assets are capitalised up to the date the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss and other comprehensive income.

3.6 Taxation

"The Company'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 Shareholders in cash.

3.7 Investment property

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time when cost is incurred, if the recognition criteria is met.

The Company evaluates the fair value of its investment property every six months using an independent qualified valuer. The valuer uses the "Market Approach," which involves comparable properties and making necessary adjustments to reflect the unique characteristics of the subject property, including discounts and premiums, to accuractely determine its fair value.

Subsequent to initial recognition, the change in the carrying amount of investment property under construction in any given period will include additions recognised at cost as well as changes in the property's fair value. Gains or losses arising from changes in the fair values are included in the statement of profit or loss and other comprehensive income in the year in which they arise.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecognition of investment property are recognised in the statement of profit or loss and other comprehensive income in the year of retirement or disposal. Gain or loss on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

4 INVESTMENT PROPERTY

	Note	2025	2024
		(Rupees in '000)	
Carrying amount at the beginning of the year		2,505,194	2,450,248
Development costs incurred during the year		655	38,682
Borrowing costs capitalised during the year		-	16,264
Designing cost transferred to National Management and Consultancy Services		(300,000)	-
Unrealised gain on remeasurement of property	4.3	44,601	-
Carrying amount at the date of reclassification		2,250,450	2,505,194
Investment property transferred to held for sale	5	(2,250,450)	-
Carrying amount at the end of the year		-	2,505,194

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 the date of reclassification is Rs. 304.435 million (30 June 2024: Rs. 603.78 million).

4.3 As of the date of reclassification, 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.

4.4 Fair value hierarchy

The investment property has been valued by external, independent property valuer, 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.

4.5 Valuation Techniques

The valuers has performed inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilisation and current trends in price of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently sold or purchased or offered / quoted for sale into given vicinity to determine better estimates of the fair value of comparable properties. The adjustments are applied on such comparable properties based on reasonable qualitative and quantitative factors to determine the valuation of underlying investment property. 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 land 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 30 June 2025
	(Rupees in '000)			
Technology Park	-	-	-	-

	Level 1	Level 2	Level 3	Fair value as at 30 June 2024
	(Rupees in '000)			
Technology Park	-	-	2,505,194	2,505,194

5 ASSETS HELD FOR SALE - LAND	Note	2025	2024
		(Rupees in '000)	
Assets held for sale - Land	5.1	2,254,000	-
Expected sale value		2,300,000	-
Estimated cost of disposal		(46,000)	-
Carrying value of asset held for sale		2,254,000	-
Fair Value of the Land	5.1 & 5.3	2,250,450	-

5.1 The Company has entered into an agreement for the sale of land owned by it in its current condition. As of 30 June 2025, the Company has received token money from the interested buyer. The Company has carried the assets held for sale at the realisable value i.e. the expected sale value less the expected costs to sell. Accordingly, the asset has been classified as held-for-sale in the statement of financial position.

5.2 As of 30 June 2025, 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.

The Company enagaged an independent valuer for the purpose of assessing the Fair Value of the land to comply with the requirements of the Real Estate Investment Trust Regulations, 2022 (REIT Regulations, 2022).

5.3 Cumulative Effect Adjustment	Note	2025	2024
		(Rupees in '000)	
Investment property transferred to held for sale	4	(2,250,450)	-
Realisable value of asset held for sale	5	2,254,000	-
Cumulative effect adjustment	2.2	3,550	-

6 ADVANCES AND OTHER RECEIVABLES

	Note	2025	2024
Advance to contractor - secured	6.1	539,000	539,000
Profit on bank receivable		6	51
Advance tax		279	164
		539,284	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.

7 BANK BALANCES	Note	2025	2024
		(Rupees in '000)	
- Saving accounts - local currency	7.1	461	2,997
- Current account - local currency		62	62
		523	3,059

7.1 This represents saving accounts carrying profit at the rate of 10.25% to 19.75% (30 June 2024: 11% to 20.75%) per annum.

8 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		Note	2025	2024
(Number of shares)				(Rupees in '000)	
		Ordinary shares of Rs. 100/- each in cash			
182,500,000	182,500,000	Shares in issue		1,825,000	1,825,000
182,500,000	182,500,000		7.1	1,825,000	1,825,000

8.1 Following shares are held by the Parent Entity:

Name	Percentage of Shareholding	2025	2024
		(Rupees in '000)	
TPL REIT Fund I	100%	182,500,000	182,500,000

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

9 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 documents of the Company.

10 ACCRUED LIABILITIES AND OTHER PAYABLES

	Note	2025	2024
		(Rupees in '000)	
Accrued liabilities		16,025	7,435
Donation payable		6	6
Accrued auditor's remuneration		5,467	6,594
Withholding tax payable		6,896	4,559
		28,394	18,594

11 ADVANCE AGAINST ASSET HELD FOR SALE

	Note	2025	2024
Advance against asset held for sale	11.1	158,000	-

11.1 This primarily relate to the advance consideration received from buyer in respect of token money for purchase of land, for which the gain will be recognised at point in time when the sale transaction is completed and title is transferred to the buyer.

12 DUE FROM RELATED PARTY

	Note	2025	2024
		(Rupees in '000)	
National Management and Consultancy Services (Private) Limited	12.1	300,000	-

12.1 This pertains to cost of design transferred to National Management and Consultancy Services (Private) Limited.

10 ACCRUED LIABILITIES AND OTHER PAYABLES

	Note	2025	2024
		(Rupees in '000)	
Accrued liabilities	13.1	-	16,132
Donation payable	13.2	-	122,000
Accrued auditor's remuneration	13.3	-	11,727
		-	149,859

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).

15 ADMINISTRATIVE EXPENSES

	Note	2025	2024
		(Rupees in '000)	
Auditor's remuneration	15.1	5,441	4,813
Bank charges		-	1
Legal and professional charges		3,010	22
Selling Expense		12,000	-
		20,451	4,836

15.1 Auditor's remuneration

	2025	2024
Audit fees	4,580	4,000
Out of Pocket	458	461
	5,038	4,461
Sindh Sales Tax	403	352
	5,441	4,813

16 OTHER INCOME

	Note	2025	2024
Profit on saving accounts	7.1	698	342

17 EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

	2025	2024
Profit / (loss) after tax for the year	28,398	(4,494)
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	182,500,000	182,500,000
	(Rupees)	
Earnings per share - Basic and diluted	0.16	(0.02)

18 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	2025	2024
The Parent Entity		(Rupees in '000)	
TPL REIT Fund I			
Short term financing received during the year		-	120,000
Payments during the year		122,000	-
<u>Associates - by means of common directorship</u>			
TPL REIT Management Company Limited			
Expenses paid on behalf of the Company		-	11,727
Payments made during the year		11,727	-
TPL Properties Limited			
Payments during the year		16,132	91,366
Borrowing cost	18.1	-	16,264
		16,132	107,630
National Management and Consultancy Services (Private) Limited			
Design plan sold		300,000	-

18.1 This represents the interest 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.

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors of the TPL REIT Management Company have overall responsibility for the establishment, development and oversight of the Company's risk management framework and policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The audit committee of the RMC oversees how the RMC monitors compliance of risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The RMC's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

19.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties and arises principally from the Company's deposits with banks.

The carrying amount of the financial assets represents maximum exposure to credit risk as at 30 June 2025 and 30 June 2024:

	2025	2024
Financial assets	(Rupees in '000)	
Due from related party	300,000	-
Advance to contractor - secured	539,000	-
Profit on bank receivable	5	51
Bank balances	523	3,059
	839,528	3,110

The Company manages credit risk as follows:

Profit on bank receivable

Profit on bank receivable comprises of payments which are neither past due nor impaired based on past relationship, credit rating and financial soundness of the counter parties, hence chances of default are remote. There is no material impact of changes in credit risks of such receivables therefore no impairment allowance is necessary in respect of these amounts.

The Company has placed its funds (bank balances) with banks having sound credit ratings. The credit quality of Company's major balances can be assessed with reference to external credit ratings as follows:

	30 June 2025			
Bank name	Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Al Baraka Bank (Pakistan) Limited	VIS	AA-	A1	62
Bank Al Habib Limited	PACRA	AAA	A1+	1
BankIslami Pakistan Limited	PACRA	AA-	A1	30
Faysal Bank Limited	PACRA	AA	A1+	420
Habib Bank Ltd	PACRA	AAA	A1+	11
				523

Bank name	30 June 2024			
	Rating agency	Long-term rating	Short-term rating	(Rupees in '000)
Al Baraka Bank (Pakistan) Limited	VIS	A+	A1	62
Bank Al Habib Limited	PACRA	AAA	A1+	1
BankIslami Pakistan Limited	PACRA	AA-	A1	55
Faysal Bank Limited	PACRA	AA	A1+	2,941
				3,059

19.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payment dates and present market profit rates:

30 June 2025	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees in '000)						
Trade and other payables	28,394	-	28,394	-	-	-	28,394
Due to related parties	-	-	-	-	-	-	-
	28,394	-	28,394	-	-	-	28,394

30 June 2024	Carrying amount	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	(Rupees in '000)						
Trade and other payables	18,594	-	18,594	-	-	-	18,594
Due to related parties	149,859	149,859	-	-	-	-	149,859
	168,453	149,859	18,594	-	-	-	168,453

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

19.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprise three types of risks: currency risk, profit rate risk and other price risk.

19.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. As at reporting date, the Company is not materially exposed to currency risk and accordingly, the sensitivity to a reasonably possible change in the exchange rate with all other variables held constant is not reported.

19.3.2 Profit rate risk

Profit rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market profit rates. The Company does not have any fixed rate financial instrument at fair value through profit or loss. Therefore, the Company is not exposed to fair value changes for fixed rate instruments. However, the bank and term deposit at variable rates expose the Company to fluctuations in cash flow due to change in market profit rates. The cash flow sensitivity analysis for variable rate of instrument is depicted below:

Sensitivity analysis for variable rate instruments

A change of 100 basis points in profit rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as carried out in 30 June 2024.

	Profit or Loss		Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	------------------------ (Rupees in '000) ------------------------			
30 June 2025				
Bank balances	5	(5)	5	(5)
30 June 2024				
Bank balances	30	(30)	30	(30)

19.3.3 Other price risk

Other price risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk). As of the reporting date, the Company is not exposed to other price risk.

19.4 Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support and sustain future development of its business operations and maximise shareholders' value. The Company closely monitors the return on capital along with the level of distributions to ordinary shareholders. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder or issue new shares. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity.

20 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).

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

		30 June 2025							
		Carrying amount				Fair value			
	Note	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									
Profit on bank receivable	6	-	5	-	5	-	-	-	-
Advance to contractor	6	-	539,000	-	539,000	-	-	-	-
Due from related party	18	-	300,000	-	300,000	-	-	-	-
Bank balances	7	-	523	-	523	-	-	-	-
		-	839,528	-	839,528	-	-	-	-
Financial liabilities not measured at fair value									
Accrued liabilities	10	-	16,025	-	16,025	-	-	-	-
Donation payable	10	-	6	-	6	-	-	-	-
Accrued auditor's remuneration	10	-	5,467	-	5,467	-	-	-	-
Due to related parties	11	-	158,000	-	158,000	-	-	-	-
		-	179,498	-	179,498	-	-	-	-

		30 June 2024							
		Carrying amount				Fair value			
	Note	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									
Profit on bank receivable	6	-	51	-	51	-	-	-	-
Bank balances	7	-	3,059	-	3,059	-	-	-	-
		-	3,110	-	3,110	-	-	-	-
Financial liabilities not measured at fair value									
Accrued liabilities	10	-	7,435	-	7,435	-	-	-	-
Donation payable	10	-	6	-	6	-	-	-	-
Accrued auditor's remuneration	10	-	6,594	-	6,594	-	-	-	-
Due to related parties	13	-	149,859	-	149,859	-	-	-	-
		-	163,894	-	163,894	-	-	-	-

20.1 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.

20.2 Fair value hierarchy of the investment property has been disclosed in note 4.4 to these financial statements.

TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

21 GENERAL

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

22 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorised for issue on September 26, 2025 by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER　　CHIEF FINANCIAL OFFICER　　DIRECTOR