

#### **ADVICE FOR INVESTORS**

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS OFFER FOR SALE DOCUMENT, **ESPECIALLY THE RISK FACTORS GIVEN AT PART 9** AND SEEK PROFESSIONAL ADVICE BEFORE MAKING ANY INVESTMENT DECISION.

**SUBMISSION OF FALSE & FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.**

INVESTMENT IN EQUITY SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THE EXAMINATION OF THE REIT MANAGEMENT COMPANY, THE REIT SCHEME AND THE OFFER INCLUDING THE RISKS INVOLVED AS DISCLOSED AT PART 9 OF THE OFFER FOR SALE DOCUMENT.

## **OFFER FOR SALE DOCUMENT**



### **TPL REIT FUND I (the "REIT Scheme")**

**Date of SECP Approval for Registration of Trust Deed:** November 30, 2021  
**Registration Number:** KAR/ST/220/2021  
**Date of Registration of Trust Deed with Directorate of Industries, Sindh:** December 10, 2021  
**Date of Registration of REIT Scheme with SECP:** December 23, 2021  
**Name of REIT Management Company:** TPL REIT Management Company Limited  
**Name of Trustee:** Digital Custodian Company Limited



### **TPL REIT Management Company Limited (the "REIT Management Company")**

**Incorporation Date and Place:** October 12, 2018 in Karachi  
**Incorporation Number:** 0124966  
**Registered Address / Corporate Office:** 20<sup>th</sup> Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi  
**Contact Person:** Mr. Ali Asgher, Chief Executive Officer  
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**"THIS IS AN OFFER FOR SALE DOCUMENT BY TPL PROPERTIES LIMITED, HABIB BANK LIMITED, NATIONAL BANK OF PAKISTAN, THE BANK OF PUNJAB, BANK AL HABIB LIMITED, BANK ALFALAH LIMITED, ASKARI BANK LIMITED, HABIB METROPOLITAN BANK LIMITED, AND SONERI BANK LIMITED (COLLECTIVELY REFERRED TO AS THE "OFFERORS") FOR OFFER FOR SALE OF UNITS HELD IN THE REIT SCHEME"**

**AS PER REGULATION 10 OF THE REAL ESTATE INVESTMENT TRUST REGULATIONS, 2022, ADDITIONAL REAL ESTATE CAN BE ADDED TO THE REIT SCHEME WITHOUT APPROVAL OF THE UNIT HOLDERS**

**OFFER SIZE:** The Offer consists of a Base Offer of 22,937,500 Units, which is 1.25% of the total units of the REIT Scheme, having a face value of PKR 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 Scheme, as an Offer for Sale to the General Public.

**Method of Offering:** The Offer is being made through the Fixed Price Method at an Offer Price of PKR 17.59/- per unit.  
 (Justification of offer price is given at section 8 of the OFSD titled Valuation section)

**Public Comments:** The Draft Offer for Sale Document was placed on PSX's website for seeking public comments for five (5) working days starting from **FEBRUARY 27, 2024** to **MARCH 05, 2024**, however, no public comments were received.

**Date of Public Subscription:** From **MAY 02, 2024** to **MAY 03, 2024** (both days inclusive) FROM: **9:00 am to 5:00 pm**

<b>OFFERORS</b>	<b>CONSULTANT TO THE ISSUE / LEAD MANAGER</b>	<b>BANKER TO THE OFFER</b>	<b>PUBLIC OFFER WILL BE UNDERWRITTEN BY:</b>

Investors can submit application(s) through both electronic and physical modes. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized E-IPO system (CES). PES and CES can be accessed via web link <https://eipo.psx.com.pk>, and [www.cdceipo.com](http://www.cdceipo.com) respectively.

#### **DATE OF PUBLICATION OF THIS OFFER FOR SALE DOCUMENT: APRIL 16, 2024**

Offer for Sale Document and Subscription Form can be downloaded from the following websites:

<https://tplfunds.com/>, [www.cdceipo.com](http://www.cdceipo.com),  
<https://www.psx.com.pk>, [https://nextcapital.com.pk/](https://nextcapital.com.pk)

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The REIT Scheme is proposed to be listed at the **Pakistan Stock Exchange Limited**

**Risk and Other Disclosures**

- The REIT Scheme is executing three different real estate projects through separate SPVs. The business is subject to the risks associated with the construction, sale and renting of the real estate which may impact the return of the project
- TPL RMC is entitled to a performance fee equal to 15%, charged on YoY (year-over-year) increase in NAV of TPL REIT over a High Watermark, calculated at the end of each accounting period. High Watermark is the highest NAV of TPL REIT reached in previous accounting periods. TPL RMC is also entitled to 15% of the profit from the sale of real estates and / or sale / winding up of the SPV
- As per the REIT Regulations, new real estate can be added to the REIT Scheme during the life of REIT Scheme, without approval of the Unit Holders. However adequate information relating to real estate is required to be shared with the unitholders at least 21 days before addition of the real estate.
- There are no restrictions on sponsors, strategic investors and anchor investors of the REIT Scheme from selling their units immediately after the listing of the REIT Scheme

AC 379272



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086372

30 JAN 2024

S.N.C. ..... DATE .....  
ISSUED TO WITH ADDRESS .....  
THROUGH WITH ADDRESS .....  
PURPOSE .....  
VALUE RS ..... ATTACHED .....  
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Not For Use For Will & Divorce Deed

*Mohsin Saleem Adv*

**UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE REIT MANAGEMENT COMPANY**

Dated: January 31, 2024

WE, ALI ASGHER, THE CHIEF EXECUTIVE OFFICER AND IMAD ZAHID NAGI, THE CHIEF FINANCIAL OFFICER OF TPL REIT MANAGEMENT COMPANY LIMITED CERTIFY THAT:

1. THE OFFER FOR SALE DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE REIT SCHEME AND THE OFFER, WHICH IS MATERIAL IN THE CONTEXT OF THE OFFER AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
2. THE INFORMATION CONTAINED IN THE OFFER FOR SALE DOCUMENT IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
3. THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD;
4. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE OFFER FOR SALE DOCUMENT AS A WHOLE OR ANY PART THEREOF MISLEADING; AND
5. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF OFFER FOR SALE DOCUMENT, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED.
6. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS OFFER FOR SALE DOCUMENT.

For and on behalf of TPL REIT Management Company Limited

*Ali Asgher*  
Ali Asgher  
Chief Executive Officer  
TPL REIT Management Company Limited

*Imad Zahid Nagi*  
Imad Zahid Nagi  
Chief Financial Officer  
TPL REIT Management Company Limited

ATTESTED

**GHULAM HABIB**  
B.A., LL.B. (Advocate)  
Oath Commissioner  
City Court, Karachi-Pakistan



## GLOSSARY OF TECHNICAL TERMS

Act	Securities Act, 2015
ATL	Active Taxpayers List
BREEAM	Building Research Establishment Environmental Assessment Methodology
CDC/CDCPL	Central Depository Company of Pakistan Limited
CDC Regulations	Central Depository Company of Pakistan Limited Regulations
CDS	Central Depository System
CES	Centralized e-IPO System
Commission / SECP	Securities and Exchange Commission of Pakistan
EDGE	EDGE is a green building certification system focused on making buildings more resource efficient
EIA	Environmental Impact Assessment
FC	Financial Close
FY	Fiscal Year
KIBOR	Karachi Interbank Offer Rate
LEED	Leadership in Energy and Environmental Design
Listing Regulations	Chapter 5 of the Pakistan Stock Exchange Regulations / PSX Rule Book
NAV	Net Assets Value
Net Assets	Difference between the value of assets and liabilities of a REIT Scheme as given in the balance sheet at any given date
NOC	No Objection Certificate
Obligations	Any outstanding debt or liabilities of the project
Offering Document	Document containing information specified in the REIT Regulations 2022 and the Public Offering Regulations, 2017 in order to invite the public to buy Units
Offerors	Means the Anchor Investors and the Strategic Investor
OFS	Offer for Sale
PACRA	Pakistan Credit Rating Agency Limited
Par value	PKR 10/unit
PBA	Pakistan Banker's Association
PES	PSX's e-IPO System
PKR or Rs.	Pakistan Rupee(s)
PO Regulations	Public Offering Regulations, 2017
PSX / Exchange	Pakistan Stock Exchange Limited
REIT	Real Estate Investment Trust registered under the REIT Regulations, 2022
Register	The Register of the Unit Holders kept pursuant to the REIT Regulations, 2022
Registrar	A Company (Digital Custodian Company Limited) appointed by the RMC for performing the Registrar functions
Regulations / REIT Regulations, 2022	Real Estate Investment Trust Regulations, 2022
RMC	REIT Management Company
SBCA	Sindh Building Control Authority
SBP	State Bank of Pakistan
SEPA	Sindh Environmental Protection Agency
SPV	Special Purpose Vehicle

Strategic Investor or TPLP	TPL Properties Limited
TPL RMC / REIT Manager	TPL REIT Management Company Limited
USD	US Dollar
Valuer	Savills Pakistan (Private) Limited
WELL	A performance-based system for measuring, certifying, and monitoring features of the development environment that impact human health and well-being, through air, water, nourishment, light, fitness, comfort and mind.

## DEFINITIONS

<b>Accelerator Period</b>	Means the period starting at Financial Close and ending on the first dividend distribution to the Unit Holders by TPL REIT or listing of TPL REIT, whichever is later.
<b>Anchor Investors</b>	<p>Mean the investors who have collectively contributed equity of PKR 11,250,000,000/- (Pakistani Rupees Eleven Billion Two Hundred Fifty Million only) as part of the Initial REIT Size.</p> <p>Anchor Investors include the following:</p> <ol style="list-style-type: none"> <li>1. Habib Bank Limited</li> <li>2. National Bank of Pakistan</li> <li>3. The Bank of Punjab</li> <li>4. Bank Al Habib Limited</li> <li>5. Bank Alfalah Limited</li> <li>6. Askari Bank Limited</li> <li>7. Habib Metropolitan Bank</li> <li>8. Soneri Bank Limited</li> </ol>
<b>Application Money</b>	The amount of money paid along with application for subscription of Units which is equivalent to the product of the Offer Price per unit and the number of Units applied for
<b>Auditors</b>	Means, KPMG Taseer Hadi & Co., the auditor appointed by the RMC in accordance with the REIT Regulations, 2022
<b>Base Offer</b>	22,937,500 units representing 1.25% of issued, subscribed and paid-up Units of the REIT Scheme, having a Face Value of PKR 10/- each
<b>Business Day</b>	Means a day on which scheduled banks are open for normal banking business in Pakistan
<b>Constitutive Documents</b>	Means this Offer for Sale Document, the Trust Deed, and the Unit Subscription Agreement
<b>Financial Close</b>	Means June 24, 2022, the date where financial commitments were received from all the Unit Holders
<b>General Public</b>	All Individual and Institutional Investors including both Pakistani (residents & non-residents) and foreign investors

<b>Green Shoe Option</b>	It means a pre-determined number of units to be offered by the Offeror in case of over-subscription of the base Offer.
<b>Hybrid REIT</b>	In this Offer, it refers to an option to be mandatorily exercised by the Offerors if the demand received is higher than the Base Offer of up to 22,387,000 units representing 1.22% of the issued, subscribed, and paid-up Units of the REIT Scheme.
<b>High Watermark</b>	After reconciliation of the subscription received, TPL RMC will notify through an announcement on PSX, regarding subscription received against the Green Shoe Option
<b>Master Feeder Fund Structure</b>	Means a REIT Scheme, which is a combination of different types of REIT Schemes
<b>Offer Size</b>	In this case, it means a REIT Scheme launched for developmental and rental projects
<b>Offer Price</b>	The highest NAV of TPL REIT reached in previous accounting periods
<b>Proxy</b>	It means an investment structure where investors put their money in the feeder fund which in turn invests in the master fund. In this case, TPL REIT Fund I is the master fund while offshore feeder funds are to be established to bring foreign investment in the REIT Scheme
<b>Real Estate</b>	The Offer size comprises of Base Offer and Green Shoe Option
<b>PKR 17.59/Unit</b>	Written authority given by a Unit Holder to another Unit Holder to attend the meeting of the Unit Holders called by the RMC or Unit Holders or Commission in accordance with the Regulations, pursuant to the Trust Deed. Proxy shall be issued in the same manner and on the same terms as provided in the REIT Regulations, 2022
<b>REIT Assets</b>	Includes land and/or such moveable and/or immovable property attached to it or passing through it or have right of access for use of that land either by way of interest that are freehold or leasehold or through right of use by legally binding contractual agreement(s), acquired by the REIT Scheme (through a SPV) in relation to or in connection with a REIT Project
<b>REIT Fund</b>	Means shares of SPVs (representing an interest in the underlying REIT project assets held indirectly by the REIT Scheme through the SPV), and other assets (moveable or immovable, liquid or illiquid, tangible or intangible) of a REIT Scheme acquired or invested in the name of the Trustee
	Means the monetary value of the REIT Assets

<b>SPV(s) / Special Purpose Vehicle(s)</b>	Means the limited liability company incorporated, acquired or invested in by the REIT Scheme in accordance with the REIT Regulations and the Constitutive Documents for the purposes of investing in a REIT project  There are currently three (03) SPVs in the REIT Scheme, namely: <ol style="list-style-type: none"> <li>1. National Management &amp; Consultancy Services (Pvt.) Limited – also known as Mangrove or Project A SPV;</li> <li>2. HKC (Private) Limited – also known as One Hoshang or Project B SPV; and</li> <li>3. TPL Technology Zone Phase 1 (Pvt.) Limited – also known as Technology Park or Project C SPV.</li> </ol>
<b>Strategic Investor</b>	Means TPL Properties Limited
<b>Unit Holder(s) / Unitholder(s)</b>	A person who is the legal owner of one or more Units and whose name appears in the Register of Unit Holders
<b>Unit(s)</b>	The Units of the REIT Scheme of par value PKR 10/- representing an undivided share in the REIT Scheme

**INTERPRETATION:**

**ANY CAPITALIZED TERM CONTAINED IN THIS OFFER FOR SALE DOCUMENT, WHICH IS IDENTICAL TO A CAPITALIZED TERM DEFINED HEREIN, SHALL, UNLESS THE CONTEXT EXPRESSLY INDICATES OR REQUIRES OTHERWISE AND TO THE EXTENT AS MAY BE APPLICABLE GIVEN THE CONTEXT, HAVE THE SAME MEANING AS THE CAPITALIZED / DEFINED TERM PROVIDED HEREIN.**

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## **1. APPROVALS AND LISTING ON THE STOCK EXCHANGE**

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### **1.1 APPROVAL OF REGISTRATION OF THE REIT SCHEME**

Approval of the Securities & Exchange Commission of Pakistan (the "Commission" or the "SECP") under Regulation 5(2) of the Real Estate Investment Trust Regulations, 2015 (repealed by REIT Regulations, 2022) has been obtained by TPL REIT Management Company Limited ("TPL RMC") for the registration of TPL REIT Fund I ("TPL REIT" or the "REIT Scheme") vide their letter No. SECP/SCD/PRDD/REIT/TPL-RMCL/2021/33 dated December 23, 2021.

### **1.2 APPROVAL OF THE OFSD BY SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Approval of the Securities & Exchange Commission of Pakistan under Section 87(2) of the Securities Act, 2015 read with Section 88(1) thereof, and under sub-regulation xvii of Regulation 15 of the REIT Regulations, 2022 has been obtained by TPL REIT Management Company Limited for the offer, circulation and publication of this Offering Document (hereinafter referred to as the "Offer for Sale Document") vide their letter No. SMD/PO/SA-88/01/2024 dated March 22, 2024.

#### **DISCLAIMER:**

**IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, SECP DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE REIT SCHEME AND/OR RMC AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO THEM BY THE RMC IN THIS OFFER FOR SALE DOCUMENT.**

**SECP HAS NOT EVALUATED QUALITY OF THE OFFER AND ITS APPROVAL FOR OFFER, CIRCULATION AND PUBLICATION OF THE OFFER FOR SALE DOCUMENT SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT DUE DILIGENCE AND ANALYSIS REGARDING THE QUALITY OF THE OFFER BEFORE SUBSCRIBING.**

### **1.3 APPROVAL OF THE OFSD BY PSX**

This Offer for Sale Document has been approved by Pakistan Stock Exchange Limited ("PSX") vide their letter No. PSX/GEN-398 dated March 14, 2024 in accordance with the requirements of the Listing Regulations.

#### **DISCLAIMER:**

**PSX HAS NOT EVALUATED THE QUALITY OF THE OFFER AND ITS APPROVAL SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE OFFER BEFORE SUBSCRIBING.**

**THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY PSX.**

**THE CONTENTS OF THIS DOCUMENT DOES NOT CONSTITUTE AN INVITATION TO INVEST IN UNITS OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY PSX, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF PSX.**

**IT IS CLARIFIED THAT INFORMATION IN THIS OFFERING DOCUMENT SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY PSX AND MUST NOT BE TREATED AS A SUBSTITUTE FOR SPECIFIC ADVICE.**

**PSX DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM OR IN RELIANCE UPON THIS DOCUMENT TO ANYONE, ARISING FROM ANY REASON, INCLUDING, BUT NOT LIMITED TO,**

**INACCURACIES, INCOMPLETENESS AND / OR MISTAKES, FOR DECISIONS AND /OR ACTIONS TAKEN, BASED ON THIS DOCUMENT.**

**PSX NEITHER TAKES RESPONSIBILITY FOR THE CORRECTNESS OF CONTENTS OF THIS DOCUMENT NOR THE ABILITY OF THE REIT SCHEME TO FULFILL ITS OBLIGATIONS THEREUNDER.**

**ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY PARTICULAR INVESTMENT**

#### **1.4 FILING OF OFSD AND OTHER DOCUMENTS WITH THE REGISTRAR OF COMPANIES**

TPL REIT Management Company Limited has delivered to the Registrar of Companies as required under Section 57 (1) of the Act, a copy of this Offer for Sale Document signed by all the Directors of the RMC and the Offeror.

#### **1.5 LISTING AT PSX**

Application has been made to PSX for permission to deal in and for quotation of the Units of the REIT Scheme.

If for any reason the application for formal listing is not accepted by PSX or approval for formal listing is not granted by PSX before the expiration of twenty-one days from the date of closing of the subscription period / list or such longer period not exceeding forty-two days as may, within the said twenty-one days, be notified to the applicants for permission by the PSX, the RMC undertakes that a notice to that effect will immediately be published in the press and will refund Application Money to the applicants without surcharge as required under the provisions of Section 69 of the Companies Act.

If any such money is not repaid within eight (08) days after the Offeror becomes liable to repay it, the Directors of the Offeror shall be jointly and severally liable to repay that money from the expiration of the eight day together with surcharge at the rate of two percent (2.0%) for every month or part thereof from the expiration of the eight day and, in addition, shall be liable to a penalty of level 3 on the standard scale of up to PKR 100 Mn and per day penalty of PKR 500,000 during which the default continues, as defined in Section 479 of the Companies Act, 2017, in accordance with the provisions of sub-section (2) of Section 69 of the Companies Act, 2017.

As required under sub-section (3) of Section 69 of the Companies Act, 2017 the Application Money, shall be deposited and kept in a separate bank account in a scheduled bank so long as the Offeror may become liable to repay it under sub-section (2) of Section 69 of the Companies Act; and, if default is made in complying with the said sub-section (3), the Offeror and every officer of the Offeror who authorizes or permits the default shall be liable to a penalty of level 2 on the standard scale.

## 2. SUMMARY OF THE OFFER FOR SALE DOCUMENT

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<b>Name of REIT Scheme</b>	TPL REIT Fund I (“TPL REIT” or the “REIT Scheme”)
<b>Overview</b>	TPL REIT Management Company Limited (“TPL RMC”), a 100% owned subsidiary of TPL Properties Limited, has launched Pakistan’s first and largest hybrid Shariah compliant REIT namely TPL REIT Fund I, raising equity capital from leading financial institutions of the country
<b>Nature of the Scheme</b>	TPL REIT is formed as a trust established under the laws of Pakistan and registered as a closed end hybrid REIT with the SECP under the Regulations
<b>Rating of TPL REIT</b>	RFR 3+ with stable outlook, assigned by PACRA on December 23, 2023
<b>Target REIT Size</b>	Up to PKR 80 Bn
<b>Initial REIT Size</b>	PKR 18,350 Mn, comprising of equity participation of PKR 11,250 Mn from Anchor Investors and non-cash investment of PKR 7,100 Mn from the Strategic Investor
<b>Registration of REIT Scheme with SECP</b>	December 23, 2021
<b>Financial Close</b>	June 24, 2022
<b>Offer Amount</b>	The current Offer size comprises of Base Offer of PKR 403,470,625 (22,937,500 units at an Offer Price of PKR 17.59/unit) and Green Shoe Option of PKR 393,787,330 (22,387,000 units at an Offer Price of PKR 17.59/unit)
<b>Offer Price</b>	PKR 17.59/unit
<b>REIT Management Company</b>	TPL REIT Management Company Limited
<b>Trustee</b>	Digital Custodian Company Limited
<b>Development Advisor</b>	TPL Developments (Private) Limited
<b>Property Valuer</b>	Savills Pakistan
<b>Legal Counsel</b>	Haidermota and Co.
<b>Lead Manager / Consultant to the Issue</b>	Next Capital Limited
<b>Shariah Advisor</b>	Al-Hilal Shariah Advisors
<b>REIT Auditor</b>	KPMG Taseer Hadi & Co.
<b>REIT Accountant</b>	Grant Thornton Anjum Rahman
<b>Investment Structure</b>	TPL REIT invests in REIT projects through separate project SPVs

## 2.1 ABOUT THE REIT SCHEME

### 2.1.1 PRIMARY PURPOSE OF THE REIT SCHEME

TPL REIT, the first hybrid REIT of Pakistan was launched by TPL RMC in 2021 with the aim of capitalizing on the real estate development and management expertise of its parent company.

TPL REIT is created under a Master-Feeder Fund Structure, formed as a trust under REIT Regulations in Pakistan, enabling domestic investors to invest directly, whereas the international investors will have the opportunity to invest in TPL REIT through investments in one or more off-shore feeder funds (to be launched as and when required).

TPL REIT is formed as a trust established under the laws of Pakistan and registered as a closed-end hybrid REIT with the SECP under the REIT Regulations.

The Financial Close of TPL REIT was achieved on June 24, 2022 at an Initial REIT Size of PKR 18,350 Mn through raising PKR 11,250 Mn of fresh equity from Anchor Investors, while the Strategic Investor contributed Real Estate assets valued at PKR 7,100 Mn.

The existing asset portfolio of REIT Scheme comprises of:

Existing Asset Portfolio		
Project A - Mangrove	Project B - One Hoshang	Project C - Technology Park
A master planned community featuring mid-rise residential apartment towers, commercial offices, hotel, and retail space at waterfront locality, to be equipped with best in-class infrastructure and amenities	Pakistan's one of a kind premium-end luxurious residential apartment tower and showrooms with world class amenities, located in the city's most posh area	A first of a kind technology park in Pakistan, with high-end IT infrastructure to be designed for world-class technology companies, accompanied with a 42 key business hotel
		
Key Metrics		
Land Area: 193,600 sq. yd. / 1,742,000 sq. ft. Sellable Area: ~8.4 mn sq. ft. Built Up Area: ~12.2 mn sq. ft. Development Tenor: ~10-11 years	Land Area: ~2,539.32 sq. yd. / 22,853.88 sq. ft. Sellable Area: ~175,000 sq. ft. Built up Area: ~320,000 sq. ft. Development Tenor: ~3.0 years	Land Area: 10,002 sq. yd. / 90,018 sq. ft. Sellable Area: ~293,000 sq. ft. Built Up Area: ~647,000 sq. ft. Development Tenor: ~ 3.0 years
Location		
Deh Dih, Tappo Ibrahim Haidery, Taluka Karachi East, District Korangi	Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi	Plot # 25 / B, Sector 30, Korangi Industrial Area, Karachi
Date of transfer of Project into the REIT Scheme		
June 24, 2022	June 24, 2022	December 08, 2022

Ownership of REIT Scheme		
100%	94.6%	100%
Investment by REIT Scheme		
PKR 11,630 Mn	PKR 2,350 Mn	PKR 2,700 Mn
Planned number of units*		
4,798 apartments, 184 key hotel, 55 office spaces and 171 retail spaces	30 apartments, 1 penthouse and 2 showrooms	30 office spaces and 42 key hotel
Current Status		
Detailed building design is in process	Foundation and grey structure are under construction	On hold

*\*This is the planned mix of built units which may change depending upon various factors such as market conditions and demand for an asset class. The asset mix would be finalized at the time of either completion of detailed building design or at the time of start of construction.*

## 2.1.2 SPONSORS / STRATEGIC INVESTOR OF THE REIT SCHEME

TPL properties is the Strategic Investor in the TPL REIT scheme. TPL Properties Limited was established in 2007 and became a PSX-listed company in 2016. Centrepoint, the first and flagship real estate project of TPLP was completed in 2013 and was subsequently acquired by Bank Al Habib Limited in 2020.

TPL Properties is a reputable and corporatized Real Estate company in Pakistan, listed on the stock exchange, providing a one stop solution for real estate development, facility management, and investment. TPLP established a subsidiary namely TPL REIT Management Company to perform REIT management services. TPL RMC has launched Pakistan's first Shariah compliant hybrid REIT i.e. TPL REIT Fund I.

Other subsidiaries of TPLP include TPL Developments which is responsible for project developments and TPL Property Management which provides facility management services.

TPLP is focused on sustainable developments and is ensuring one or more renowned environment certifications (LEED, EDGE and others) across the portfolio. It has established relationships with a number of reputed international and domestic design and engineering firms to deliver the highest level of quality and set new benchmarks in Real Estate in Pakistan.

### Anchor Investors

Initial investors of the REIT Scheme include TPL Properties Limited as the Strategic Investor and eight commercial banks, including Habib Bank Limited, National Bank of Pakistan, The Bank of Punjab, Bank Al Habib Limited, Bank Al Falah Limited, Habib Metropolitan Bank Limited, Askari Bank Limited, and Soneri Bank Limited (collectively referred to as the 'Anchor Investors').

The Strategic Investor made an in-kind contribution of real estate assets into the REIT Scheme, valued at PKR 7,100 Mn. The Anchor Investors made a collective contribution of PKR 11,250 Mn into the REIT Scheme, as per the terms of the Unit Subscription Agreements executed between TPL REIT Fund I and each of the Anchor Investors dated 11<sup>th</sup> May, 2022.

The Unit Subscription Agreement allows the Anchor Investors to increase their commitment to the REIT Scheme above their initial commitments after the Financial Close. Initial commitments from the Strategic Investor and Anchor Investors were disbursed in instalments in the following manner:

Allocation (PKR Million)	First Instalment	Second Instalment	Third Instalment	Total
Date of Investment	24-Jun-22	20-Dec-22	28-Dec-23	
<b>Non-Cash Contribution by Strategic Investor (TPLP)</b>				
Project A - Mangrove	4,500	-	-	4,500
Project B - One Hoshang	975	-	-	975
Project C - Technology Park	1,625*	-	-	1,625
<b>Sub-Total</b>	<b>7,100</b>	<b>-</b>	<b>-</b>	<b>7,100</b>
<b>Contribution by Anchor Investors</b>				
Project A - Mangrove	2,500	1,800	2,830	7,130
Project B - One Hoshang	1,375	-	-	1,375
Project C - Technology Park	1,075	-	-	1,075
TPL REIT Fund I (Expenses / Cash in Hand)	675	450	545	1,670
<b>Sub-Total</b>	<b>5,625</b>	<b>2,250</b>	<b>3,375</b>	<b>11,250</b>
<b>Grand Total</b>	<b>12,725</b>	<b>2,250</b>	<b>3,375</b>	<b>18,350</b>

\*Please note that investment in REIT Scheme by the Strategic Investor was made on 08-Dec-22 for the Technology Park project in the form of in-kind contribution of real estate asset.

It is pertinent to highlight that the Anchor Investors are not the sponsors of the REIT Scheme due to the following reasons:

- i. The Anchor Investors have no control over the day-to-day operations of the REIT Scheme;
- ii. The Anchor Investors do not have the authority to appoint directors of TPL RMC; and
- iii. The Constitutive Documents of the REIT Scheme do not impose any restrictions on selling / transferring of Units of Anchor Investors post listing. Hence, the entire unitholding of Anchor Investors will be considered part of the free float.

For REITs, Strategic Investor is considered to be the sponsor of the REIT Scheme and therefore, REIT Regulations put certain restrictions on the Strategic Investor - as per the REIT Regulations, Strategic Investor has to hold 25 per cent units of the initial size of the REIT Scheme (equity only) till revocation or listing of the REIT Scheme, whichever is earlier. Any other investors who are only financial investors and do not have any selling restrictions are not considered strategic investors / sponsors.

### 2.1.3 ABOUT THE OFFER

The Base Offer comprises of 22,937,500 Units of the REIT Scheme having a face value of PKR 10/- per Unit, representing 1.25% of the issued, subscribed and paid-up Units of the REIT Scheme. The Offer also has a Green Shoe Option for 22,387,000 Units. If the demand received is higher than the Base Offer, the Green Shoe Option for a maximum of 22,387,000 Units, representing 1.22% of the issued, subscribed and paid-up Units of REIT Scheme, shall be mandatorily exercised.

The entire Offer will be made through the Fixed Price Method at an Offer Price of PKR 17.59/- per unit to the General Public.

## 2.1.4 PRE AND POST IPO HOLDING OF THE REIT SCHEME

	Pre-IPO Unitholding		Units Offered in IPO* (Base Offer)		Post IPO Unitholding	
	Units	% of existing capital	Units	% of base offer	Units	% of Post IPO capital
TPL Properties Limited	710,000,000	38.69%	8,875,000	38.69%	701,125,000	38.21%
Habib Bank Limited	225,000,000	12.26%	2,812,500	12.26%	222,187,500	12.11%
National Bank of Pakistan	200,000,000	10.90%	2,500,000	10.90%	197,500,000	10.76%
The Bank of Punjab	200,000,000	10.90%	2,500,000	10.90%	197,500,000	10.76%
Bank Al Habib Limited	150,000,000	8.17%	1,875,000	8.17%	148,125,000	8.07%
Bank Alfalah Limited	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Askari Bank Limited	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Habib Metropolitan Bank	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Soneri Bank Limited	50,000,000	2.72%	625,000	2.72%	49,375,000	2.69%
General Public					22,937,500	1.25%
<b>Total</b>	<b>1,835,000,000</b>	<b>100%</b>	<b>22,937,500</b>	<b>100%</b>	<b>1,835,000,000</b>	<b>100%</b>

\* Please note that units are being offered by each of the Offeror on proportionate basis in relation to their existing unitholding.

## 2.1.5 PRINCIPAL PURPOSE OF THE OFFER

Unitholders of the REIT Scheme have unanimously resolved to conduct listing of the REIT Scheme. The decision to list the REIT Scheme is driven by the following:

### A. Interest of Foreign Investors

There has been encouraging feedback from foreign investors to invest in TPL REIT Fund I. TPL RMC has been receiving queries from multiple foreign investors regarding participation in TPL REIT and listing has appeared to be one of the key criteria for their decision to invest. This is mainly because investment proceeds for a listed instrument / security can be conveniently routed through Special Convertible Rupee Account (SCRA).

It is pertinent to note that non-residents are allowed to trade freely in the units of funds quoted on the Stock Exchange(s) in Pakistan through Special Convertible Rupee Account (SCRA) pursuant to Paragraph 9A of Chapter 20 of the Foreign Exchange Manual issued by State Bank of Pakistan.

### B. Broaden Investor Base

The existing investors of TPL REIT include TPL Properties Limited and commercial banks. Listing of the REIT Scheme will make the instrument eligible for a wider investor base with the inclusion of mutual funds, pension funds, employee funds, life insurance companies and others which require prices on daily basis to mark-to-market their investment.

### C. Regulatory Oversight

REITs operate in a highly regulated and structured manner. TPL REIT already has a robust corporate governance framework, however, listing of the REIT Scheme will further improve corporate governance by including regulatory oversight by PSX.

### D. Price Prospect

A NAV on account of continuing progress on the three projects of TPL REIT will be quarterly disseminated through PSX providing potential investors with periodic updates giving impetus to the listed Units price. A quoted price will be beneficial to all investor portfolios that are marked to market.

### E. Compliance with REIT Regulations

Lastly, this Offer will also ensure compliance with Regulation 7 of the REIT Regulations which require a REIT Scheme to be listed within a maximum period of three (3) years from the date of Transfer of Real Estate or Financial Close, whichever is later.

#### 2.1.6 VALUATION

Reference is made to section 8, titled “Valuation Section”, for details regarding the justification given by the Lead Manager / Consultant to the Issue in favor of the Offer Price of PKR 17.59/- per unit.

#### 2.1.7 QUALIFIED OPINION, IF ANY, GIVEN BY THE AUDITOR

TPL REIT was registered on Dec 23, 2021. Therefore, its audited financials are available for FY2022 (23 Dec 2021 – 30 June 2022), FY2023 and 1HFY2024 (standalone). The Auditor (KPMG Taseer Hadi & Co.) of the REIT Scheme has not given any qualified opinion on the financial statements of the REIT Scheme.

#### 2.1.8 FINANCIAL INFORMATION OF THE REIT SCHEME

Unconsolidated Financial Information	Unit	FY2022 (Audited)	FY2023 (Audited)	1H FY2024 (Audited)
Issued, subscribed and paid-up Units	Units ('Mn)	1,110	1,498	1,835
Total Assets	PKR ('Mn)	18,015	32,118	34,282
Net Asset Value	PKR ('Mn)	15,960	29,049	32,298
Revenue (including unrealized gains)	PKR ('Mn)	6,294	11,252	159
Net Income	PKR ('Mn)	4,861	9,213	(126)
Profit after Tax Margin	%	77%	82%	(79%)
Cash flow from Operations	PKR ('Mn)	(398)	(510)	(618)
Earnings per Unit	PKR / unit	4.38	6.97	(0.08)
Breakup Value per Unit / NAV	PKR / unit	14.38	19.39	17.60
Total Borrowings	PKR ('Mn)	-	-	-
Total Debt to Equity ratio	%	-	-	-

Consolidated Financial Information	Unit	FY2022 (Audited)	FY2023 (Audited)	1H FY2024 (Unaudited)
Issued, subscribed and paid-up Units	Units ('Mn)	1,110	1,498	1,835
Total Assets	PKR ('Mn)	18,752	33,150	35,461
Net Asset Value	PKR ('Mn)	15,961	28,946	32,189
Revenue (including unrealized gains)	PKR ('Mn)	6,358	11,147	161 <sup>1</sup>
Net Income	PKR ('Mn)	4,925	9,096	(132) <sup>2</sup>
Profit after Tax Margin	%	77%	82%	(82%) <sup>3</sup>

Cash flow from Operations	PKR ('Mn)	(398)	(489)	(492)
Earnings per Unit	PKR / unit	4.38	6.88	(0.09) <sup>4</sup>
Breakup Value per Unit/NAV	PKR / unit	14.38	19.32	17.54
Total Borrowings	PKR ('Mn)	400	775	775
Total Debt to Equity ratio	%	2.51%	2.68%	2.41%

Notes:

1. Increase in revenue in FY2023 was on account of sizable increase (PKR 10.8 bn) in unrealized gain on revaluation of investment property. Further valuation of the properties conducted in the half year ended FY2024 did not result in a significant gain on account of revaluation, hence a decrease in revenue is observed.
2. The REIT Scheme posted a net loss in the half year since the property valuation conducted did not result in significant gains. The income from other sources was inadequate to cover the expenses and hence, loss was observed.
3. The REIT Scheme posted a negative profit after tax margin for reasons mentioned above.
4. Earnings per Unit of TPL REIT Fund I are negative for the half year ended FY2024 due to the above-mentioned reasons.

## 2.1.9 OUTSTANDING LEGAL PROCEEDINGS OTHER THAN THE NORMAL COURSE OF BUSINESS

There are no outstanding legal proceedings other than the normal course of business against the REIT Scheme, TPL RMC, its sponsors, substantial shareholders, directors and associated companies over which it has control, that could have a material impact on the REIT Scheme, other than those disclosed below.

### Existing REIT Sponsor

The following legal proceedings are currently pending for the existing REIT Sponsor, TPL Properties Limited.

S. No	Year	Issuing Authority	Brief Case Description	Stage of Case	Amount (PKR)	Nature, Management Instance & Current Status
1	2023	N/A	<b>Suit No. 1565 of 2023</b> Siraj Ahmed & Another <b>Vs.</b> TPL Properties & Others	Hearing of applications	No amount claimed	A Constitutional Petition was filed by the Plaintiffs whereby the Plaintiffs have impugned the NOC dated 13.04.2021 issued by the Government of Sindh, granting the Company Permission for additions / alterations at the Homie Katrak Site in line with the approved development plan for the 37-floor residential building project namely, One Hoshang. The Company has filed an application under Order 7 Rule 11 (dismissal of the suit). The matter is pending adjudication and the management of the Company expects a favorable outcome of the case.
2	2023	N/A	<b>I.T.R.A. 251/2023</b> TPL Properties Limited	Stay order	PKR 1,200,000, 000/-	The office of the Deputy Commissioner (Revenue) issued an unlawful order mandating the Company to

			<b>Vs.</b> Deputy Commissioner Revenue			pay approximately PKR 1.2 billion as a realized gain from the sale of one of its properties namely, Centrepoint. Subsequently, the Company initiated legal proceedings and successfully obtained an interim stay order against the Deputy Commissioner Revenue. The Deputy Commissioner Revenue has filed an intention of appealing the stay order in Supreme Court. The management of the Company expects a favorable outcome of the case.
3	2023	N/A	<b>CP No. 2407 of 2023</b> Abdul Ahad Ahmad & Others <b>Vs.</b> HKC & Others	Hearing of case	No Amount Claimed	The objective of filing this Petition is the same as mentioned in Suit No. 1565 of 2023 as mentioned above. The Petitioners have failed to obtain any order from the Court in this matter despite several hearings and the Company has filed objections. The matter is pending adjudication and management of the Company expects a favorable outcome of the case.
4	2023	N/A	<b>I.T.R.A. 251/2023</b> Appeal filed against the order of the ruling of the tax tribunal against the alleged gain on disposal of property.	Stay obtained	1,200,000, 000	The facts are the same as mentioned in the case I.T.R.A. 251/2023.  The Company has obtained an interim stay order against the ruling of the tax tribunal. The Deputy Commissioner (Revenue) has filed an intention of appealing the stay order in Supreme Court. The management of the Company expects a favorable outcome of the case.

## 2.1.10 RISK FACTORS

For key risk factors that could have an impact on the Offer, the REIT Scheme, and its business operations, please refer to section 9.

## 2.1.11 SUMMARY OF RELATED PARTY TRANSACTIONS

Related Party Transactions (PKR 'Mn) Consolidated	FY2022 (Audited)	FY2023 (Audited)	1H FY2024 (Unaudited)
<b>TPL REIT Management Company Limited (REIT Management Company)</b>			
Payments by the REIT Management Company on behalf of the Group <sup>1</sup>	27	2	-
Remuneration of the REIT Management Company <sup>2</sup>	5	382	253
Performance fee of the REIT Management Company	992	1,593 <sup>3</sup>	-
Payments made to the REIT Management Company <sup>4</sup>	-	563	724
<b>Digital Custodian Company Limited (Trustee)</b>			
Remuneration of the Trustee	-	10	7
Share register fee	-	-	0.2
Payments made during the period	-	-	7 <sup>5</sup>
<b>TPL Properties Limited (Strategic Investor)</b>			
Issuance of 97,500,000 units for acquisition of 90% stake in HKC (Pvt) Ltd.	975	-	-
Issuance of 450,000,000 units for acquisition of 100% stake in National Management and Consultancy Services (Pvt) Ltd.	4,500	-	-
Cash payment for acquisition of 100% equity stake in National Management and Consultancy Services (Pvt) Ltd. <sup>6</sup>	2,380	-	-
Payment of long term loan <sup>7</sup>	1,069	-	-
Acquired 100% shareholding of TPL Technology Zone Phase - I (Pvt) Ltd. <sup>8</sup>	-	1,625	-
Loan converted into equity <sup>9</sup>	749	-	-
Expenses incurred / paid by TPLP	150	58	-
Expenses allocated to the company	213	-	-
Received from the company	-	18	-
Payments during the year / period <sup>10</sup>	-	97	-
Interest cost charged	87	9	10
<b>TPL Security Services (Private) Limited</b>			
Security services received	1	5	3
Payments against security services	-	6	3
<b>TPL Developments (Private) Limited</b>			
Development advisory services received	-	136	250
Payments during the year / period	-	124	250

Notes:

1. This pertains to miscellaneous payments made by TPL RMC on behalf of the SPV companies. These are reimbursable to TPL RMC.

2. This pertains to the management fee payable to TPL RMC.

3. The performance fee increased in line with increase in NAV of the REIT Scheme during the period. Performance fee is charged on the increase in NAV subject to High Watermark.
4. These payments were made on account of management fee and performance fee.
5. This relates to remuneration of the trustee.
6. There was a total consideration of PKR 6,880 million for acquisition of 100% stake in National Management & Consultancy Services (NMCS) (Pvt.) Limited. As per the Share Purchase Agreement (SPA), the acquisition consideration consisted of PKR 2,380 million in cash and PKR 4,500 million in units of TPL REIT Fund I at par.
7. This relates to the long-term loan extended by TPL Properties Limited to HKC Private Limited.
8. Acquisition of Technology Park Zone Phase - I (Pvt) Ltd. was a non-cash consideration by way of issuance of units of TPL REIT Fund I.
9. This loan was given by TPL Properties Limited. The transaction was done before acquisition by REIT Scheme.
10. This pertains to expenses incurred on behalf of NMCS (Pvt) Ltd by TPLP before the transfer of SPV to the REIT Scheme. The amount has been settled subsequent to the acquisition.

## 2.2 ABOUT THE REIT MANAGEMENT COMPANY

TPL RMC, established in 2019, is a REIT management company in Pakistan which is regulated by the SECP. TPL RMC is a 100% owned subsidiary of TPL Properties Limited (TPLP).

TPL RMC launched its first fund, TPL REIT Fund I, which owns a portfolio of diverse real estate assets in Pakistan, all targeting to be environment friendly sustainable developments. The mission of the REIT Scheme is to contribute towards decarbonizing Pakistan's cities through sustainable and climate focused developments, supporting technology ecosystems, heritage, and the environment. The projects under the REIT Scheme aim to uplift living standards and address the shortfall in commercial and residential properties due to rapid urbanization in Pakistan.

The principal activity of TPL RMC is to carry on all or any business permitted to be carried out by a "REIT Management Company" including but not limited to providing REIT Management Services in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (as amended, replaced or supplemented from time to time) and all rules / regulations framed pursuant to the same or generally applicable to a 'REIT Management Company' under applicable laws.

In relation to the REIT Scheme, TPL RMC has the duties in accordance with the Constitutive Documents and the REIT Regulations, including but not limited to appointment of third parties, conducting due diligence of real estate to be acquired, managing the REIT Scheme in the best interest of Unit Holders, and the day-to-day management and operations of the REIT Scheme.

### 2.2.1 FINANCIAL INFORMATION OF THE RMC

Consolidated Financial Information	Unit	FY2021 (Audited)	FY2022 (Audited)	FY2023 (Audited)	1H FY2024 (Unaudited)
No. of Outstanding Shares	Shares ('Mn)	5	40	55	86
Total Assets	PKR ('Mn)	419	914	1,979 <sup>1</sup>	1,533 <sup>2</sup>
Revenue	PKR ('Mn)	8	459	1,052 <sup>3</sup>	229
Profit after Taxation	PKR ('Mn)	6	48	(70) <sup>4</sup>	(141) <sup>5</sup>
Profit after Tax Margin	%	75.00%	10.46%	-6.65%	-61.57% <sup>6</sup>
Cash flow from Operations	PKR ('Mn)	6	(275)	(65)	(133)
Earnings per share	PKR / unit	1.24	1.19	(1.62)	(2.22) <sup>7</sup>
Total Borrowings	PKR ('Mn)	-	-	-	-
Total Debt to Equity Ratio	%	0%	0%	0%	0%
Breakup value per share	PKR	81.95	12.70	15.45	8.25

Notes:

1. More than 70% increase in total assets in FY2023 was due to increase in dues from related party (fee receivable from TPL REIT Fund I). Remaining increase is attributable to increase in cash and bank balance.

2. Approximately 60% of the decrease in total assets in 1H FY2024 is due to decrease in dues from related party. Decrease in cash and bank balances accounts for ~36% of the decrease in total assets.
3. The increase in revenue is on account of increase in fees as income from TPL REIT Fund I. Please note that performance fee shall be paid to TPL RMC after Accelerator Period has ended (means the period starting at Financial Close and ending on the first dividend distribution to the Unit Holders by TPL REIT or listing of TPL REIT, whichever is later). Accordingly, TPL RMC only accrues 30% of the performance fee during Accelerator Period. The remaining revenue includes management fee and discounted value of the performance recognized as long-term receivable during the year.
4. The company posted a positive profit before tax in FY2023; loss is incurred on account of higher taxation during the period.
5. For the half year ended Dec 2023, loss is incurred due to higher administrative expenses than the revenue.
6. The company posted a negative profit after tax margin during the period for reasons mentioned above.
7. The company posted a negative earnings per share during the period for reasons mentioned above.

## **2.2.2 OUTSTANDING LEGAL PROCEEDINGS OTHER THAN THE NORMAL COURSE OF BUSINESS**

Please refer to section 2.1.9 above.

## **2.2.3 QUALIFIED OPINION, IF ANY GIVEN BY THE AUDITOR**

The Auditor of TPL RMC (KPMG Taseer Hadi & Co.), has not given any qualified opinion on the financial statements of the REIT Management Company of the last three years, i.e. for the FY 2021, 2022 and 2023.

## **2.2.4 RELATED PARTY TRANSACTIONS OF RMC**

Related Party Transactions (PKR 'Mn)	FY2021 (Audited)	FY2022 (Audited)	FY2023 (Audited)	1H FY2024 (Unaudited)
<b>TPL Properties Limited (TPLP)</b>				
Expenses paid on behalf of the Company	5	2	4	4
Funds received from TPLP	-	4	50	-
Payments made to TPLP <sup>1</sup>	-	10	50	5
Right shares issued <sup>2</sup>	-	350	151	-
Advance against shares	350	-	305 <sup>3</sup>	-
Dividend paid to TPLP	-	-	100	-
Loan to TPLP	-	-	-	150
Financial Charges	-	-	-	0.3
<b>TPL Corp Limited (TPL)</b>				
Common expenses allocated to the Company <sup>4</sup>	-	20	23	5
Payments made to TPL <sup>5</sup>	-	5	28	12
<b>TPL Life Insurance Limited</b>				
Group Life Insurance rendered	-	-	1	-
Insurance premium paid	-	-	1	-
<b>TPL Insurance Limited</b>				
Common expenses allocated to the Company	-	-	1	0.4
<b>TPL REIT Fund I</b>				
Management and performance fee	-	267	761	573
Formation expenses paid on behalf of the Company	-	27	-	-
Management Fee	-	-	-	224

<b>HKC (Private) Limited</b>				
Payments made on behalf of the Company	-	-	1	0.1
<b>National Management and Consultancy Services (Private) Limited</b>				
Payments made on behalf of the Company	-	-	1	0.2
<b>TPL Technology Zone Phase-I (Private) Limited</b>				
Payments made on behalf of the Company	-	-	-	8
<b>Transaction with key management personnel</b>				
Salaries, allowances, and other benefits	-	80	476	115
Non-executive directors' remuneration	-	36	146	52
<b>Gate capital (other related party)</b>				
Legal and professional fees	-	126	25	-
<b>Director</b>				
Loan obtained from director	-	-	87	5
Loan paid to director	-	-	11	76

## Notes:

1. This pertains to common expenses allocated from TPLP and payments made on behalf of TPL RMC.
2. The authorized capital of TPL RMC is PKR 1,000 million. Right shares were issued during the year(s) within the authorized capital limit.
3. This pertains to cash received against issuance of right shares. Right shares were issued post year end at par value.
4. This pertains to common administrative expenses allocated from the group entity.
5. This pertains to payment of liability against common expenses allocated.

### 3. OVERVIEW, HISTORY AND PROSPECTS

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<b>REIT Scheme</b>	
Name of REIT Scheme	TPL REIT Fund I
REIT Management Company	TPL REIT Management Company Limited
Registered Address	20 <sup>th</sup> Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi
Consent of SECP on the draft Trust Deed	November 30, 2021
Date of Registration of REIT Scheme with SECP	December 23, 2021
Registration Number	KAR/ST/220/2021
Duration	Perpetual REIT Scheme
<b>Trustee</b>	
Name	Digital Custodian Company Limited
Registered Address	B1, LSE Plaza, Kashmir Egerton Road, Lahore
<b>Project A – Mangrove</b>	
Project Location	Deh Dih, Tappo Ibrahim Haidery, Taluka Karachi East, District Korangi
SPV Name	National Management & Consultancy Services (Pvt.) Limited
Date of Incorporation	September 20, 1989
Registered Address	20 <sup>th</sup> Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi
Project Description	A master planned community featuring mid-rise residential apartment towers, commercial offices, hotel, and retail space at waterfront locality, to be equipped with best in-class infrastructure and amenities
Project Details	Please refer to section 3.7.1 below
<b>Project B - One Hoshang</b>	
Project Location	Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi
SPV Name	HKC (Private) Limited
Date of Incorporation	September 13, 2005
Registered Address	20 <sup>th</sup> Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi
Project Description	Pakistan's one of a kind premium-end luxurious Residential Apartment Tower and Showrooms with world class amenities, located in the city's most posh area
Project Details	Please refer to section 3.7.2 below
<b>Project C - Technology Park</b>	
Project Location	Plot # 25 / B, Sector 30, Korangi Industrial Area, Karachi
SPV Name	TPL Technology Zone Phase 1 (Pvt.) Limited
Date of Incorporation	April 20, 2008
Registered Address	20 <sup>th</sup> Floor, Sky Tower, East Wing, Dolmen City HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi
Project Description	A first of a kind technology park in Pakistan, with high-end IT infrastructure to be designed for world-class technology companies, accompanied with a 42 key business hotel
Project Details	Please refer to section 3.7.3 below

### 3.1 OVERVIEW OF THE REIT SCHEME

TPL REIT, the first hybrid REIT of Pakistan, is launched by TPL RMC, a 100% owned subsidiary of TPL Properties Limited (“TPLP” or the “Strategic Investor”), with the aim of capitalizing on the real estate development and management expertise of its parent company.

TPL REIT is created under Master-Feeder Fund Structure, formed as a trust under REIT Regulations in Pakistan, enabling domestic investors to invest directly, whereas the international investors will have the opportunity to invest in TPL REIT through investments in one or more off-shore feeder funds. It is highlighted that currently there are no offshore feeder funds in place.

TPL REIT is formed as a trust established under the laws of Pakistan and registered as a closed-end hybrid REIT with the SECP under the REIT Regulations.

The Financial Close of TPL REIT was achieved on June 24, 2022 at an Initial REIT Size of PKR 18,350 Mn through raising PKR 11,250 Mn of fresh equity from Anchor Investors, while the Strategic Investor contributed Real Estate assets valued at PKR 7,100 Mn.

The initial fund size is PKR 18,350 Mn, (“Initial REIT Size”) and the ultimate target fund size will be up to PKR 80 Bn (“Target REIT Size”). The funds raised in future shall be invested primarily in acquisition of project SPVs that hold real estate development projects, acquire land for real estate development and hold income-producing real estate assets. TPL REIT will invest in projects through separate project SPVs that will be controlled and at least 75% owned by TPL REIT.

### 3.2 INITIAL INVESTORS OF THE REIT SCHEME

Initial investors of the REIT Scheme include TPL Properties Limited as the Strategic Investor and eight commercial banks, including Habib Bank Limited, National Bank of Pakistan, The Bank of Punjab, Bank AL Habib Limited, Bank Alfalah Limited, Habib Metropolitan Bank Limited, Askari Bank Limited, and Soneri Bank Limited (collectively referred to as the ‘Anchor Investors’).

The Strategic Investor made an in-kind contribution of real estate assets into the REIT Scheme, valued at PKR 7,100 Mn. The Anchor Investors made a collective contribution of PKR 11,250 Mn into the REIT Scheme, as per the terms of the Unit Subscription Agreements executed between TPL REIT Fund I and each of the Anchor Investors dated 11<sup>th</sup> May, 2022.

The Unit Subscription Agreement allows the Anchor Investors to increase their commitment to the REIT Scheme above their initial commitments after the Financial Close. Initial commitments from the Strategic Investor and Anchor Investors have been made in instalments in the following manner:

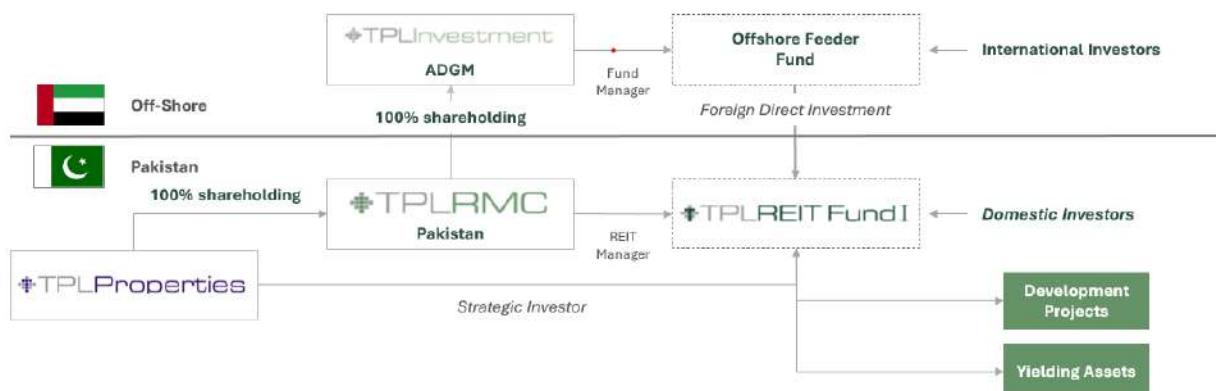
Allocation (PKR Million)	First Instalment	Second Instalment	Third Instalment	Total
Date of Investment	24-Jun-22	20-Dec-22	28-Dec-23	
<b>Non-Cash Contribution by Strategic Investor</b>				
Project A – Mangrove	4,500	-	-	4,500
Project B – One Hoshang	975	-	-	975
Project C – Technology Park	1,625*	-	-	1,625
Sub-Total	7,100	-	-	7,100
<b>Contribution by Anchor Investors</b>				
Project A – Mangrove	2,500	1,800	2,830	7,130
Project B – One Hoshang	1,375	-	-	1,375

Project C – Technology Park	1,075	-	-	1,075
TPL REIT Fund I (Expenses / Cash in Hand)	675	450	545	1,670
<b>Sub-Total</b>	<b>5,625</b>	<b>2,250</b>	<b>3,375</b>	<b>11,250</b>
<b>Grand Total</b>	<b>12,725</b>	<b>2,250</b>	<b>3,375</b>	<b>18,350</b>

\*Please note that investment in REIT Scheme by the Strategic Investor was made on 08-Dec-22 for the Technology Park project in the form of in-kind contribution of real estate asset.

### 3.3 MASTER FEEDER FUND STRUCTURE

TPL REIT is created under Master-Feeder Fund structure, in which the international investors will have the opportunity to invest in TPL REIT through investments in one or more off-shore feeder funds (the “International Feeder Fund”). The International Feeder Fund will allow international investors to invest in TPL REIT through a regulated tax efficient vehicle. The International Feeder Fund will be established in one or more offshore jurisdictions and managed through TPL Investment – a subsidiary of TPL RMC and foreign asset management company established in Abu Dhabi Global Market (“ADGM”).



### 3.4 INVESTMENT IN SUSTAINABLE ASSETS

The existing funds of PKR 18,350 Mn are being utilized for the purpose of the three projects, namely Mangrove, One Hoshang, and Technology Park.

The funds raised by TPL REIT will be invested in acquisition of project SPVs, which will hold developmental real estate assets, yielding real estate assets and undervalued real estate assets in Pakistan. Notably, the investments will be made in sustainable assets, achieving best in-class standards of environmental, social, and governance, including but not limited to, energy efficiency, water use, land use, biodiversity, efficient energy management via off-grid renewable capabilities, rainwater management, solid waste management, community engagement, reducing carbon emissions and pollution, waste, and risks due to climate change vulnerability such as flood risk, among others. The REIT Scheme expects to contribute to uplifting the living standards and the economy in the following ways:

- Providing a sustainable way of work & life, reducing commute and offering open workspace to promote health and social sustainability;
- Water saving fixtures and rainwater attenuation to mitigate runoff of 80% of storm water;
- Promoting technological innovation by providing resilient infrastructure, thus promoting inclusive and sustainable industrialization;
- Providing green infrastructure, offering flexible open spaces, community facilities and programs.

**Investment Criteria**

The REIT Scheme has a predisposition of investment towards sustainable and Shariah compliant real estate assets through project SPVs across urban centers of Pakistan. The selection criteria for real estate investment may broadly include but not be limited to the following:

- (a) Real estate assets are located within the territorial limits of Pakistan;
- (b) Suitability of the real estate asset to the objective and strategy of TPL REIT;
- (c) Investment ticket size to be comparable to existing projects;
- (d) Asset size in terms of built-up area to be comparable to existing projects, taking into account market movement in prices;
- (e) Minimum investment IRR of 20%;
- (f) Economic and financial viability;
- (g) Satisfactory due diligence of the assets by external advisors on title of real estate (including encumbrances and encroachment), capacity and authority of sellers to enter into transaction documents, material litigation in connection with the real estate and restrictions on transfer of real estate, approvals and NOC from respective regulatory authorities, and any contractual arrangement with consultants, contractors, tenants and any other related parties;
- (h) There is no litigation and encroachment related to the real estate asset;
- (i) No injunctions have been passed against the proposed real estate issued by the concerned authorities

The list of asset selection criteria is non-exhaustive, and the Investment Committee (please refer to section 11.16 of this Offer for Sale Document) may set a different benchmark to ensure the right asset selection in order to enhance investment return. TPL RMC also takes into account the impact that real estate assets have on the environment and other sustainability considerations when making investment decisions. While assessing sustainability, it considers environmental, social, and governance (“ESG”) criteria.

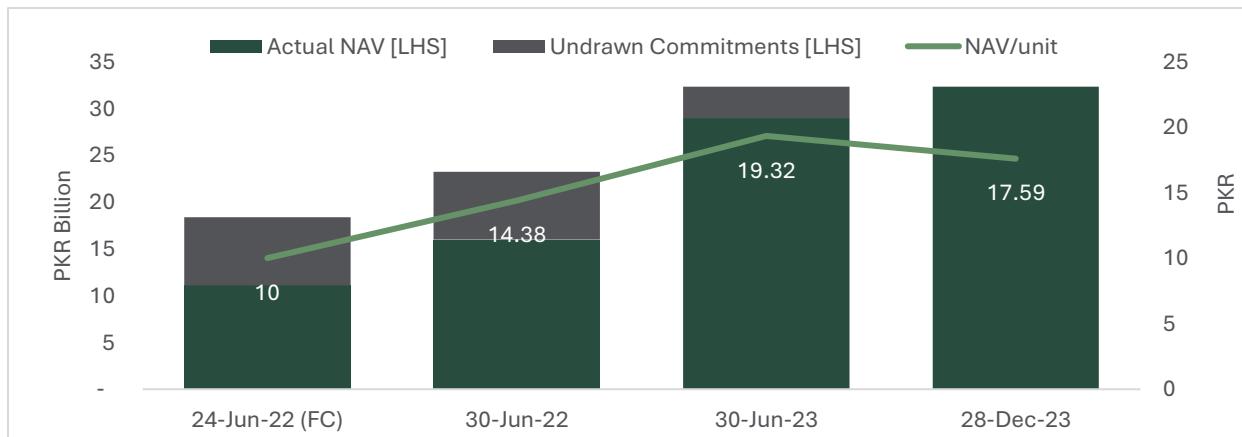
The acquisition of any real estate asset shall be subject to rigorous pre-acquisition due diligence to determine the local market facts, competition analysis, performance potential and risks involved. TPL RMC may involve external advisors, including legal consultants, valuer(s) and other professional firms to obtain advice on individual acquisitions, where deemed necessary.

### 3.5 PERFORMANCE SINCE FINANCIAL CLOSE

The REIT Scheme has achieved the following key milestones since Financial Close:



TPL Fund's performance since Financial Close (FC), on the basis of its NAV, is given below:



Note: Please note that undrawn commitments in the above chart refer to investment from Anchor Investors that had been committed under the Unit Subscription Agreements dated 11<sup>th</sup> May, 2022 and drawn down in tranches (draw down details are available in section 3.2 above).

### 3.6 HISTORY OF SPONSORS

TPL is one of the leading conglomerates in Pakistan that is committed to providing solutions based on advanced technology, innovation, and high quality. Established in 2000, TPL has come a long way since its inception. It has successfully diversified its portfolio in Pakistan, with TPL Corp as the parent company.

Starting from tracking and asset management, TPL has been widely successful in diversifying its impact portfolio, ranging from Real Estate and security services to venture capital and general insurance.

TPL Properties, established in 2007, is focused on sustainable developments and is ensuring LEED certified developments. The company has established relationships with a number of reputed international and domestic design and engineering firms to deliver the highest level of quality and set new benchmarks in Real Estate in Pakistan.

TPL Properties began its journey with its flagship project called 'Centrepoin'. Given the lucrative features and significance of the project, the company secured the project financing from U.S. International Development Finance Corporation (DFC) (formerly known as Overseas Private Investment Corporation) which was prepaid by TPLP. The company was Pakistan's first entity to receive funding from DFC. Within 2 years of completion of this iconic project, TPL Properties successfully attained 100% occupancy rate for Centrepoin building in 2015. The same year, the company gauged interest of Tundra Fonder, a Swedish investor, as a pre-IPO investor to attain listing on PSX in 2016, while also successfully exited from its flagship project at premium valuation in 2020. The investment yielded an IRR of ~22% and a return on investment of ~130%.

TPLP enjoys relationships with leading international design consultants for its sustainable real estate developments. To name a few, Squire & Partners (UK), AESG (UK), Atelier ten (UK), 1508 London (UK), and Gardiner & Theobald (UK) are company's partners in Pakistan. These partners have high-quality brands and reputation as "Green" real estate development and have world class experience with thousands of projects designed, managed, and completed across the globe.

### 3.7 REIT PROJECTS

TPL REIT Fund I has currently invested in three projects, namely Mangrove, One Hoshang, and Technology Park.

	Project A – Mangrove	Project B – Hoshang	Project C – Tech Park
Name of SPV	National Management & Consultancy Services (Pvt.) Limited	HKC (Pvt.) Limited	TPL Technology Zone Phase 1 (Pvt.) Limited
Ownership of REIT Scheme (% and capital invested)	100% PKR 11,630 Mn	94.6% PKR 2,350 Mn	100% PKR 2,700 Mn
Type of land (Commercial/residential)	Commercial / Residential / Industrial	Commercial / Residential	Industrial
Type of project	A master planned community featuring mid-rise residential apartment towers, commercial offices, hotel, and retail space at waterfront locality, to be equipped with best in-class infrastructure and amenities	Pakistan's one of a kind premium-end luxurious residential apartment tower and showrooms with world class amenities, located in the city's most posh area	A first of a kind technology park in Pakistan, with high-end IT infrastructure to be designed for world-class technology companies, accompanied with a 42 key business hotel
Purpose (Development and sale or Rental)	Development and sale	Development and sale	Development, sale, and rental
Location	Deh Dih, Tappo Ibrahim Haidery, Taluka Karachi East, District Korangi	Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi	Plot # 25 / B, Sector 30, Korangi Industrial Area, Karachi
Nearby famous place	Airmen Golf Course	Marriot Hotel	Centrepoin

Area	193,600 sq. yd. / 1,742,000 sq. ft.	~2,539.32 sq. yd. / 22,853.88 sq. ft.	10,002 sq. yd. / 90,018 sq. ft.
NOC/approvals	Please refer to section 3.7.1	Please refer to section 3.7.2	Please refer to section 3.7.3
Name of regulator from which the approvals have been obtained or will be obtained	Please refer to section 3.7.1	Please refer to section 3.7.2	Please refer to section 3.7.3
Current completion status	Detailed building design is in process	Foundation and grey structure are under construction	On hold
Intermediaries involved including architecture, developer etc.	<b>International:</b> SSH  <b>Local:</b> Tariq Alexander Qaiser, EA Consulting	<b>International:</b> Squire & Partners, Atelier Ten, 1508 London, Pell Frischman, Gardiner & Theobald, AESG  <b>Local:</b> ARCOP, SMC Consulting Engineers, Mushtaq and Bilal Consulting Engineers, SIDEworks, Exponent Engineers, Al Engineers, Total Construction	<b>International:</b> Squire & Partners, Atelier Ten, 1508 London, Pell Frischman, Eumada  <b>Local:</b> Najmi Bilgrami Collaborative, Mushtaq and Bilal, SMC Consulting Engineers, Exponent Engineers
Area of project sold	No sale made yet	No sale made yet	No sale made yet
Total estimated project cost*	PKR 282,137 Mn	PKR 9,490 Mn	PKR 14,809 Mn
Funds deployed	Please refer to the table below	Please refer to the table below	Please refer to the table below

\*The project cost for each project is planned to be financed by a mix of equity investments, borrowings and customer advances from off-plan sales.

Details of funds deployed by the REIT Scheme into the three projects till date are as below:

Particular	Units	Drawdown	One Hoshang	Mangrove	Tech Park	Fund Expenses
<b>1<sup>st</sup> Drawdown</b>	PKR ('Mn)	<b>5,625</b>	<b>1,375</b>	<b>2,500</b>	<b>1,075</b>	<b>675</b>
Acquisition of SPV	PKR ('Mn)	-	-	2,380	-	-
Debt Repayment	PKR ('Mn)	-	1,200	-	1,075	-
Development Cost	PKR ('Mn)	-	175	120	-	-
<b>2<sup>nd</sup> Drawdown</b>	PKR ('Mn)	<b>2,250</b>	-	<b>1,800</b>	-	<b>450</b>
Acquisition of SPV	PKR ('Mn)	-	-	-	-	-
Debt Repayment	PKR ('Mn)	-	-	-	-	-
Development Cost	PKR ('Mn)	-	-	1,800	-	-
<b>3<sup>rd</sup> Drawdown</b>	PKR ('Mn)	<b>3,375</b>	-	<b>2,830</b>	-	<b>545</b>
Acquisition of SPV	PKR ('Mn)	-	-	-	-	-
Debt Repayment	PKR ('Mn)	-	-	-	-	-
Development Cost	PKR ('Mn)	-	-	2,830	-	-

Total	PKR ('Mn)	11,250	1,375	7,130	1,075	1,670
Non-Cash Contribution – Issuance of units to TPLP as acquisition cost	PKR ('Mn)	7,100	975	4,500	1,625	-
<b>Total Contribution</b>	PKR ('Mn)	<b>18,350</b>	<b>2,350</b>	<b>11,630</b>	<b>2,700</b>	<b>1,670</b>

A detailed overview of the existing asset portfolio is given below:

### 3.7.1 PROJECT A – MANGROVE

Mangrove (“Project A”) is a master planned community to be developed over a land parcel of 40 acres on a waterfront locality. The project is set to become one of the city’s most desirable neighborhoods, overlooking the expansive mangrove forest and seafront, with world-class amenities and a varied collection of mid-rise residential apartment towers, commercial offices, service apartments, hotel, and retail space. The registered owner of the Real Estate assets for Project A is National Management & Consultancy Services (Pvt.) Limited (“Project A SPV”), a 100% owned subsidiary of TPL REIT.



The development is envisaged to provide interconnected spaces, encouraging non-vehicular movements between residential, office and retail areas. The distinctive feature will be a boardwalk along the mangroves / seafront. The location is in proximity of a school and university district (e.g. Rahi, Schole Academy, CBM, Salim Habib University), leading healthcare facility (Indus Hospital) and for leisure golf course (Airmen’s), yacht club and go-karting circuit, amongst others. Healthcare and leisure services will be further established within the project allowing for minimal travel required for managing work life balance.

The future infrastructure developments (planned and expected) that especially bring Korangi to limelight include completion of the Korangi link road and a bridge between DHA and Korangi over the creek that will further reduce the distance from prime locations of Karachi.

#### ***Design Overview***

The project is being developed on the concept of “commute less, live more”, reducing carbon footprint through providing an opportunity to residents to be near to their workplace. A step towards promoting a healthier lifestyle where cycling / walking is preferred over driving several miles to workplace and essential retail stores.

Built on principles of intelligent space maximization, and attention to detail, every element of the project will be designed to enhance the spaces both within and around the project. All in all, the designs of the project aim at achieving higher living standards for its occupants by providing a secure, ecofriendly, and healthier environment meanwhile keeping them connected and closer to the rest of the city.

Situated in the heart of one of the busiest and overcrowded cities, the waterfront neighborhood and



ample greenspaces will bring its occupants closer to nature. The project will have ample cycling facilities, waste control and drainage system, enabling a possibility of living a healthier lifestyle, meanwhile contributing towards less pollution and promoting an eco-friendly environment. This project will attract a diverse range of customers including individuals, families, corporations, entrepreneurs, local and destination brands, travelers among others.

For the area developed, as the per recommendation of highest & best use study by Colliers International (now Savills Pakistan), the area is allocated between residential apartments, commercial office space, retail and hospitality.

Project A – Mangrove	
<b>Land Area</b>	193,600 Sq. Yd. / 1,742,000 sq. ft.
<b>Estimated Gross Constructed Area (GCA)</b>	~12,200,000 Sq. Ft.
<b>Estimated Sellable Area (SA)</b>	~8,400,000 Sq. Ft.
<b>Planned Units*</b>	4,798 apartments, 184 key hotel, 55 office spaces, 171 retail space
<b>Development Tenor</b>	~10-11 years

*\*This is the planned mix of built units which may change depending upon various factors such as market conditions and demand for an asset class. The asset mix would be finalized at the time of completion of detailed building design.*

### **Design Team**

A team of reputable international and local design consultants has been engaged for the planning, designing and management of the project. Presently, SSH has been engaged as the Master Planning Consultant for Mangrove, and Tariq Alexander Qaiser (TAQ) has been engaged for the design of the Bio-diversity Park and site office.

### **International Consultants**

#### **SSH**

Established in 1961, SSH has become one of the leading international architectural and engineering consultant group with 10 regional offices spread across Middle East, Europe, and Africa. Since inception, SSH has remained committed to delivering quality services throughout the MEA region, offering local knowledge with international delivery.



SSH focuses on collaboration through interdisciplinary teams, driving performance and achieving results. SSH's range of services include master planning, building design, infrastructure, and construction supervision. Some notable projects include Creek Beach District (UAE), Al Salam Palace (Kuwait), Al Mouj (Oman), Grande (UAE) Four Plots Downtown (Dubai) Sunset Islands Development (Bahrain) and Creek Horizon (UAE).

### **Local Consultant**

#### **Tariq Alexander Qaiser**



TAQ is an award-winning firm based in Karachi, a boutique design practice focused on the design of hospitals and schools. It is headed by Tariq Alexander Qaiser, an environmentalist and architect, who has been documenting the islands of Karachi and their mangroves since the early 2000's. TAQ has deep interest in traditional wooden boat building and has designed and supervised large live-aboard dhows. Its portfolio includes exhibition stalls at international and local exhibitions, such as the Mangrove Exhibit at the MagnifiScience Center for TDF.

## EA Consulting

EA Consulting Pvt Ltd (EA) is one of the leading multidisciplinary consulting firms of Pakistan. Established in 1981, it is a full-service Engineering and Program Management firm, headquarters in Karachi with a diversity of disciplines and expertise in multiple services. EA has successfully completed projects of Schools, Colleges, Residential Buildings, Heavy Industries, Bridge & Highways, Water Supply & Sewerage, Hospitals, Town Planning, Flood Control, Topographical Surveys, as well as Electrical and Mechanical Installation and HVAC Projects in Pakistan. EA has also carried out the projects of Bridges & Highways and Buildings in UAE.



EA has in-house computer capability and necessary software for various designs works, relevant software packages for analysis and design of water supply & sewerage system as well as GIS software.

It has complete facility available for image processing of satellite images and for developing a map of 1:25,000 or on any scale by utilizing sophisticated software ER Mapper developed by Australian firm Earth Resource Mapping. It has a very strong survey team equipped with modern electronic equipment and well-trained and experienced surveyors.

## Development Overview

The proposed development mix of the project includes development of **residential apartments, commercial offices, hospitality and retail space**. The detail of the mix is shown below.

Legend:

- [Grey Box] Residential + Retail
- [Blue Box] Residential + Hotel + Retail
- [Yellow Box] Office + Retail
- [Green Box] Green Areas
- [White Box] Public Building



Note: The proposed utilization of plots is indicative. The actual use and plan for launch of the phases shall be finalized upon completion of detailed building design and market conditions.

**Bio-Diversity Park**

The Bio-Diversity Park, a flagship initiative by TPL RMC for the Mangrove Project, embodies a profound commitment to environmental sustainability and resource conservation. The park shall encompass a ‘Learning Center’ constructed from reclaimed wood, serving as an educational hub to enlighten visitors about the significance of mangroves.

Eco-friendly walkways and boardwalks, crafted from salvaged wood and thoughtfully anchored, provide unobtrusive pathways for exploration, allowing guests to observe the lush foliage without disrupting the delicate ecosystem. Strategically placed Bird Watching Towers offer elevated viewpoints for appreciation of the diverse species thriving within the mangrove habitat. Additionally, a purpose-built floating jetty shall facilitate interactive activities like canoeing and fishing.

Adhering to international guidelines, the park minimizes environmental impact through careful infrastructure setup, designed walkways that respect the environment, demarcated areas for visitor activities, and the use of sustainable materials such as biodegradable signage and reclaimed wood. This holistic approach underscores the park’s commitment to education, sustainability, and the preservation of mangrove ecosystems.



### **Project Location**

The project is located at a prime location in the close vicinity of Indus Hospital, Karachi, benefiting from the adjacent neighborhood and boardwalk overlooking the mangrove. The project may benefit from major road networks and easy accessibility to business and industrial districts, residential areas, universities, hospitals, recreational areas, and supermarkets.



#### **Address:**

Korangi Industrial Area

#### **Coordinates:**

24.79441, 67.10361

#### **Following are the key attractiveness of the project site:**

-  Bus Stop at walking distance
-  14 minutes' drive to one of the largest stores of Pakistan – Imtiaz Store
-  25 minutes' drive to DHA Golf Club
-  Indus Hospital located nearby
-  35 minutes' drive to Jinnah International Airport
-  23 minutes' drive to Shahrah-e-Faisal

### **Upcoming Infrastructure**

1. Karachi Bus Rapid (BRT) project comprises of 5 lines connecting various parts of the Karachi to improve mobility, inclusivity, and connectivity. The total network stretches approximately 113 KM with a total of 90 stations
2. Amongst the five lines, BRT's Yellow line, a 22 KM project connecting the industrial areas of Korangi/Landhi to the heart of the city (Numaish), shall pass through the subject site, which would substantially improve public access to the project
3. Malir expressway, a 38.75 KM project located along the Malir River Corridor, starting KPT interchange and ending at M9 will connect the project with the Motorway. The anticipated end of construction is expected 30 months from the commencement date. The development works for the expressway are in process
4. Korangi Link Road, connecting Korangi causeway to PAF Airmen Golf club through a 12 km four lane road, shall improve access of the project with Korangi Industrial area. The project has been approved under a Public Private Partnership by the Sindh Government and the works related to its first phase have been initiated<sup>1</sup>

### **Property Transfer**

The property was transferred by TPLP into the REIT Scheme via a Share Purchase Agreement (“SPA”) dated May 20, 2022. Total consideration for acquisition was PKR 11,630 Mn including cash consideration of PKR 7,130 Mn and non-cash consideration of PKR 4,500 Mn.

### **Property Valuation**

As required under the REIT Regulations, TPL RMC, at the time of acquisition of the project SPVs, obtained valuation reports of Real Estate held by each project SPV from two independent valuers including Savills Pakistan (previously Colliers International) and Oceanic Surveyors. Subsequently, Savills Pakistan has been appointed as the Property Valuer for the REIT Scheme to conduct half yearly valuation of the properties. A brief overview of the two valuers is given below:

### **Savills Pakistan**

Savills Pakistan (formerly Colliers International Pakistan Private Limited) was established in 2006 and offers Investment Services, Valuation Services, Strategic Consultancy and Development Advisory and Project Management. Savills also has an unparalleled reach throughout Pakistan for strategic services for the hospitality field. The firm's experience and expertise span the globe, with 700 offices across the Americas, Europe, Asia Pacific, Africa, and the Middle East.

### **Oceanic Surveyors Private Limited**

Oceanic Surveyors Private Limited is part of the OCEANIC Group of Companies which was established in the year 1970 and has developed & expanded into one of the leading privately owned group of companies with a diversified business portfolio. The group maintains operations in line with internationally accepted ISO 9001-2018 standard to provide an array of high standard services. They provide services in the fields of Insurance, Technology, Risk Management, Valuation – Engineering Services (Land, Building, Plant and Machinery), and Legal Advisory.

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<sup>1</sup> The Highest and Best Use Study for the Mangrove Project by Colliers International (now known as Savills Pakistan)

The initial as well as the latest valuation is given in the table below:

Valuator	Valuation Date	Land Value
<b>Initial Valuation</b>		
Savills Pakistan (previously Colliers International)	November 24, 2021	PKR 22,958,000,000/-
Oceanic Surveyors	March 24, 2022	PKR 22,264,000,000/-
<b>Latest Valuation</b>		
Savills Pakistan (previously Colliers International)	December 31, 2023	PKR 24,305,191,166/-

#### **Regulatory Approvals**

The master plan for the project has been approved by Cantonment Board Korangi Creek and various NoCs related to height and utilities for the project have been obtained. The table below represents requisite regulatory approvals for Project A.

S. No.	Subject	Approval Date	Approving Authority	Status
1.	NOC for Water Connection	17-Jun-22	Karachi Water & Sewerage Board	Approved
2.	NOC for Electrical Connections	14-Jul-22	K-Electric	Approved
3.	NOC for Gas Connection	21-Jul-22	Sui Southern Gas Company Ltd.	Approved
4.	Height Clearance (for the area)	17-Aug-10	Civil Aviation Authority	Approved
5.	Height Clearance	12-Oct-22	Air Force Headquarters	Approved
6.	Master plan / Sub-division plan	20-Oct-22	Cantonment Board Korangi Creek	Approved
7.	Environment Approval	-	Sindh Environmental Protection Agency	To be Applied
8.	Architectural Plan	-	Cantonment Board Korangi Creek	To be Applied
9.	Structural Plan and Construction NOC	-	Cantonment Board Korangi Creek	To be Applied
10.	Sales NOC	-	Cantonment Board Korangi Creek	To be Applied

**Project Progress**

The ‘Concept and Detailed Masterplan’ for the project has been designed by SSH. Subsequently, the master plan approval has been received from Cantt Board Korangi Creek (CBKC) in October 2022 and various NoCs related to height and utilities have been obtained.

Moreover, the detailed Building Design contract has been awarded to SSH in November 2023 and its completion is spread over 18 months. The design for the Bio-Diversity park and sales office has been completed.

Currently, a tender is being prepared to initiate infrastructure works at the site including Roads, Walkways, Cycle Tracks, Lighting, MEP utilities networks etc. The development works at site for the Sales Office and Bio-Diversity are under way and expected be completed by 4QFY24.

**Sales Office**

Mobilization on Site



Foundation Works



Ground Floor perimeter Beams



Pouring of Ground Floor to First Floor columns

Bio-Diversity Park



Road works in progress



Walking Platform & Leaning center



Floating Walking Platform



Learning Center

### ***Development Timeline***

The development is planned to be spread across six (6) phases. Each subsequent phase will begin one year after the previous phase has been initiated. The main construction works for phase one are expected to be initiated during 1Q 2025. The estimated construction tenor of each phase is 3-5 years. The overall project is estimated to be completed in 10-11 years.

Activity	Start	Finish	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Detailed Master Plan design	May-23	Oct-23	Completed										
Detailed Buildings design	Jan-24	Apr-25		In process	In process								
Sales and Site office	Dec-23	Jun-24	Completed	In process									
Biodiversity Park	Nov-23	Mar-24	Completed	In process									
Infra works tendering	Mar-24	May-24		To be initiated	To be initiated								
Infra works initiated	Jun-24			To be initiated	To be initiated								
Building Plan & SEPA approvals	3Q 2024	4Q 2024											
Tendering for Phase 1 construction	4Q 2024	1Q 2025			To be initiated								
Phase 1 construction	1Q 2025	4Q 2027			To be initiated	To be initiated							
Phase 2 construction	3Q 2025	2Q 2029			To be initiated	To be initiated	To be initiated						
Phase 3 construction	3Q 2026	2Q 2030			To be initiated	To be initiated	To be initiated	To be initiated					
Phase 4 construction	3Q 2027	2Q 2031			To be initiated								
Phase 5 construction	3Q 2028	2Q 2032			To be initiated								
Phase 6 construction	3Q 2029	2Q 2033											

Legend:  Completed     In process     To be initiated

### ***Equity Investment by TPL REIT***

TPL REIT has made an investment of PKR 11,630 Mn in Project A of which PKR 6,880 Mn has been utilized to acquire Project A SPV and the remaining balance of PKR 4,750 Mn is being utilized to finance the development cost of the project.

### 3.7.2 PROJECT B – ONE HOSHANG

One Hoshang, (“Project B”) will be Pakistan’s one-of-a-kind Gold LEED certified **ultra-high-end residential apartment tower**, offering a new lifestyle choice that is sustainable and distinct. It will consist of luxurious residential 3 Bed and 4 Bed apartments, an elegant penthouse and exquisite retail showrooms with befitting amenities.

The registered owner of the real estate for this project is HKC (Pvt.) Limited (“Project B SPV”), of which a **94.6% stake is owned by TPL REIT**.



#### **Design Overview**

The design of the project seeks to create a “Super-prime” residential development providing international-level design and living standards to residents through a highly efficient sustainable development model incorporating best-in-class standards for energy and water conservation. The project development has adopted a sustainable approach, aiming to establish high levels of environmental performance, and therefore achieving the LEED Gold pre-certification.

The feature element of landscape and external design of tower will be tile design to enhance the historical connection of existing façade into modern decoration while the soft landscape will create distinctive feature of the tower through selection of local plant species to enhance the outdoor scenery. The tower will also include a posh podium terrace with luxurious pool, green space to relax, BBQ area and allow for catered entertainment via the service kitchen. This podium terrace will further be covered with retractable blinds to provide privacy and shading.

Project B – One Hoshang	
<b>Land Area</b>	2,539.32 Sq. Yd. / 22,853.88 sq. ft.
<b>Estimated Gross Constructed Area (GCA)</b>	~320,000 Sq. Ft.
<b>Estimated Sellable Area (SA)</b>	~175,000 Sq. Ft.
<b>Planned Units</b>	30 apartments, 1 penthouse and 2 showrooms
<b>Development Tenor</b>	~3 years

#### **Design Team**

##### **International Consultants**

###### **Squire & Partners (S&P) – Architect and Design Lead**

An international architect with experience spanning four decades, earning it an international reputation for architecture informed by the history and culture of where it is located. Its award-winning portfolio, for some of the world’s leading developers, includes master plans, private and affordable residential, workspace, retail, education, and public buildings.



Embracing traditional and emerging technologies in craft and construction, the practice is renowned for delivering a rigorously detailed product. Notable residential projects include Chelsea Barracks (London), One Tower Bridge (London), Clarges Mayfair (London), Ebury Square (London), Netherhall Gardens (London) and the Knightsbridge Apartments (London).

S&P is leading the architectural and interior design, and overall design coordination project planning in collaboration with other foreign and local design team to give the project, a visually distinctive visual appearance and sustainable structure character.

### **Atelier Ten – Principal Mechanical, Engineering, and Plumbing (MEP) Consultant**

An international team of building services engineers, environmental designers and lighting designers focused on delivering sustainability in the built environment. The firm has been designing “Green” buildings for over 25 years and has won innumerable awards across the globe for their sustainable and eco-friendly designs.



Atelier is committed towards providing a high-performance design by using innovation and utilizing energy / resources to the project team from design to construction till handover. Some notable residential and other mixed-use projects include Sulgrave Gardens (London), Msheireb Downtown Phase 3 (Doha), 360 State Street (USA), Lakeshore Apartments (UK), Lancer Square (London) and Hans Place (London).

Atelier Ten is appointed as Principal MEP Consultant whereby, it is advising the architects and design team on MEP systems of One Hoshang, along with the best practices in sustainable design to secure a LEED certification for the project.

### **1508 London – International Interior Designers**

A design studio aiming to create exceptional residences, commercial and hospitality spaces worldwide. The firm provides services across all stages of design and construction; from feasibility studies, planning applications, conceptual and detailed design. Inspired by history, culture and geography, they provide a world class experience by creating distinct and quirky designs.



Some notable residential and other mix use projects include Lennox Gardens Triplex (London), Moscow Branded Residences (Russia), Lincoln Square Penthouse (London), Clarges Apartment (London) and Four Seasons Goa Villas (India).

The team is leading the Interior and Furniture, Fixtures, and Equipment Design of the project.

### **Pell Frischman – International Transportation Consultants**

An international, multi-disciplinary engineering consultant with over 90 years of experience in the built environment. It is the **UK's leading design** firm for over-site developments and adjacent site developments and the firm has major operations throughout Europe, the Middle East and Asia.



The firm delivered the first ever development on land safeguarded for future tunneling (Sceptre Court) and the largest Over Site Development Scheme in the UK, Paddington. Other prominent mix use projects include 7-10 Old Bailey (London), Liverpool One (England) and Paddington Central (London).

Pell is appointed as Vehicular Traffic Consultant to provide technical advice on the design of parking, particularly in relation to ramp length and swept path analysis.

### **Gardiner and Theobald – Development Monitoring Consultant**

A construction and property consultancy working across all sectors of the built environment. With experience of more than 200 years, the consultant has executed various projects from range of asset classes, globally. The firm offers project leadership, construction excellence, commercial success and specialist consultancy across all sectors of the construction industry.



The prime focus of G&T is minimizing risk and creating opportunities to maximize the value of their clients' developments and property assets. Some notable residential and sustainable mixed-use projects include

Bulgari Hotel and Residences (London), Faena House (Miami), 200 East 59<sup>th</sup> Street (New York), Greenmarket (Dundee), Monk Bridge (Leeds), Nova Victoria (London) and the Rise Central (Oregon).

The Consultant is appointed as the Development Monitoring Consultant to oversee the development of the design from inception through to tender stage, working closely with local consultants and architects to develop plans and monitor risks related to the design development.

#### **AESG – International Façade Engineering Consultant**

AESG is an award-winning Specialist Consultancy, Engineering and Advisory firm headquartered in **London, Singapore, and Dubai**, working throughout Europe, Asia, and the Middle East. The Consultant specializes in advanced performance within the built environment and are thought leaders in sustainable development, pairing technical knowledge with practical experience to provide strategic solutions to its clients. It has one of the largest dedicated teams with decades of cumulative experience in sustainable design, fire and life safety, façade engineering, commissioning, data management, waste management, environmental consultancy, acoustics, and carbon management.



AESG's international portfolio demonstrates extensive capabilities and ability to consistently deliver best in class solutions to some of the industry's most complex technical challenges. Some notable residential and mixed-use projects include East Village (UAE), Ciel Tower (UAE), The Avenues (Riyadh), Al Hamra Tower (Kuwait) and Drapers Garden (London).

AESG is appointed to provide façade consultancy services for the Project, wherein they did the engineering for the tower envelope, alongside energy modeling for the maximization of sustainable impacts.

#### ***Local Consultants***

##### **ARCOP – Local Architect**

Established in 1987, ARCOP is Pakistan's largest architectural and master planning firm providing designing services and expertise in mixed-use & hospitality projects for more than three decades. The firm has a significant presence on Pakistan's architectural scene, the sensitivity shown to issues of culture, function and context have been rewarded by way of challenging commissions, international awards and competition winning entries.



With a highly qualified team of professionals, Arcop offers a full spectrum of services, from standard architectural services to specialized studies, planning and urban design, project control and interior design. Some NOTABLE residential projects and mixed-use include La Riviera Towers (Dubai), Clifton Mansion (Karachi), the Residence (Karachi), Emaar Panorama Tower (Karachi), the Promenade (Islamabad) and Kolachi Bazaar (Karachi).

The Architect is appointed for the detailed design and assist International Architect on local regulations and practices and liaise with statutory authorities.

##### **SMC – Local MEP Consultant**

A professional consulting firm with experience that spans countries and industries, aiming to deliver state-of-the-art, sustainable and cost-effective solutions.



The team is specialized in providing solutions ranging from Hospitality Consulting, Power and Cogeneration Consulting, Design Review, LEED Design Services, Project Procurement and Management Consulting, and Retail Consulting. During over 40 years of excellence, SMC has completed over 800 projects. With a team of

dedicated professionals (approx.120 in Engineering Discipline), the firm provides modern and innovative designs which have proven to be its competitive edge.

Projects undertaken by SMC cover a wide spectrum of industries and the company's services are available in Pakistan and globally. It has carried out projects design and supervision for all sizes of projects in the UAE and Middle East and have been established throughout the region for over 16 years. Al Murooj Complex is a highlight in SMC's UAE portfolio. Other notable projects in residential space include Marina Crown (Dubai), Jumeirah Lake Tower (Dubai), Trust Commercial and Residential Complex (Algeria), Hili Fun City (Al Ain), Park Lane Tower (Lahore) and Bahria Town Icon (Karachi).

SMC Consulting is appointed as local MEP Consultant whereby, it is primarily advising the Principal MEP Consultant (International Consultant) on local laws and regulations and ensure that the project design complies with all statutory requirements and codes, among other services.

#### **Mushtaq and Bilal (M&B) – Structural Engineer**

Established in 1975, the firm is one of the leading structural engineering consultancy firm, providing a comprehensive and complete engineering services including conceptual design, re-strengthening of structures and construction management to a variety of private and public sector clients.



Over the years, the company has grown and evolved into a multi-disciplinary organization, providing structural engineering consultancy services for numerous key projects in Pakistan, UAE, Oman, Turkmenistan, Kazakhstan, Tajikistan, Kyrgyzstan and Iraq amongst others.

M&B was associate design consultant for Aga Khan University Hospital in Karachi, having over 1 million square feet complex and one of the most prestigious building projects ever undertaken in Pakistan. Other prominent projects in residential and mixed-use space include 26 storied building for the Crown Prince (UAE), EOBI Hotel and Mix Development Project (Lahore) and Country Club Apartment (Islamabad).

The firm is appointed to provide structural concept engineering related services whereby, the team is responsible for preparing structural design layouts, appraising architectural plans in coordination with international and local architects and recommending an efficient structural layout of the project among other services.

#### **SIDEworks – LEED Consultants**

Experts in LEED Project Certification, the firm provides sustainable and energy efficient solutions to clients in building design, interior design & construction. It is based in Lahore, Pakistan and was established in 2009 by a group of reputable professional.



SIDEworks has honed the professionalism of the best design and engineering talent available in the market, to become a leader in the design and execution of residential, retail, corporate and industrial projects. Unlike many of its contemporaries it is not narrowly focused but instead offers flexibility coupled with solutions eliminating the barriers between designers, engineers, and builders.

The firm has served renowned international and local firms such as World Bank Group, Citibank, British Council, SIKA, UBER, Microsoft, Sapphire Textile, National Foods, & Pioneer Cement. Some notable LEED Certifications and sustainable design work includes the Orchid (Karachi), Sky Garden (Lahore), Nizami House (Lahore) and DHA (Lahore).

The firm is appointed to provide guidance on optimizing all designs related to LEED requirement and assist in obtaining LEED Certification for the project.

### **Exponent Engineers (Pvt.) Limited – Local Transportation Consultant**

Exponent Engineers is a multi-disciplinary Consulting and Project Management firm. Founded in 2001, it has been providing quality professional engineering and project management services to various national and international clients. The firm is actively performing in Pakistan and expanding its business globally. The team has extensive experience in the fields of Traffic, Structural, Telecom and Environmental Engineering.



The firm is committed to meet the requirements of Integrated Management Systems for Quality, Environment & Occupational Health & Safety, consistent with internationally recognized management system standards in all aspects of its engineering consultancy business. Some notable projects in transportation engineering and planning space include Karachi Transport Improvement Project, Karachi-Thatta Dual Carriageway Project, Feasibility Study of Malir Expressway, Traffic Modeling for Alsunut Infrastructure Master Plan Khartoum (Sudan), Traffic and Financial Study for Construction of Karachi – Hyderabad Motorway (M-9), Traffic Impact Assessment of Bahria Town Icon Tower (Karachi).

Exponent Engineers is appointed to conduct Traffic Impact Assessment whereby, technically appraising the traffic and safety implications in relation to development of One Hoshang project.

### **AI Engineers Pakistan – BIM Consultant**

AI Engineers Pakistan (Private) Limited (AIE-PK), a subsidiary of AI Engineers, Inc. which is a US based, multi-disciplinary, engineering consultancy firm. AI is ranked as a Top 500 Design Firm by ENR and a Top 100 Design Firm by ENR New England, ENR New York, and ENR Mid-Atlantic. AIE-PK was established to bring its parent company's design and management of sustainable solutions in critical infrastructure.

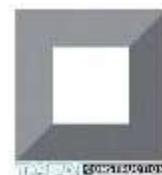


For past 29 years, AI has completed numerous design projects, on-call contracts, and construction projects for several government agencies, public utilities, and private clients. Real estate development, mixed use projects and urban development have remained a key area of interest. The firm has been providing a full range of engineering services including infrastructure and urban developments, building systems engineering (structural, mechanical, electrical, plumbing, fire protection), project / construction management and inspection, and GIS / BIM / technology solutions. Some notable projects in space of BIM / GIS and technology solutions include 20 MP / 4K video inspection of the Gold Star Memorial Bridge (Groton, USA), BIM Model of the LaGuardia Airport Redevelopment (NY, USA), Caltrans / SR 134 Freeway Improvement (Los Angeles, USA), Bahria Town Icon (Karachi), and BIM Architectural Model of AI, PK Office (Karachi).

AI Engineers is engaged to provide Building Informational Modelling services for the project.

### **Total Construction – General Contractor**

Total Construction, established in 1994, has over two decades of specialist experience in Quality Construction work of Civil, Architecture & Interiors.



The company excels in all fields that pertain to constructional development and has been doing so to date by utilizing the abundant skills and resources available to seek out the satisfaction of its clients and deliver on its promise of quality construction.

The company has to its credit a long list of diversified projects with both national and multinational clients. Some notable projects include Dolmen Mall Clifton (Karachi), Meezan Bank Head Office – SITE Area (Karachi), Phillip Morris Office (Karachi), S. Abdullah Showroom (Karachi), University Center Building – Aga Khan Hospital (Karachi), and Jinnah Medical Surgical Complex (Karachi). Total Construction is engaged to provide construction services for the project.

***Development Overview***

<b>Height</b>	435 feet
<b>Floor Division</b>	<p>2 – Basement      1 – Ground plus Mezzanine      5 – Parking      16 – Three bed Apartments      14 – Four bed Apartments      1 – Duplex Penthouse      2 – Retail Showrooms</p>
<b>Key Features</b>	<ul style="list-style-type: none"> <li>▪ Two Retail spaces on Ground floor</li> <li>▪ One Apartment on each floor</li> <li>▪ 30 Apartments</li> <li>▪ One Distinct Penthouse</li> <li>▪ Apartments to feature living room, drawing room, dining room, maid's room, study, main kitchen, grease kitchen, walk-in closets to master bedrooms</li> <li>▪ Five floors designated for parking</li> <li>▪ Dedicated floor for amenities.</li> </ul>

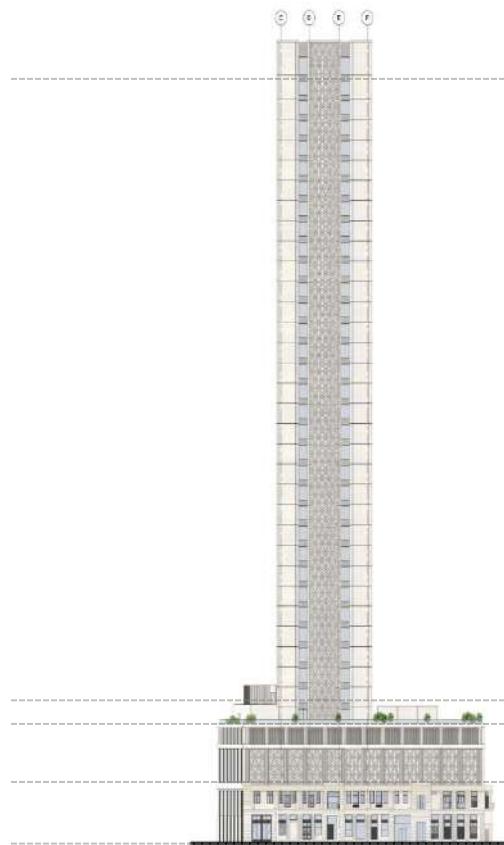
**South Elevation****North Elevation**

Illustration of One Hoshang Building

### Project Location

The project is in the downtown area and is the only posh neighborhood in the city. It is in close proximity to Karachi's financial hub, I.I. Chundrigar road, and other business streets and offers presence of almost all kinds of institutions, businesses, retail chains, health facilities, schools, parks, hotel, leisure clubs, consulates etc.



#### Address:

22/7, Homie Katrak  
Chambers, Civil Line,  
Hoshang Road

#### Coordinates:

24.844026, 67.031908

### Property Transfer

The property was transferred by TPLP into the REIT Scheme via a Share Purchase Agreement ("SPA") dated May 20, 2022. Total consideration for acquisition was PKR 2,350 Mn including cash consideration of PKR 1,375Mn and non-cash consideration of PKR 975 Mn.

### Property Valuation

As required under the REIT Regulations, TPL RMC, at the time of acquisition of the real estate held by the project SPVs, obtained valuation report of real estate held by each project SPV from two independent valuers including Savills Pakistan and Oceanic Surveyors. Subsequently, Savills Pakistan has been appointed as the Property Valuer for the REIT Scheme to conduct half yearly valuation of the properties. The initial as well as the latest valuation is given in the table below:

Valuator	Valuation Date	Land Value
<b>Initial Valuation</b>		
Savills Pakistan	November 24, 2021	PKR 2,851,178,914/-
Oceanic Surveyors	March 24, 2022	PKR 2,825,788,914/-
<b>Latest Valuation</b>		
Savills Pakistan (previously Colliers International)	December 31, 2023	PKR 4,104,323,049/-

### **Regulatory Approvals**

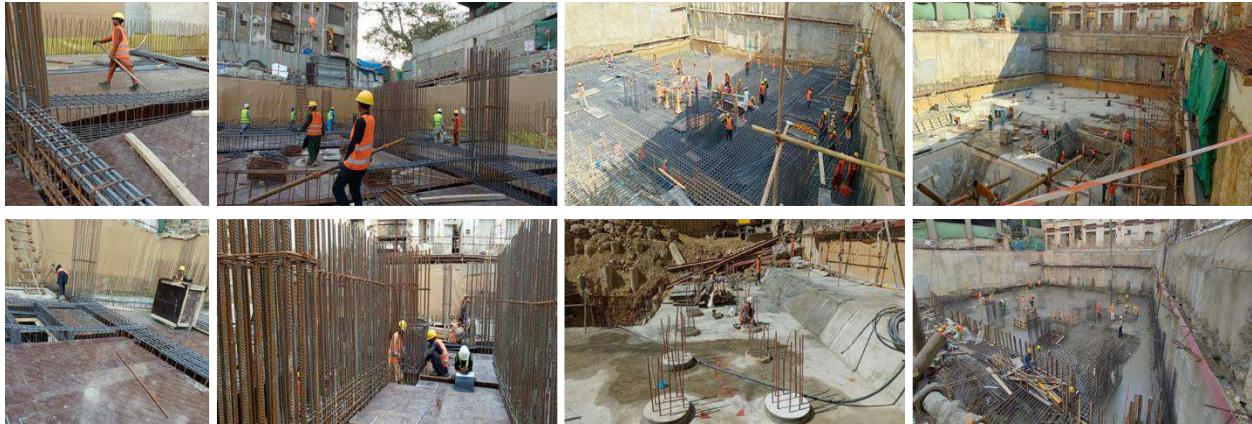
The table below represents requisite regulatory approvals in place for Project B:

S.No.	Subject	Date	Approving Authority	Status
1.	Provision of Site Coordinates in WGS 84	02-Jul-18	Survey of Pakistan	Approved
2.	Height Clearance as per Rule 68 and Aviation safety standards	08-May-19	Civil Aviation Authority	Approved
3.	NOC for New Electrical Connections	24-Jun-19	K-Electric	Approved
4.	NOC for Gas Connection	24-Jun-19	Sui Southern Gas Company Limited	Approved
5.	NOC – Public Health & Sanitation	19-Jun-19	Karachi Water & Sewerage Board	Approved
6.	NOC for Construction of Building HKC	01-Aug-19	Air Force Headquarters	Approved
7.	NOC For Proposed Addition and Alteration of Heritage Building	13-Apr-21	Department of Heritage and Culture	Approved
8.	Environment	16-Apr-21	Sindh Environmental Protection Agency	Approved
9.	NOC for demolition	In place since 2004; Re-enforced 2021	Sindh Building Control Authority	Approved
10.	Architectural Plan	10-Feb-23	Sindh Building Control Authority	Approved
11.	Structural Plan	03-Mar-23	Sindh Building Control Authority	Approved
12	NOC for Sale	05-Sep-23	Sindh Building Control Authority	Approved

### **Project Progress**

The detailed design of the project has been completed and all regulatory approvals for the projects have been secured. Initial works related to demolition, façade protection, excavation, piling and shoring have been completed. The tender for the main works which includes the foundation and grey structure has been awarded and works are underway. The grey structure of the project is expected to be completed in July, 2025.

At the same time, the marketing for the off-plan sales of the apartments have been initiated and the phase 1 inventory sale are expected to be locked in by 4QFY24.

***Other Matters***

One Hoshang was registered under fixed tax regime, as specified in Section 100D of Income Tax Ordinance 2001 and was required to complete the grey structure of the project, as defined under Eleventh Schedule of Income Tax Ordinance 2001, latest by September 30, 2023. However, given project delays and eventual transfer of One Hoshang into REIT, wherein REIT income becomes tax-free if 90% of the profits are paid out, TPL RMC has subsequently appealed against consideration in Section 100D. The company has obtained a stay order from Sindh High Court on the matter which is currently intact. However, the company expects that the decision will be in their favor. As per the tax advisor, since HKC became an SPV under the REIT Regulations, and resultantly exempted from income tax on payment of 90% accounting income as dividend, no further tax provision is required.

### ***Development Timeline***

The development tenor of the project is 3 years with expected completion by June, 2026.

Activity	Start	Finish	2023				2024				2025				2026	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Mobilization at Site	15-Mar-23	04-May-23														
Piling Works	31-Mar-23	15-Nov-23														
Structure Works	21-Sep-23	31-Jul-25														
Electrical Works	15-Nov-23	15-Jun-26														
Plumbing Works	20-Nov-23	31-May-26														
HVAC/ Mechanical Works	21-Dec-23	30-Jun-26														
Finishing Works	01-Mar-24	30-Jun-26														
Handover	01-Jun-26	30-Jun-26														

Legend:  Completed  In process  To be initiated

### ***Equity Investment by TPL REIT***

TPL REIT made an investment of PKR 2,350 Mn in Project B of which PKR 975 Mn was used to acquire 90% stake in Project B SPV, PKR 1,080 Mn was used to pay off the loan outstanding to TPLP and the remaining amount of PKR 295 Mn is being used to finance the development of the project.

### 3.7.3 PROJECT C – TECHNOLOGY PARK

The Technology Park, (“Project C”) is planned to be the first of its kind privately owned technology park in Pakistan, with high-end IT infrastructure to be designed for technology companies including tech startups, software houses, tech support and other technology related companies; looking for an office space that fosters innovation, collaboration and stimulates health, wellness, and social sustainability. The project plan also includes a 42-key business boutique hotel, offering high quality accommodation to local and international business travelers and delegates.

The project is planned to be classified under Special Technology Zone (STZ), whereby, the STZ Authority Ordinance 2020 enables all the inhabitants / occupants and developer of the facility to benefit from import duty concessions and income tax holidays.



The registered owner of the Real Estate assets for Project C is TPL Technology Zone Phase 1 (Pvt.) Limited (“Project C SPV”), a 100% owned subsidiary of TPL REIT. The concept design for the project is concluded. The project is currently in the detailing stage and the preliminary architectural plans have been submitted to Sindh Building Control Authority (SBCA) for approval. Various NOCs have also been obtained from relevant regulatory authorities.

The target customer base for Technology Park includes tech startups, software houses, tech support and other technology related companies and the hotel shall target local and business travelers and delegates.

#### ***Design Overview***

The design of the project consists of three cylindrical towers with varying heights and diameters that create a striking and dynamic development. The conscious and holistic introduction of green spaces and interconnecting atrium softens the architecture, creating a seamless indoor-outdoor relationship and reinforcing a positive, energizing environment to work and stay. The design seeks to create a defined separation between the offices and the hotel to promote work-life balance and define a unique and distinctive character for the hotel.

The office space located in two towers is designed to improve employees’ productivity by keeping the design as an open plan, providing flexible workspaces, natural light and creating a balanced, soft, and acceptable ambient noise. Interconnected amenities such as café area and enclosure of green spaces not only give the office space a contemporary feel but more so provide employees with a breathing space where they can connect with coworkers and recharge.

The planned boutique hotel situated at the upper levels of the principal tower offers high quality guest accommodation with associated amenities. The guest rooms are primarily targeted towards sophisticated travelers. A proposed sky lounge and specialty restaurant at the pinnacle of the tower offers a destination venue for social and business engagements, attracting guests with unparalleled views over the rooftop pool to the surrounding cityscape. The car parking is located in one of the towers and has a continuous spiraling floor that acts as both ramp and car park.

Project C-- Technology Park	
<b>Land Area</b>	10,002 Sq. Yd. / 90,018 sq. ft.
<b>Estimated Gross Constructed Area (GCA)</b>	~647,000 Sq. Ft.
<b>Estimated Sellable Area (SA)</b>	~293,000 Sq. Ft.
<b>Planned Units*</b>	30 office spaces and 42 key hotel
<b>Development Tenor</b>	~3 years

*\*This is the planned mix of built units which may change depending upon various factors such as market conditions and demand for an asset class. The asset mix would be finalized at the time of start of construction.*

### Design Team

#### International Consultants:

##### **Squire & Partners (S&P) – International Architect and Design Lead**

Profile provided in section 3.7.2.

##### **Atelier Ten – Principal MEP Consultant**

Profile provided in section 3.7.2.

##### **1508 London – International Interior Designers**

Profile provided in section 3.7.2.

##### **Pell Frischman – International Vehicular Traffic Consultant**

Profile provided in section 3.7.2.

##### **Eumada – Façade Engineering**

A product development and specialist building engineering consultancy firm, focused to drive the innovation through reducing impact of buildings on the natural environment and enhance architecture to improve the quality of life of growing population.



The team uses digital tools to generate and streamline design, fabrication and construction with the highest standards of quality and efficiency. With presence in the **Middle East, UK and Spain**, the firm provides facades, specialty structures, acoustics, sustainability and advanced modelling expertise for architects, contractors, developers and direct owners. Some most prominent commercial and hospitality projects include the Triangle (UK), Library of Birmingham (UK), Dubai Creek Harbour Tower and Ciel Tower (Dubai), Torre Iberdrola Tower (Spain) and Heart of Doha (Qatar).

The firm is appointed to provide "ağad" consultancy services for the project wherein they provide the engineering for the tower envelope, alongside proposing energy effective materials for the maximization of sustainable impacts.

#### Local Consultants:

##### **Najmi Bilgrami Collaborative – Local Architect and Design Lead**

The Company is built on experienced pool of architectural expertise. The team strive to accomplish through experience, a constructed dialogue between materials, proportions, the built environment and consequently the experience of inhabitant in multiple spaces.



The focus is centered on Commercial, Institutional, Cultural, Health and Social Faculties, providing Architecture, Urban Design and Planning and Interior Design Services. Some notable local commercial projects include KCIP Tower, Icon Tower, Audi Showroom and State Life Tower in Karachi.

The firm is leading the design coordination process with international consultants and other local consultants. They will be further detailing the design to take it to construction level details, fit for execution.

**Mushtaq & Bilal – Structural Engineering Consultants**

Profile provided in section 3.7.2 above.

**SMC Consulting – Local MEP Consultant**

Profile provided in section 3.7.2 above.

**Exponent Engineers – Local Vehicular Traffic Consultant**

Profile provided in section 3.7.2 above.

***Development Overview*****Tower C**

- Height:** ~180 ft. AGL
- No. of Floors:** G + 14
- The tower shall be dedicated to parking space, accommodating ~550 vehicles along with couple of restaurants and driver's lounge

**Tower A**

- Height:** ~200 ft. AGL
- No. of Floors:** B+G+12
- The tower shall dedicate 10 floors to office space and parking on ground floor

**Tower B**

- Height:** ~245 ft. AGL
- No. of Floors:** B+G+15
- The tower shall include nine floors dedicated to office space and three floors for business hotel.
- It shall also include three floors for amenities including event spaces, dining hall, wellness centre, roof top observation deck, etc.

***Project Location***

The project is centrally located adjacent to KPT interchange at the entrance of DHA Phase 7 Extension, Karachi, benefiting from connection to major road networks and easy accessibility to business and industrial districts, residential areas, schools and universities, hospitals, recreational areas, supermarkets, eateries and shopping malls.

**Address:**

Plot # 25 / B, Sector 30,  
Korangi Industrial Area

**Coordinates:**

24.82765, 67.08571

***Following are the key attractiveness of the project site:***

- Bus stop at walking distance
- Nearby several supermarkets such as Imtiaz
- Notable mosque such as Ayesha Masjid accessible within 10 minutes of drive
- 6 minutes' drive from Centrepoint to reach Technology Park
- 25 minutes' drive to Jinnah International Airport
- 12 minutes' drive to Shahrah-e-Faisal

***Property Transfer***

The property was transferred by TPLP into the REIT Scheme via a Share Purchase Agreement ("SPA") dated May 20, 2022. Total consideration for acquisition was PKR 2,700 Mn including cash consideration of PKR 1,075 Mn and non-cash consideration of PKR 1,625 Mn.

***Project Valuation***

As required under the REIT Regulations, TPL RMC, at the time of acquisition of the real estate held by the Project SPVs, obtained valuation report of real estate held by each Project SPV from two independent valuers including Savills Pakistan and Oceanic Surveyors. Subsequently, Savills Pakistan has been appointed as the Property Valuer for the REIT Scheme to conduct half yearly valuation of the properties. The initial as well as the latest valuation is given in the table below:

Valuator	Valuation Date	Land Value
<b>Initial Valuation</b>		
Savills Pakistan	November 24, 2021	PKR 1,810,338,896/-
Oceanic Surveyors	March 24, 2022	PKR 1,860,348,896/-
<b>Latest Valuation</b>		
Savills Pakistan	December 31, 2023	PKR 2,461,617,651/-

### **Regulatory Approvals**

The table below represents requisite regulatory approvals for Project C and the status against the same.

S.No.	Subject	Approval Date	Approving Authority	Status
1.	Provision of Site Coordinates in WGS 84	15-Apr-21	Survey of Pakistan	Approved
2.	Height Clearance as per Rule 68 and Aviation safety standards	31-May-21	Civil Aviation Authority	Approved
3.	NOC	19-Jul-21	Air Force Headquarters	Approved
4.	NOC – Issuance of provisional confirmation of Electricity Connections	21-Apr-21	K Electric	Approved
5.	NOC	19-May-21	Sui Southern Gas Company	Approved
6.	Architectural Plan	-	Sindh Building Control Authority (SBCA)	Applied / Approval Pending
7.	Strategic Asset Safety NOC	-	Strategic Plans Division	Applied / Approval Pending
8.	Structural Plan	-	SBCA	Pending (Post architectural approval)
9.	Environment NOC	-	Sindh Environmental Protection Agency	To be Applied
10.	Construction NOC	-	SBCA	To be Applied
11.	Sales NOC	-	SBCA	To be Applied

### **Project Progress**

The concept and schematic design for the project has been concluded. The project is currently in the detail design phase. Various NOCs related to height and utilities have been obtained.

The project design and development works are **currently on hold**. The business model for the project entails off plan sales of office space to fund majority of project development cost. Under the current macro-economic environment, the demand for Commercial Office space on off plan sales or outright purchase seems weak as corporates are delaying their capital expenditures to overcome high inflation, widening interest cost and raw material shortages.

The project design and development are planned to be resumed towards second half of 2024 with the expectation of improving macro-economic environment and business sentiment, along with inflation to cool down and downward trajectory of interest rates.

### ***Development Timeline***

The site construction is expected to be initiated by end of CY24 and complete by June 2027. The tentative timeframe for the site construction of Project C is illustrated below:

Activity	Start Date	End Date	2023				2024				2025				2026				2027	
			Q1	Q2	Q3	Q4	Q1	Q2												
Architectural Approval from SBCA	Mar 23	Jul-24																		
Strategic Plans Division NOC	Jul-24	Aug-24																		
Structural Approval from SBCA	Jul-24	Sep-24																		
EIA Review & SEPA Approval	Aug-24	Sep-24																		
Tendering for Works	Nov-24	Dec-24																		
Initial Works Execution	Jan-25	Mar-25																		
Main Works Execution	Mar-25	Jun-27																		

Legend:  Completed  In process  To be initiated

### ***Equity Investment by TPL REIT***

TPL REIT has invested PKR 2,700 Mn till 9MFY23 in Project C, from which PKR 1,625 Mn was used to acquire 100% stake in Project C SPV, PKR 1,000 Mn was used to repay the existing debt undertaken by the Project C SPV from The Bank of Punjab, and the remaining amount of PKR 75 Mn was used to finance the development cost of the project.

### 3.8 PATTERN OF UNIT HOLDING

	Existing Unitholding		Units Offered in IPO (Base Offer)		Post IPO Unitholding	
	Units	% of exiting paid up capital	Units	% of base offer	Units	% of Post IPO paid up capital
TPL Properties Limited	710,000,000	38.69%	8,875,000	38.69%	701,125,000	38.21%
Habib Bank Limited	225,000,000	12.26%	2,812,500	12.26%	222,187,500	12.11%
National Bank of Pakistan	200,000,000	10.90%	2,500,000	10.90%	197,500,000	10.76%
The Bank of Punjab	200,000,000	10.90%	2,500,000	10.90%	197,500,000	10.76%
Bank Al Habib Limited	150,000,000	8.17%	1,875,000	8.17%	148,125,000	8.07%
Bank Al Falah Limited	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Askari Bank Limited	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Habib Metropolitan Bank	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Soneri Bank Limited	50,000,000	2.72%	625,000	2.72%	49,375,000	2.69%
General Public (Base Offer)					22,937,500	1.25%
<b>Total</b>	<b>1,835,000,000</b>	<b>100%</b>	<b>22,937,500</b>	<b>100%</b>	<b>1,835,000,000</b>	<b>100%</b>

### 3.9 REVENUE DRIVERS

#### Growing Urban Population

Pakistan has the 5<sup>th</sup> largest population in the world<sup>2</sup> with the population growing at a rate of 2.55% in 2023<sup>3</sup>. As per the results of the recent digital census of Pakistan, the population has grown to 241.49 million as of 2023 with the urban population being increased to 38.82%<sup>4</sup>. The urban population has been significantly ahead in the province of Sindh comprising of a staggering 53.73% figure. The mass urbanization in Sindh is particularly centered in Karachi. The ever-growing urban population of Karachi, coupled with the improving socioeconomic factors creates a demand for high end property and is a major revenue driver for real estate projects.

#### GDP Growth

The GDP of a country is primarily driven by favorable macroeconomic factors. This in turn affects all the sectors including real estate. The GDP growth of Pakistan was under pressure in FY 2023 on account of struggles of the country to recover from the floods of 2022, political instability, inflation, current account deficit, and an ongoing foreign exchange crisis. However, the economic woes of Pakistan seem to have diminished as the International Monetary Fund (IMF) has forecasted the real GDP growth of Pakistan for FY

<sup>2</sup> <https://www.worldometers.info/world-population/population-by-country/>

<sup>3</sup> <https://www.pbs.gov.pk/sites/default/files/population/2023/Press%20Release.pdf>

<sup>4</sup> <https://www.pbs.gov.pk/sites/default/files/population/2023/Press%20Release.pdf>

2024 to be 2.0%<sup>5</sup> with the same increasing to 5.0% in 2028<sup>6</sup>. The growth in GDP in future years is likely to boost growth in the real estate sector, particularly for the offices and retail markets. An increase in GDP is also likely to increase tourism and business activities, thus generating demand for the hospitality industry.



### Demand for High-end Residential Apartments

The likelihood of people seeking high-end residential apartments increases as they become exposed to international standards of living. Accordingly, the demand for luxury real estate market in urban areas of the country has increased over the years, particularly in Karachi. Emaar Oceanfront, Creek Vista and Hoshang Pearl are few examples of high-end residential apartments that are completed or near completion, offering status and prestige on top of the comfort and security.

TPL REIT has also availed this opportunity and introduced its state-of-the-art premium end residential projects under One Hoshang project to cater to such demand.

### **3.10 COST DRIVERS**

Material and labor costs are major determinants of the overall cost of constructing real estate properties.

#### **Material Cost**

Concrete and steel constitute a significant portion of the total construction cost of building real estate. Steel rebars production in Pakistan is highly dependent on the import of scrap metal. In addition to this, development of state-of-the-art asset classes will require the import of several key materials such as interior decoration items, furnishings, HVAC systems, etc. The material-based development cost of such projects is impacted by a couple of factors including variations in the cost of these primary materials and exchange rate movements. Any upward movement in material costs as well as the exchange rate could affect the development cost as well as profits of TPL REIT.

#### **Labor Cost**

Labor costs encompass wages, benefits, insurance, and other expenses associated with the workforce employed in the construction process. Development of high-end real estate requires an extensive and skilled labor force including hiring of off-shore personnel to be compensated in foreign currencies. Further, any

<sup>5</sup> <https://www.imf.org/en/Countries/PAK>

<sup>6</sup> [https://www.imf.org/external/datamapper/NGDP\\_RPCH@WEO/PAK?zoom=PAK&highlight=PAK](https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/PAK?zoom=PAK&highlight=PAK)

change in labor laws (e.g., an increase in minimum wage) or change in supply of proficient workforce or exchange rate movements is likely to cause an increase in the cost of labor.

### **3.11 MARKETING STRATEGY**

The marketing efforts for the TPL REIT projects are led by the Development Advisor, which is in the process of assembling a dedicated team specifically tasked with marketing and selling the TPL REIT projects. The primary objective is to attract clients from diverse avenues. In addition to marketing of specific projects under REIT, a generic marketing strategy is being worked out to portray TPL properties as leading real estate company in Pakistan focusing on the quality sustainable projects.

The comprehensive marketing strategy is bifurcated into two segments:

**Social Media Marketing Campaign:** Directing efforts towards engaging potential clients through various social media platforms. The focal point is to augment social media engagement and raise awareness regarding ongoing projects. Engagements are actively pursued across platforms such as Instagram, Facebook, LinkedIn, and Twitter. Additionally, a dedicated website providing comprehensive project-related information is in development. The existing marketing and communications team at TPL Corp is providing support in these initiatives. With more projects especially Mangroves on plate for sales, a dedicated sales and marketing team is to be onboarded.

**On-Foot Marketing Campaign:** This type of marketing drives project sales through off-plan sales methods. The strategy involves on-foot marketing initiatives encompassing billboard campaigns, site visit events, and establishing on-site offices specifically for facilitating bookings.

#### **Segmentation of the Marketing Campaign for Individual Projects:**

##### **Project A: Mangrove**

Mangroves is a multifaceted project encompassing retail, residential, hotel, and office spaces. It caters to multiple target markets, including families, minor investors, and businesses seeking suitable working spaces. To address this diverse audience, marketing strategy shall involve launch events, billboard campaigns, social media campaigns, targeted campaigns such as communities and organizations, and the establishment of a site sales office by July, 2024. The sales office will have the right resources and infrastructure to launch a fully thoughtful campaign.

##### **Project B: One Hoshang**

One Hoshang comprises premium housing apartments and targets a niche market of elite individuals seeking investment opportunities or high-end residences. A personalized sales approach is adopted due to the limited availability of units.

##### **Project C: Technology Park**

Technology Park integrates hotel and office units, primarily targeting tech startups and software houses. The engagement strategy involves a mix of online advertising campaigns, personalized direct sales and on-foot marketing tactics, including site sales office, and billboard campaigns.

### **3.12 FEE CHARGED BY TPL RMC**

#### **3.12.1 MANAGEMENT FEE**

TPL RMC shall be entitled to an annual fee calculated at 1.50% of the NAV of TPL REIT, which shall be payable in arrears after the close of each quarter of an accounting period of TPL REIT and shall be chargeable as an expense in the relevant accounting period.

In respect of any period other than a full calendar year such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days accrued in the accounting period concerned.

### **3.12.2 PERFORMANCE FEE**

TPL RMC is entitled to the following performance fees:

1. **Increase in NAV:** 15% charged on YoY (year-over-year) increase in NAV of TPL REIT over a High Watermark, calculated at the end of each accounting period. High Watermark is the highest NAV of TPL REIT reached in previous accounting periods
2. **Realized Gain:** 15% of the profit from the sale of real estates and / or sale / winding up of the SPV.

The first component of Performance Fee is linked to value addition measures undertaken by TPL RMC and prevailing real estate valuations. It is calculated by an independent valuer and reflected as an increase in the NAV. The second component of Performance Fee is linked to successful exit of real estate assets/projects, resulting in dividend income for Unit Holders.

During the Accelerator Period, TPL REIT will pay 30% of the Performance fee due to TPL RMC in arrears after the close of each accounting period and accrue the remaining 70% to be paid at the end of the Accelerator Period. Following the end of the Accelerator Period, Performance Fees will be paid to the RMC in full in arrears after the close of each accounting period. Accelerator Period means the period starting at Financial Close and ending on the first dividend distribution to the Unit Holders by TPL REIT or listing of TPL REIT, whichever is later.

### **3.13 COSTS OF ADVERTISEMENTS RELATING TO THE REIT SCHEME**

No costs have been incurred for advertisements relating to the REIT Scheme.

### **3.14 FEE NEGOTIATED WITH THIRD PARTIES**

The following fees has been negotiated with the third parties of TPL REIT Fund I:

Particulars	Relevant Party	Fee (Per Annum) (PKR 'Mn)
Shariah Review Fee	Al-Hilal Shariah Advisors	0.68
Legal and Professional Charges	Haidermota & Co.	4.00
Project Accountant	Grant Thornton Anjum Rahman	1.50
Rating Agency Fee	PACRA	0.50
Registrar Fee (Trustee)	Digital Custodian Company Limited	0.34
Valuer	Savills Pakistan (Pvt.) Limited	2.26
Development Advisor:	TPL Developments (Pvt.) Limited	
Fixed		5-10% (of Hard Cost*)
Variable		10-15%**

\*Hard Cost refers to the construction cost of the project.

\*\* Variable component of Development Advisor fee is 10-15% of profit on sale of asset / valuation gain on completion of rental assets

### **3.15 END USERS, DEMAND FOR THE PRODUCT**

Mangrove project will attract a diverse range of customers including individuals, families, corporations, entrepreneurs, local and destination brands, travelers among others.

One Hoshang shall target High-net worth Individuals.

The target customer base for Technology Park includes tech startups, software houses, tech support and other technology related companies and the hotel shall target local and business travelers and delegates.

### 3.16 COMPETITORS

There are no listed competitors of TPL REIT in Pakistan in terms of business model. Dolmen City REIT is a purely rental REIT having a single project. Globe Residency REIT is a limited life developmental REIT involved in development and sale of residential apartments only.

On the other hand, TPL REIT is a **perpetual hybrid REIT** Scheme involved in diversified real estate projects including (i) master planned community for mixed use development on waterfront property, (ii) Pakistan's one of its kind premium-end residential apartment tower and (iii) first of its kind technology park in Pakistan. All three projects are being executed through separate SPVs of the REIT Scheme.

A brief comparison of latest financial information of TPL REIT with the listed REITs of Pakistan is shown below:

For the Half Year Ended December, 2023*	TPL REIT Fund I	Globe Residency REIT	Dolmen City REIT
Location	Karachi	Karachi	Karachi
Revenue – PKR Mn	159	1,768	2,548
Profit / (Loss) After Tax – PKR Mn	(126)	186	5,183 <sup>1</sup>
EPU – PKR	(0.08)	1.33	2.33
NAV – PKR	17.60	11.58	32.58
No. of Units	1,835	140	2,224
Total NAV – PKR Mn	32,298	1,621	72,456

\*Based on audited standalone financial statements of TPL REIT and unaudited financials of other players.

Note:

1. The profit after tax is higher than the revenue because unrealized gain on remeasurement of fair value of Investment property was booked in the year amounting to PKR 3 Bn. Here, the revenue only consists of rental and marketing income for the period.

### 3.17 INTELLECTUAL PROPERTY RIGHTS

S. No.	Trademark	Logo/ Label	Class	Application Number	Application Date
1	TPL Investment (Logo)	 TPL Investment	36	645767	30-Dec-21 (approval awaited)
2	TPLREIT Fund I (Logo)	 TPLREIT Fund I	36	645768	30-Dec-21 (approval awaited)
3	TPLRMC (Logo)	 TPLRMC	36	645769	30-Dec-21 (approval awaited)

Registering Authority: Intellectual Property Organization of Pakistan

Application Owner: TPL REIT Management Company Limited

### 3.18 DETAILS OF MATERIAL PROPERTY

Project	Project A - Mangrove	Project B - One Hoshang	Project C - Technology Park
Project Location	Deh Dih, Tappo Ibrahim Haidery, Taluka Karachi, District Korangi	Plot No 22/7, Street CL-9, Civil Lines Quarter, Karachi	Plot # 25 / B, Sector 30, Korangi Industrial Area, Karachi

<b>Land Area</b>	193,600 Sq. Yd./ 1,742,000 sq. ft.	2,539.32 Sq. Yd. / 22,853.88 sq. ft.	10,002 Sq. Yd. / 90,018 sq. ft.
<b>Estimated Gross Constructed Area (GCA)</b>	~12,200,000 Sq. Ft.	~320,000 Sq. Ft.	~647,000 Sq. Ft.
<b>Estimated Sellable Area (SA)</b>	~8,400,000 Sq. Ft.	~175,000 Sq. Ft.	~293,000 Sq. Ft.

### 3.19 FUTURE PROSPECTS AND DEMAND OUTLOOK

#### Residential Market

Bridging the supply and demand gap in residential market will take some time. Going forward, the trend of increasing vertical developments will continue. There has been rising competition among developers in terms of providing quality amenities and community spaces within developments and this is expected to continue as well. Quality of development has improved with architecture and infrastructure moving closer to international standards.

Demand for housing in areas such as Korangi is picking up due to the development of societies and availability of plots at comparatively lower rates than equivalents in DHA. In future, this area is expected to witness growth in construction of vertical developments aimed at creating value for money.

#### Commercial Office Market

Monetary policy tightening is expected to continue in the near term to combat elevated inflation. The recent policy rate hikes have led to rental yields falling below prevailing interest rates. Higher interest rates stifle economic activity and discourage business expansion, leading to more businesses preferring to rent instead of outright purchases. Backed by distressed macroeconomic indicators, the outlook for the sale of commercial office space market appears to be challenging in the near term unless the macroeconomic indicators stabilize prompting the State Bank to reduce policy rate which eventually leads to improved business activities and demand for commercial property.

#### Retail Market

The retail market was severely affected by Covid-19 pandemic wherein, many international brands opted to consolidate their retail presence in Pakistan and doubling their efforts at places with higher footfall. Brands also doubled down on e-commerce sales with many of them not as reliant on store sales as they were before Covid-19 due to declining physical sales.

In recent times, malls have renegotiated lease agreements to provide relief to retailers affected by the lockdowns and the macroeconomic conditions. Although take up for retail has considerably improved after lifting of Covid restrictions and vaccination rollouts, the expansion plans of brands may remain low in the short term.

Though, the demand for retail has previously remained subdued due to Covid-19, the outlook remains promising due to rapid commercialization in Pakistan. Additionally, Savills estimates suggest that an approximate supply of 5 mn sq. ft. of shopping mall retail space is either under construction or in the planning stages.

### Hospitality Sector Market

The onslaught of Coronavirus pandemic worldwide led travel bans and visa restrictions which resulted in reduction in corporate travel as well as a reduction in tourism, thereby decreasing the overall demand in the hospitality industry. However, there has been a rebound in occupancy of hotel keys lately, driven by resumption in worldwide travel. In the long term, the market is expected to gain momentum when macroeconomic conditions ease off.

Pakistan is emerging as an important investment destination for new hotel industry development. In Karachi only, Savills estimates a supply gap of 200 rooms with 5-star services and facilities to cater to the rising demand of quality hotels.

### 3.20 VENDORS OF THE REIT SCHEME

The key suppliers and vendors of TPL REIT Fund I pertaining to raw material procurement for construction since the incorporation of the REIT Scheme till Dec 28, 2023 are as follows:

Vendor	Country	Material / Service	Total Value PKR '000	% of total value
Total Construction (Private) Limited	Pakistan	Civil Works	315,262	32.6%
Faizan Steel	Pakistan	Steel	210,100	21.7%
Agha Steel Industries Limited	Pakistan	Steel	182,165	18.8%
Lucky Paragon Ready Mix	Pakistan	Concrete	77,230	8.0%
EA Consulting Pvt Limited	Pakistan	Consultancy	97,283	10.1%
SSHIC International Engineering Consultants	UAE	Consultancy	85,747	8.9%
<b>Total</b>			<b>967,787</b>	<b>100%</b>

### 3.21 APPROVALS

Project-related approvals for each individual project are listed in section 3.7 above. REIT-related approvals procured from SECP are tabulated below:

S. No.	Approvals	Date	Reference #
1	Consent for Trust Deed Registration	30-Nov-21	SECP/SCD/PRDD/REIT/TPL-RMCL/2021/25
2	Registration of Trust Deed	10-Dec-21	KAR/ST/220/2021
3	REIT Scheme Registration	23-Dec-21	SECP/SCD/PRDD/REIT/TPL-RMCL/2021/33

### 3.22 RELATED PARTY TRANSACTIONS

Related party transaction of the REIT Scheme are as follows:

Related Party Transactions (PKR 'Mn) Consolidated	FY2022 (Audited)	FY2023 (Audited)	1H FY2024 (Unaudited)
<b>TPL REIT Management Company Limited (REIT Management Company)</b>			
Payments by the REIT Management Company on behalf of the Group	27	2	-
Remuneration of the REIT Management Company	5	382	253
Performance fee of the REIT Management Company	992	1,593	-
Payments made to the REIT Management Company	-	563	724

<b>Digital Custodian Company Limited (Trustee)</b>			
Remuneration of the Trustee	-	10	7
Share registrar fee	-	-	0.2
Payments made during the period	-	-	7
<b>TPL Properties Limited (Strategic Investor)</b>			
Issuance of 97,500,000 units for acquisition of 90% stake in HKC (Pvt) Ltd.	975	-	-
Issuance of 450,000,000 units for acquisition of 100% stake in National Management and Consultancy Services (Pvt) Ltd.	4,500	-	-
Cash payment for acquisition of 100% equity stake in National Management and Consultancy Services (Pvt) Ltd.	2,380	-	-
Payment of long term loan	1,069	-	-
Acquired 100% shareholding of TPL Technology Zone Phase - I (Pvt) Ltd.	-	1,625	-
Loan converted into equity	749	-	-
Expenses incurred / paid by TPLP	150	58	-
Expenses allocated to the company	213	-	-
Received from the company	-	18	-
Payments during the year / period	-	97	-
Interest cost charged	87	9	10
<b>TPL Security Services (Private) Limited</b>			
Security services received	1	5	3
Payments against security services	-	6	3
<b>TPL Developments (Private) Limited</b>			
Development advisory services received	-	136	250
Payments during the year / period	-	124	250

### 3.22.1 BENEFICIAL INTEREST OF THE RELATED PARTIES WITH RESPECT TO THE REIT SCHEME

The following persons / entities have beneficial interest in the REIT Scheme which is limited to the capacity of being the shareholder / director of the RMC and unitholder of the REIT Scheme directly or indirectly (i.e., investment through corporate entities):

1. TPL Properties Limited

### 3.22.2 POTENTIAL CONFLICTS OF INTEREST OF THE RELATED PARTY WITH RESPECT TO THE REIT SCHEME

#### REIT Management Company

RMC may have a conflict of interest when allocating and / or recommending investment opportunities between TPL REIT and other clients. However, when making investments where a conflict of interest may arise, the RMC will endeavor to act in a fair and equitable manner as between the REIT Scheme and other clients. There will be no limitation with respect to other activities and investments of the RMC or with respect to the activities of other investment portfolios managed by the RMC.

RMC acts as the manager of the REIT Scheme and RMC is not an investor of the REIT Scheme. All material facts regarding the REIT Scheme and RMC's operations have been disclosed in this OFSD. The RMC certifies that it is capable of performing its duties in relation to the REIT Scheme independent of its other business, if any.

### **Other Related Parties**

The Trustee, Valuers, REIT Accountant, Development Advisors and the Property Managers engaged for TPL REIT and project SPVs may, from time to time, act as the trustee, valuer, accountant, development advisor and property manager to other real estate investment trusts or collective investment schemes which have similar investment objectives to those of TPL REIT, or may be involved or engaged with real estate projects sponsored/owned by investors with similar investment objectives to those of TPL REIT. Consequently, any of them may, in the course of their business, have potential conflicts of interest with TPL REIT and its project SPVs.

Accordingly, any transactions entered into by TPL REIT or project SPV with such related parties (other than the services to be provided by such entities to TPL REIT and its project SPVs pursuant to the REIT Regulations) shall be subject to the provisions of the Trust Deed and related party transactions policy of TPL REIT (for details on related party policy, refer to Section 10.14) which protect the interest of the Unit Holders and prescribe requirements for managing potential conflicts of interest in related party transactions.

#### **3.22.3 DESCRIPTION OF THE BUSINESS OF THE RELATED PARTY**

##### **TPL REIT Management Company**

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).

TPL RMC is part of the TPL Group with its Board of Directors and management appointed by TPL Properties, the parent company of TPL RMC.

##### **TPL Properties Limited**

TPL Properties, established in 2007, is focused on sustainable developments and is ensuring LEED certified developments. The company is partnering with a number of reputed international and domestic design and engineering firms to deliver the highest level of quality and set new benchmarks in Real Estate in Pakistan. Centrepoint, the company's first and flagship project was completed in 2013 and was subsequently acquired by Bank AL Habib Limited in 2020.

TPL Properties is partially owned by the TPL Group (38.4%). TPLP is a listed company; the board members are appointed by way of election of directors, while the management of TPLP is appointed by board of governance.

##### **TPL Developments (Private) Limited**

TPL Developments (Pvt.) Limited, a wholly owned subsidiary of TPL Properties Limited, has been appointed as the Development Advisor to undertake planning, construction, development, marketing and sales of the existing asset portfolio. The principal line of business of the company is the development and marketing of all types of real estate including developed or undeveloped land, housing, or commercial projects such as multistoried buildings (for commercial, residential, and industrial purposes), shopping centers, restaurants, hotels, recreational facilities, etc.

TPL Developments is part of the TPL Group with its Board of Directors and management appointed by TPL Properties, the parent company of TPL Developments.

**Digital Custodian Company Limited**

Digital Custodian Company Limited (“DCCL”) is appointed as the Trustee for TPL REIT, to separately hold and take custody of the shares of SPVs of TPL REIT. It is also engaged as the unit registrar of the REIT Scheme providing services that are customary for such a role.

DCCL has repositioned as Pakistan’s first Blockchain FinTech to function as a fully digitized custodian/registry and Trustee of assets, besides aiming to provide smart contract platform solutions. At present, DCCL is one of the only two trustee/custodian companies in Pakistan, providing independent asset holding services to Investment Advisors, Debt Securities, Discretionary Portfolios, Specialized Trusts, and Specially Managed Accounts.

DCCL is an independent entity from TPL Group with a corporate governance structure separate from TPL Group.

**Savills Pakistan**

Savills Pakistan has been appointed as the Property Valuer for the REIT Scheme to conduct half yearly valuation of the properties. Savills Pakistan (formerly Colliers International Pakistan (Private) Limited) was established in 2006 and offers Investment Services and Capital Markets, Valuation Services, Strategic Consultancy and Development Advisory and Project Management. Savills also has an unparalleled reach throughout Pakistan for strategic services for the hospitality field. The firm’s experience and expertise span the globe, with 700 offices across the Americas, Europe, Asia Pacific, Africa and the Middle East. Savills Pakistan has been appointed as the Valuer for the REIT Scheme.

Savills Pakistan is an independent entity from TPL Group with a corporate governance structure separate from TPL Group.

**Al-Hilal Shariah Advisors**

Al-Hilal Shariah Advisors (AHSA), appointed as the Shariah Advisor for TPL REIT, is Pakistan’s first Shariah advisory company and is in operations since 2011. It provides stock screening services and covers all PSX listed companies as well as GCC and other international markets. It is licensed as Shariah Advisor by the SECP and has a Shariah Supervisory Council consisting of renowned religious scholars and experts in Islamic financing industry. Additionally, AHSA employs an in-house team of financial analysts and Shariah compliance officers.

Al-Hilal Shariah Advisors is an independent entity from TPL Group with a corporate governance structure separate from TPL Group.

**KPMG Taseer Hadi & Co.**

KPMG Taseer Hadi & Co (KPMG) has been appointed to audit the financial statements of TPL REIT and project SPVs. KPMG primarily provides assurance (which includes financial audit), tax, consulting, and advisory services to its clients. KPMG Taseer Hadi & Co is located in Karachi, Pakistan, and is part of KPMG International Limited which is one of the four largest accounting firms worldwide. KPMG International operates as a network of member firms that are structured as separate legal entities in a partnership, which has close to 219,000 employees in over 650 offices in 147 countries around the world.

KPMG Taseer Hadi & Co. is an independent entity from TPL Group with a corporate governance structure separate from TPL Group.

### Grant Thornton Anjum Rahman

Grant Thornton Anjum Rahman has been appointed as the REIT Accountant. It primarily provides assurance (which includes financial audit), tax, consulting, and advisory services to its clients. Established in 1983, Grant Thornton Anjum Rahman is well recognized and trusted in the business community. It is part of Grant Thornton International Ltd, one of the world's leading organizations of independent assurance, tax, and advisory firms. Grant Thornton operates as a network of member firms that are structured as separate legal entities in a partnership, which has over 68,000 employees across 147 countries around the world.

Grant Thornton Anjum Rahman is an independent entity from TPL Group with a corporate governance structure separate from TPL Group.

### 3.23 INDUSTRY OVERVIEW

The real estate sector, which consists of housing, construction, retailing, hoteling, and renting of spaces for official or trading purposes is the largest segment of Pakistan's economy. The sector is connected with the growth of 40 allied industries and many sub-industries including cement, glass, furniture, paint companies, plastics, electric fittings, cables, and electronics.

#### Global REITs

REITs own approximately \$4.5 Trillion in gross real estate assets, with more than \$3 Trillion of that total from public listed and non-listed REITs and the remainder from privately held REITs. A total of 893 listed REITs are in operation around the world with a combined equity market capitalization of approximately \$1.9 Trillion. REITs have grown dramatically in both number and equity market capitalization over the past 30 years, going from 120 listed REITs in two countries (USA and Australia) to 865 listed REITs in more than 40 countries and regions. The REIT market is estimated to grow at a CAGR of 2.8% between 2022 and 2027.

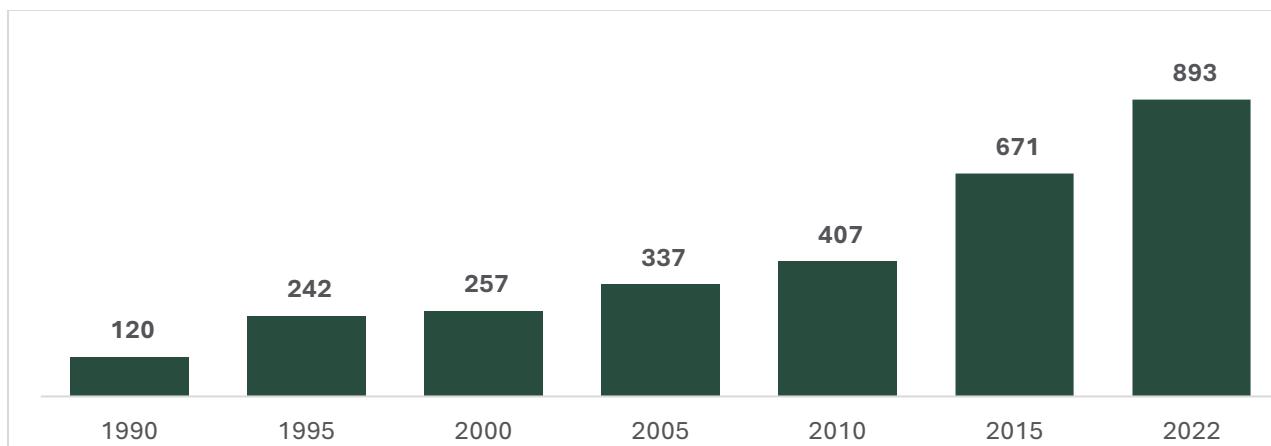


Source: <https://www.reit.com/investing/global-real-estate-investment>

#### Growth Period

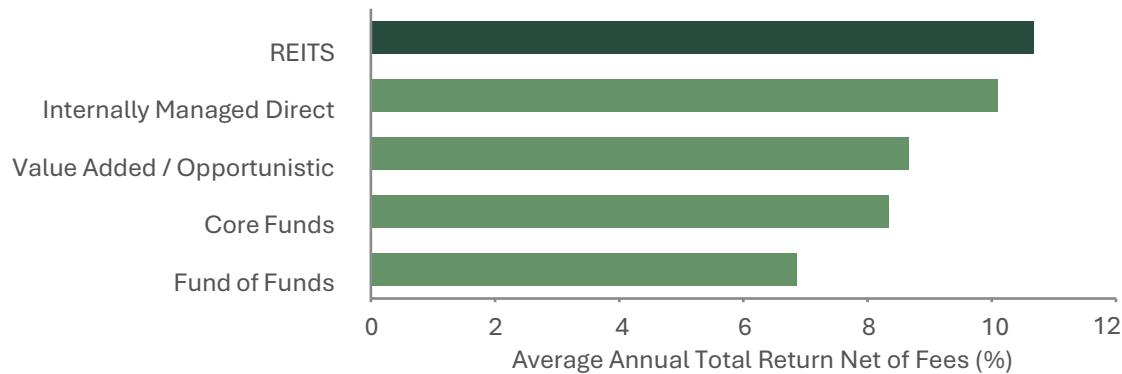
	1960 – 1979
	1980 – 1999
	2000 – 2014
	2015 – 2022

### Number of Global Listed REITs over the years



Source: <https://www.reit.com/investing/global-real-estate-investment>

### Annual Net Total Return for Real Estate 1998 - 2019



Source: CEM Benchmarking, 2021

### Local REITs

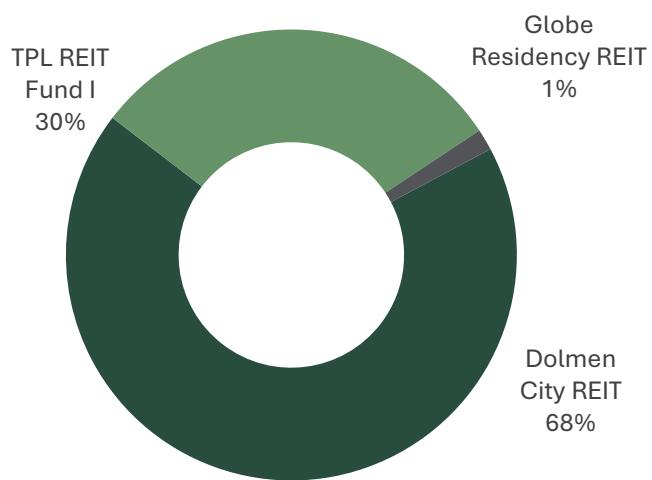
The real estate sector of Pakistan is a vast and complex industry, with a share in GDP of 8.1%. According to the World Bank, around 80% of the wealth held by Pakistanis is related to real estate.

REITs in Pakistan is a recent yet promising concept. There are two listed REITs namely Dolmen City REIT (rental REIT in perpetuity) and Globe Residency REIT (developmental REIT with finite life), with a combined market capitalization of over PKR 32 Billion, with over a dozen ongoing REITs.

While market share within the entire sector is not quantifiable, it can be computed with respect to the listed REITs where TPL REIT Fund I holds a significant market share.

Based on the recent NAVs of listed REIT Funds in Pakistan TPL REIT Fund I commands a 30% market share by offering both rental and developmental projects.

Market Share  
(based on NAV of Dec 31, 2023)



Source: Pakistan Stock Exchange, Financial Statements of REIT Schemes

## 4. REIT SCHEME AND RELATED MATTERS

### 4.1 UNIT CAPITAL

No. of Units	Unit Holders	Face Value (PKR)	Premium (PKR)	Total (PKR)
1,835,000,000	Authorized Capital	10	-	18,350,000,000
1,835,000,000	Issued, Subscribed, & paid-up units	10	-	18,350,000,000

Issued, Subscribed, & Paid-up Capital of TPL REIT Fund I is Held as Follows:						
No. of Units	%	Units held by:	Face Value (PKR)	Premium (PKR)	Consideration	Total (PKR)
<b>Strategic Investor</b>						
710,000,000	38.69%	TPL Properties	10	-	Non-Cash	7,100,000,000
<b>710,000,000</b>	<b>38.69%</b>	<b>Total Strategic Investor</b>	<b>10</b>	<b>-</b>		<b>7,100,000,000</b>
<b>Accredited / Anchor Investors</b>						
225,000,000	12.26%	Habib Bank Limited	10	-	Cash	2,250,000,000
200,000,000	10.90%	National Bank of Pakistan	10	-	Cash	2,000,000,000
200,000,000	10.90%	The Bank of Punjab	10	-	Cash	2,000,000,000
150,000,000	8.17%	Bank Al Habib Limited	10	-	Cash	1,500,000,000
100,000,000	5.45%	Bank Al Falah Limited	10	-	Cash	1,000,000,000
100,000,000	5.45%	Askari Bank Limited	10	-	Cash	1,000,000,000
100,000,000	5.45%	Habib Metro Bank	10	-	Cash	1,000,000,000
50,000,000	2.72%	Soneri Bank Limited	10	-	Cash	500,000,000
<b>1,125,000,000</b>	<b>61.31%</b>	<b>Total Accredited / Anchor Investors</b>	<b>10</b>	<b>-</b>		<b>11,250,000,000</b>
<b>1,835,000,000</b>	<b>100.0%</b>	<b>Total</b>	<b>10</b>	<b>-</b>		<b>18,350,000,000</b>

OFFER FOR SALE – BASE OFFER					
No. of Units	%	Units held by:	Face Value (PKR)	Premium (PKR)	Total (PKR)
22,937,500	1.25%	General Public	10	7.59	403,470,625

**Pre and Post IPO Holding of the REIT Scheme**

	Existing Unitholding		Units Offered in IPO* (Base Offer)		Post IPO Unitholding	
	Units	% of existing capital	Units	% of base offer	Units	% of Post IPO capital
TPL Properties Limited	710,000,000	38.69%	8,875,000	38.69%	701,125,000	38.21%
Habib Bank Limited	225,000,000	12.26%	2,812,500	12.26%	222,187,500	12.11%
National Bank of Pakistan	200,000,000	10.90%	2,500,000	10.90%	197,500,000	10.76%
The Bank of Punjab	200,000,000	10.90%	2,500,000	10.90%	197,500,000	10.76%
Bank Al Habib Limited	150,000,000	8.17%	1,875,000	8.17%	148,125,000	8.07%
Bank AlFalah Limited	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Askari Bank Limited	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Habib Metropolitan Bank	100,000,000	5.45%	1,250,000	5.45%	98,750,000	5.38%
Soneri Bank Limited	50,000,000	2.72%	625,000	2.72%	49,375,000	2.69%
General Public					22,937,500	1.25%
<b>Total</b>	<b>1,835,000,000</b>	<b>100%</b>	<b>22,937,500</b>	<b>100%</b>	<b>1,835,000,000</b>	<b>100%</b>

\* Please note that units are being offered by each of the Offeror on proportionate basis in relation to existing unitholding.

Note: It is pertinent to mention that Constitutive Documents of the REIT Scheme do not impose any restrictions on selling / transferring of Units of Anchor Investors post listing, hence, the entire unitholding of Anchor Investors will be considered part of the free float.

#### **4.2 UNITS TO BE KEPT IN BLOCKED ACCOUNT AS PER REIT REGULATIONS**

As per regulation 13(1) of the REIT Regulations, an RMC shall hold or arrange through Strategic Investor(s), a minimum twenty-five (25) percent Units of the initial size of the REIT Scheme, till revocation of the fund or listing of REIT Scheme, whichever is earlier and the same shall be kept in an account marked as blocked. In this respect, it should be noted that none of the units are required to be blocked after listing of the REIT Scheme under REIT Regulations.

#### **4.3 UNITS TO BE KEPT IN BLOCKED ACCOUNT AS PER PUBLIC OFFERING REGULATIONS**

Clause 5(1), 5(2), 5(3) and 5(4) of the PO Regulations are not applicable in case of listing of REIT Scheme.

#### **4.4 PRESENT OFFER**

The Base Offer comprises of 22,937,500 Units of the REIT Scheme having a face value of PKR 10/- per unit. The offer also has a Green Shoe Option for 22,387,000 Units. If the demand received is higher than the Base Offer, the Green Shoe Option for a maximum of 22,387,000 units representing 1.22% of the issued, subscribed and paid-up Units of the REIT Scheme, shall be mandatorily exercised.

The entire Offer will be made through the Fixed Price Method at an Offer Price of PKR 17.59/- per unit to the General Public.

#### 4.5 GREEN SHOE OPTION

Green Shoe Option is an option to be mandatorily exercised by the Offerors if the demand for the Offer is higher than the Base Offer of up to 22,387,000 units representing 1.22% of the issued, subscribed, and paid-up Units of REIT Scheme. After reconciliation of the subscription received, TPL RMC will notify through an announcement on PSX, regarding subscription received against the Green Shoe Option.

The combined Offer including the Base Offer and the Green Shoe Option is shown below:

Offer Type	% of Unit holding	Maximum No. of Units	Face Value (PKR)	Offer Price (PKR)	Total (PKR)
Base Offer	1.25%	22,937,500	10	17.59	403,470,625
Green Shoe Option	1.22%	22,387,000	10	17.59	393,787,330
<b>Total</b>	<b>2.47%</b>	<b>45,324,500</b>	<b>10</b>	<b>17.59</b>	<b>797,257,955</b>

#### 4.6 UNITS ISSUED IN THE PRECEDING YEARS

Following is the detail of Units issued in preceding years:

S. No.	Investor Name	No. of Units Issued	Value of Units Issued	Date of Issuance	Consideration
1	TPL Properties Limited	547,500,000	5,475,000,000	24-Jun-22	Other than cash (Acquired SPVs)
2	Habib Bank Limited	112,500,000	1,125,000,000		Cash
3	National Bank of Pakistan	100,000,000	1,000,000,000		Cash
4	The Bank of Punjab	100,000,000	1,000,000,000		Cash
5	Bank AL Habib Limited	75,000,000	750,000,000		Cash
6	Bank AlFalah Limited	50,000,000	500,000,000		Cash
7	Habib Metropolitan Bank Limited	50,000,000	500,000,000		Cash
8	Askari Bank Limited	50,000,000	500,000,000		Cash
9	Soneri Bank Limited	25,000,000	250,000,000		Cash
10	TPL Properties Limited	162,500,000	1,625,000,000	08-Dec-22	Other than cash (Acquired SPV)
11	Habib Bank Limited	45,000,000	450,000,000	20-Dec-22	Cash
12	National Bank of Pakistan	40,000,000	400,000,000		Cash
13	The Bank of Punjab	40,000,000	400,000,000		Cash
14	Bank AL Habib Limited	30,000,000	300,000,000		Cash
15	Bank AlFalah Limited	20,000,000	200,000,000		Cash
16	Habib Metropolitan Bank Limited	20,000,000	200,000,000		Cash
17	Askari Bank Limited	20,000,000	200,000,000		Cash
18	Soneri Bank Limited	10,000,000	100,000,000	28-Dec-23	Cash
19	Habib Bank Limited	67,500,000	675,000,000		Cash
20	National Bank of Pakistan	60,000,000	600,000,000		Cash
21	The Bank of Punjab	60,000,000	600,000,000		Cash
22	Bank AL Habib Limited	45,000,000	450,000,000		Cash

23	Bank Alfalah Limited	30,000,000	300,000,000		Cash
24	Habib Metropolitan Bank Limited	30,000,000	300,000,000		Cash
25	Askari Bank Limited	30,000,000	300,000,000		Cash
26	Soneri Bank Limited	15,000,000	150,000,000		Cash
	<b>Total</b>	<b>1,835,000,000</b>	<b>18,350,000,000</b>		

#### 4.7 UNITS ISSUED AT PRICE LOWER THAN OFFER PRICE

As discussed in Section 3.1 above, TPLP contributed real estate assets in the REIT Scheme at a value of PKR 7,100 Mn while the Anchor Investors made cash contribution of PKR 11,250 Mn. These contributions were locked at par value of PKR 10/unit under Unit Subscription Agreements (USAs) of Strategic Investor and each Anchor Investors with TPL REIT Fund I dated May 11, 2022.

The Financial Close of the REIT Scheme took place on **June 24, 2022** on which **aggregate investment commitments of PKR 18,350 Mn were received**.

The first tranche was received upon the financial close (June 24, 2022) to the tune of PKR 5,625 Mn. Subsequently the second tranche of PKR 2,250 Mn was received on December 20, 2022, while the third tranche of PKR 3,375 Mn has been received on December 28, 2023.

While it may appear that Anchor Investors have made disbursement at PKR 10/unit in the REIT Scheme 3 months prior to the IPO, however, it is important to note the following:

1. The Anchor Investors evaluated the opportunity and committed to invest the entire PKR 11,250 Mn with a ‘pre-defined’ instalment schedule. Each of these instalments / tranches had certain prerequisites that TPL RMC had to achieve merely to align the funds disbursement with the progress of the REIT Scheme. The tranches / instalments are not treated as new fund raising and do not follow the mechanism of ‘further issue of units’ rather a drawdown notice is issued to Anchor Investors, and they disburse the amount honoring their commitments under the USAs.
2. The subscription price of PKR 10/unit was determined, offered, and agreed with the Anchor Investors almost 18 months ago and hence, no new investment decision was made by the Anchor Investors while disbursing the third tranche in Dec 2023.

## 5. REIT MANAGEMENT COMPANY

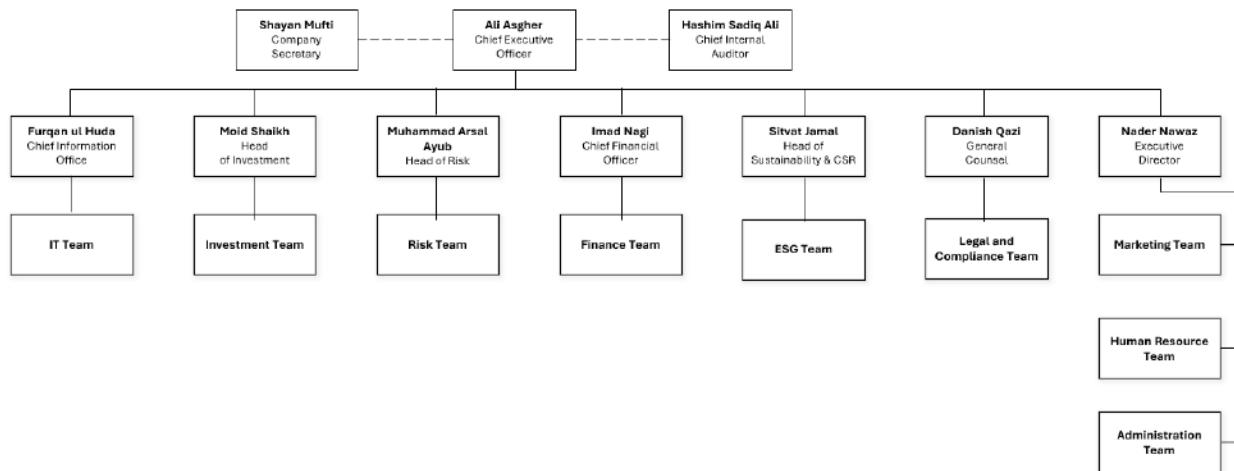
### 5.1 OVERVIEW OF THE REIT MANAGEMENT COMPANY

<b>Name</b>	TPL REIT Management Company Limited
<b>Registered Address</b>	20 <sup>th</sup> Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi
<b>Date of Incorporation</b>	October 12, 2018

TPL RMC was incorporated in Pakistan as a public limited company on October 12, 2018, under the Companies Act, 2017. In 2019, TPL RMC was granted license to undertake REIT Management Services under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the REIT Regulations. TPL RMC is rated **RM3+ by PACRA** on 23<sup>rd</sup> Dec, 2023 with a stable outlook.

TPL RMC has an unparalleled governance structure due to presence of local and foreign professionals on its Board bringing expertise in the areas of REITs, capital markets and fund management. In addition to this, most of the Board members are independent directors.

### 5.2 ORGANOGRAM / ORGANISATIONAL STRUCTURE OF THE RMC



### 5.3 SPONSORS OF THE RMC

TPL Properties is the parent company of TPL RMC. It was established in 2007 and is focused on sustainable environment friendly real estate developments. The company has partnered with a number of reputed international and domestic design and engineering firms to deliver the highest level of quality and set new benchmarks in Real Estate in Pakistan.

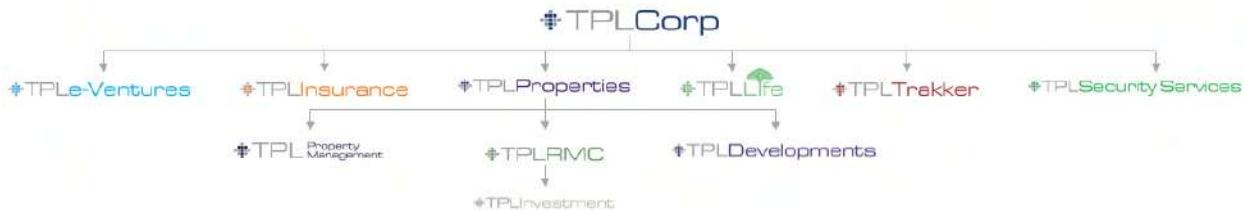
TPL Properties Limited is Pakistan's premium multi-dimensional Real Estate Developer and a major contributor to realizing the vision of Pakistan towards urban and modernized real estate. The principal activities of TPLP are to invest, purchase, develop, sell, lease, or dispose of real estate assets primarily in the sustainable commercial and residential asset classes. It is one of two listed real estate developers in the domestic market, which operates in the niche of developing Premier Grade-A Sustainable Real Estate Assets and is rated A+ by local Credit Rating Agency, PACRA on 28<sup>th</sup> Apr, 2023.

TPLP is the first Pakistani company to secure funding facility from DFC (previously OPIC), to finance the construction of its flagship project, Centrepoint Building. The facility was pre-paid by TPLP. The building adheres to the highest international standards of design and technology in commercial buildings and is a

unique addition to Karachi's skyline. Within 2 years of completion of this iconic project, TPLP successfully attained 100% occupancy rate for Centrepoint Building in 2015.

The same year, the company gauged interest of Tundra Fonder, a Swedish investor, as a pre-IPO investor to attain listing on PSX in 2016, while also successfully exited from its flagship project at premium valuation in 2020. The investment yielded an IRR of ~22% and a return on investment of ~130%.

TPLP is part of TPL Group which is one of the leading business conglomerates of Pakistan with businesses across a variety of sectors including real estate, insurance, transport, security, technology, vehicle and container tracking, navigation and mapping solutions and financial sectors.



TPLP serves as the flagship platform of TPL Group with the following structure.

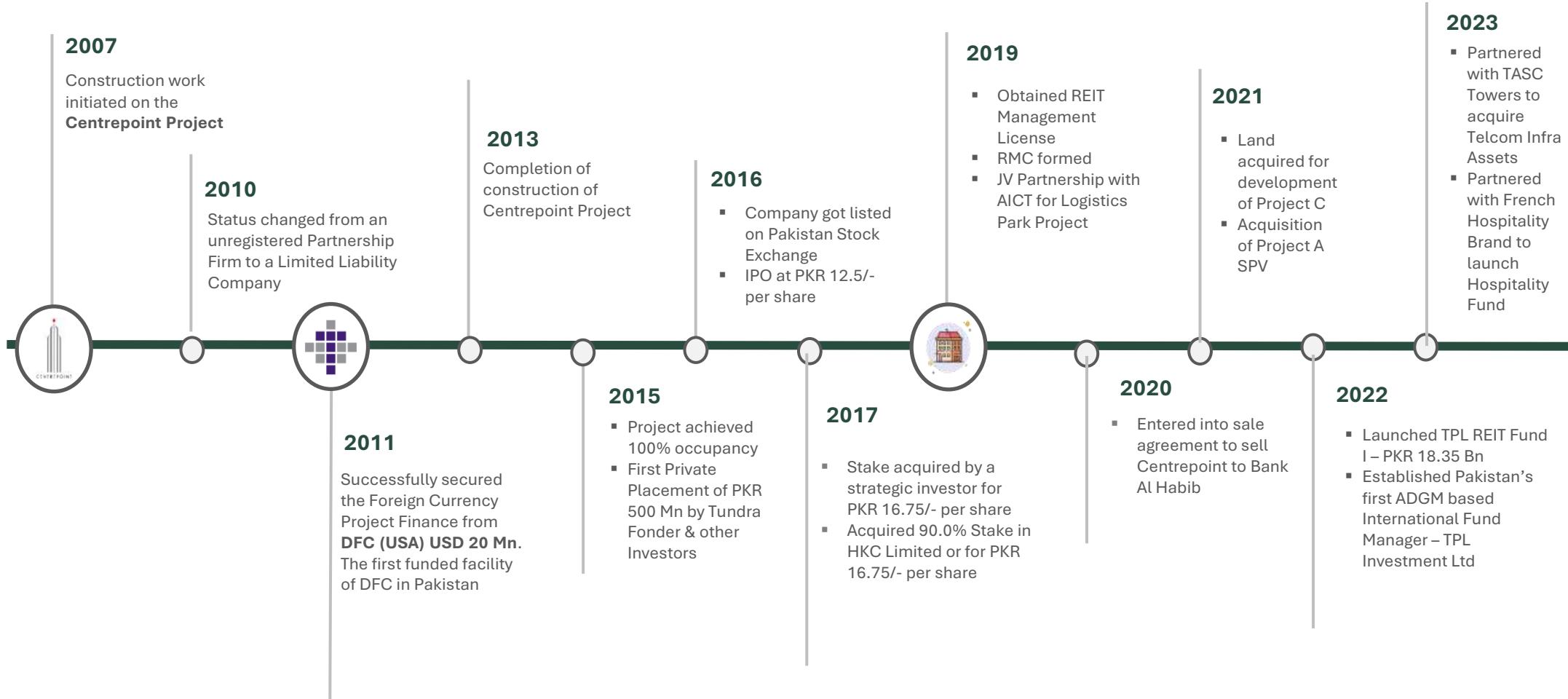


Its fully owned subsidiaries include TPL RMC (the REIT Manager of its projects), TPL Developments (the Developer of its projects) and TPL Property Management (the Property Manager of its projects). TPL RMC has a wholly owned subsidiary named TPL Investment Limited which shall serve as the Fund Manager for the Offshore Feeder Fund of the REIT Scheme.

#### 5.4 PATTERN OF SHAREHOLDING OF TPL RMC

S.No	Shareholder	Designation	No. of shares held	Value of shares held	% Shareholding
1	TPL Properties Limited	Parent	85,629,993	856,299,930	100
2	Muhammad Adnan Afaq	Director	1	10	0
3	Vanessa Eastham Fisk	Director	1	10	0
4	Abdul Wahab Al- Halabi	Director	1	10	0
5	Ali Asgher	Director	1	10	0
6	Muhammad Ali Jameel	Director	1	10	0
7	Imran Husain	Director	1	10	0
8	Osman Asghar Khan	Director	1	10	0
<b>Total</b>			<b>85,630,000</b>	<b>856,300,000</b>	<b>100</b>

## 5.5 KEY MILESTONES



## 5.6 AUDITED FINANCIAL INFORMATION OF THE RMC

Financial information of the RMC is given in section 2.2.1 above.

## 5.7 DUTIES & POWERS OF RMC

The RMC would perform its duties / obligations as stated in Regulation 15 of Chapter VIII of the REIT Regulations.

## 5.8 DETAILS OF OTHER REIT SCHEMES LAUNCHED BY THE RMC

TPL REIT Fund I is the only REIT Scheme launched by TPL RMC as of the date of this OFSD.

## 5.9 RELATED PARTY TRANSACTIONS

Related party transactions of the RMC are given in section 2.2.4 above.

## 5.10 ASSOCIATED COMPANIES OF THE RMC

S. No	Name of Company	Nature of Business	Status of Operations	Nature of Relation	Shareholding in RMC
1	TPL Holdings (Private) Limited	Holding Company	Active	Association by way of Common Directorship of Ali Jameel	-
2	TPL Corp Limited	Holding Company	Active	Association by way of Common Directorship of Ali Jameel	-
3	TPL Properties Limited	Real Estate	Active	Association by way of Common Directorship of Ali Jameel	100%
4	TPL REIT Fund I (Trust)	Trust	Active	Association by way of Common Directorship of Ali Jameel	-
5	HKC (Private) Limited	Special-Purpose Vehicle (SPV)	Active	Association by way of Common Directorship of Ali Jameel and Ali Asgher	-
6	National Management Consultancy Services (Private) Limited	Special-Purpose Vehicle (SPV)	Active	Association by way of Common Directorship of Ali Jameel and Ali Asgher	-
7	TPL Property Management (Private) Limited	Facility Management	Active	Association by way of Common Directorship of Ali Jameel and Ali Asgher	-
8	TPL Developments (Private) Limited	Real Estate	Active	Association by way of Common Directorship of Ali Jameel	-
9	TPL Logistics Park (Private) Limited	Holding Company	Active	Association by way of Common Directorship of Ali Jameel and Ali Asgher	-
10	TPL Technology Zone Phase-1 (Private) Limited	Special-Purpose Vehicle (SPV)	Active	Association by way of Common Directorship of Ali Jameel and Ali Asgher	-
11	TPL Investment Management Limited (ADGM)	Investments	Active	Association by way of Common Directorship of Ali Jameel	-
12	TPL Insurance Limited	Insurance	Active	Association by way of Common Directorship of Ali Jameel	-
13	TPL Life Insurance Limited	Life Insurance	Active	Association by way of Common Directorship of Ali Jameel	-
14	TPL Security Services (Private) Limited	Security Services	Active	Association by way of Common Directorship of Ali Jameel	-
15	Trakker Middle East	Tracking	Active	Association by way of Common Directorship of Ali Jameel	-

16	Fauji Fresh n Freeze (FFFL)	Foods	Active	Association by way of Common Directorship of Imran Hussain	-
17	German Shepherd Dog Club Pakistan (Private) Limited	Dog Organization	Active	Association by way of Common Directorship of Imran Hussain	-
18	Union Arab Bank PJSC	Banking	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
19	Abu Dhabi Islamic Bank PJSC	Banking	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
20	Decker & Halabi DMCC Limited	Advisory Firm	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
21	Embassy Capital	Multi Business Company	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
22	FFAA Limited	-	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
23	Proximus Limited	Digital Services	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
24	AAH Holding Limited	Investments	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
25	Al Massaleh Real Estate Company KSC	Real Estate	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
26	PET JerseyCo Limited	-	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
27	PET UK MidCo Limited	-	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
28	PET Belgium UK Limited	-	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
29	PET Bahrain UK Limited	-	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
30	JBF BH Investment in Commercial Enterprises and Management L.L.C	Investments	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
31	SNB Capital Special Real Estate Fund	Trust	Active	Association by way of Common Directorship of Abdul Wahab Al-Halabi	-
32	Route 16 (Private) Limited	Multi business Company	Active	Association by way of Common Directorship of M. Adnan Afaq	-
33	Caravan of Life Trust	Multi business Company	Active	Association by way of Common Directorship of M. Adnan Afaq	-
34	ABC International Bank PLC, Europe	Banking	Active	Association by way of Common Directorship of Vanessa Eastham Fisk	-
35	Afiniti Software Solutions	Information Technology	Active	Association by way of Common Directorship of Osman Asgher Khan	-
36	The Bank of Khyber	Banking	Active	Association by way of Common Directorship of Osman Asgher Khan	-
37	Bahria Foundation	Multi Business Company	Active	Association by way of Common Directorship of Osman Asgher Khan	-

38	Homechef	Food	Active	Association by way of Common Directorship of Osman Asgher Khan	-
39	TPL Trakker Limited	Tracking	Active	Association by way of Common Management	-
40	TPL e-Ventures Private Limited	Venture Capital	Active	Association by way of Common Management	-
41	Rider Logistics (Singapore) Pte. Limited	Logistics	Active	Association by way of Common Management	-
42	TPL Tech Pakistan Private Limited	Technology	Active	Association by way of Common Management	-
43	Astra Location Services (Private) Limited	Technology	Active	Association by way of Common Management	-
44	Astra Location Services (Singapore) Pte. Limited	Technology	Active	Association by way of Common Management	-

## 5.11 FINANCIAL PERFORMANCE OF THE LISTED ASSOCIATED COMPANIES

Brief information of the listed associated companies of TPL REIT Management Company Limited along with financial highlights are given below.

Name of Company	Registration Number	Date of Listing	Date of Incorporation
TPL Corp Limited	0068247	July 16, 2012	December 4, 2008
TPL Insurance Limited	0028772	September, 2011	October 29, 1992
TPL Properties Limited	0059504	July, 2016	February 14, 2007
TPL Trakker Limited	0104503	August 10, 2020	December 27, 2016

TPL Corp – Consolidated	Unit	FY2021	FY2022	FY2023
Paid Up Capital	PKR ('Mn)	2,673	2,673	2,673
Shareholder's Equity	PKR ('Mn)	7,634	10,938	12,054
Total Assets	PKR ('Mn)	21,617	27,771	33,008
Total Liabilities	PKR ('Mn)	13,983	16,833	20,954
Revenue	PKR ('Mn)	5,362	11,622	11,756
Gross margin	%	20%	65%	62% <sup>1</sup>
Profit before tax	PKR ('Mn)	(117)	4,011	1,788
Profit after tax	PKR ('Mn)	(193)	4,394	1,189 <sup>2</sup>
Profit after tax margin	%	-4%	38%	10%
Earnings per share attributable to TPL Corp	PKR	(0.50)	3.97	(1.77) <sup>3</sup>
Breakup value per share	PKR	28.56	40.92	45.09
Cash dividend per share	PKR	-	-	-
Rate of Cash dividend paid <sup>4</sup>	%	-	-	-
Bonus Shares	%	-	-	-
Return on Equity	%	-3%	40%	10%
Return on Assets	%	-1%	16%	4% <sup>5</sup>

Notes:

1. A high GP margin is observed because ~50% of the revenue of TPL Corp in FY2022 and ~36% of the revenue in FY2023 consists of gain on sale of property and fair value gain on investments and no cost is associated to these items
2. Net Income declined in FY2023 due to increase in administrative expenses (mostly salaries and wages) by PKR 1.2 bn, finance cost by PKR 0.7 bn, other expenses and taxation.
3. Please refer to the reason mentioned above for low EPS. Further, the EPS reflects the owner's portion which

is negative. Some of the subsidiaries in which TPL Corp has controlling stake (>51%) incurred losses, while primarily TPLP in which it has 38.4% stake reported profit because of which there is profit on consolidated basis.

4. TPL Corp has not been paying dividends for the past few years because some of the businesses in which it has invested are in a growing phase and they not only require earnings plowback but also an additional support from the TPL Corp. Therefore, TPL Corp is supporting and strengthening these businesses to create long term value while deferring current pay outs.

5. Return on assets has decreased due to decrease in profit for the period and increase in total assets of the company by PKR 5 bn on the other hand.

TPL Insurance	Unit	CY2020	CY2021	CY2022
Paid Up Capital	PKR ('Mn)	939	1,172	1,984
Shareholder's Equity	PKR ('Mn)	840	1,527	2,144
Total Assets	PKR ('Mn)	3,501	4,786	5,971
Total Liabilities	PKR ('Mn)	2,661	3,259	3,827
Revenue	PKR ('Mn)	2,747	3,284	3,823
Profit before tax	PKR ('Mn)	79	(5)	65
Profit after tax	PKR ('Mn)	40	(10)	18
Profit after tax margin	%	1.85%	-0.42%	0.61% <sup>1</sup>
Earnings per share	PKR	(0.54)	0.66	0.03
Breakup value per share	PKR	8.95	13.03	10.81
Cash dividend per share	PKR	-	-	-
Rate of Cash dividend paid	%	-	-	-
Bonus Shares	%	-	-	35%
Return on Equity	%	5%	-1%	1%
Return on Assets	%	1%	0%	0%

Note:

1. The lower profitability in 2022 is mainly attributed to realized and unrealized losses in equity market and mutual funds and investments made in digital infrastructure and penetration into new segments. Insurance penetration in Pakistan is comparatively low in the region. The company is focused on digitizing its operations by providing innovative insurance solutions to the customers. The Company looks to continue on the path of innovation and disruption with customer centric solutions that deliver customer needs and surpass customer expectations. It is continuously expanding its existing product base and improving customer experience with tech driven solutions such as advanced telematics, wellness solutions and 'Buy Now Pay Later' offering. These solutions shall cement company's position as an insurtech leader with improved digital footprint, advance risk management via customer profiling and price optimization. The investment in technology and new product suites shall improve the company's profitability in the longer term.

TPL Properties Limited - Consolidated	Unit	FY2021	FY2022	FY2023
Paid Up Capital	PKR ('Mn)	3,274	5,107	5,698
Shareholder's Equity	PKR ('Mn)	6,333	11,687	13,595
Total Assets	PKR ('Mn)	9,545	15,168	19,118
Total Liabilities	PKR ('Mn)	3,212	3,481	5,524
Revenue	PKR ('Mn)	438	6,432	5,508
Gross margin	%	72%	100%	99% <sup>1</sup>
Profit before tax	PKR ('Mn)	59	5,051	3,308
Profit after tax	PKR ('Mn)	70	5,327	2,909
Profit after tax margin	%	16%	83% <sup>2</sup>	53% <sup>3</sup>
Earnings per share	PKR	0.18	9.62	5.29
Breakup value per share	PKR	19.35	21.25	23.86
Cash dividend per share	PKR	1.00	-	2.00
Rate of Cash dividend paid	%	10%	-	20%

Bonus Shares	%	-	60%	-
Return on Equity	%	1%	46%	21%
Return on Assets	%	1%	35%	15%

## Notes:

1. A high gross margin is observed because ~92% of the revenue of TPLP in FY2022 and ~78% of the revenue in FY2023 consists of gain on sale of property and unrealized gain on investments and no cost is associated to these items.
2. Increase in net margin in FY2022 is on account of significant increase in topline of the company and lower expenses, thereby also increasing the total income.
3. Decrease in net margin is due to increase in expenses by PKR 0.8 bn, loss from discontinued operations and increase in taxation, thereby affecting the net income.

TPL Trakker Limited – Consolidated	Unit	FY2021	FY2022	FY2023
Paid Up Capital	PKR ('Mn)	1,873	1,873	1,873
Shareholder's Equity	PKR ('Mn)	2,145	1,827	1,444
Total Assets	PKR ('Mn)	7,419	6,240	6,249
Total Liabilities	PKR ('Mn)	5,274	4,413	4,805
Revenue	PKR ('Mn)	2,111	2,342	2,784
Gross margin	%	33%	35%	38%
Profit before tax	PKR ('Mn)	(75)	(88)	(180)
Profit after tax <sup>1</sup>	PKR ('Mn)	(109)	23	(229)
Profit after tax margin	%	-5%	1%	-8%
Earnings per share	PKR	(0.31)	0.61	(0.86)
Breakup value per share <sup>2</sup>	PKR	11.45	9.76	7.71
Cash dividend per share	PKR	-	-	-
Rate of Cash dividend paid	%	-	-	-
Bonus Shares	%	-	-	-
Return on Equity	%	-5%	1%	-16%
Return on Assets	%	-1%	0%	-4%

## Notes:

1. The company generated operating profits in all these years but generated net loss in FY2021 and FY2023 due to higher level of debt and subsequently, higher finance cost. For FY2023 specifically, although overall levels of debt decreased, the higher interest rates resulted in higher finance costs.
2. Decrease in breakup value from FY2021 to FY2022 is on account of decrease in total assets. While the decrease in breakup value from FY2022 to FY2023 is due to increase in liabilities of the company.

## 5.12 AUDITOR CERTIFICATE ON NET WORTH OF THE REIT MANAGEMENT COMPANY REQUIRED UNDER CLAUSE 6(C)OF FOURTH SCHEDULE OF REIT REGULATIONS



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

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

Our ref KA-ZS-864  
Contact Muhammad Taufiq

8 March 2024

Dear Board Members,

### Auditor's Certificate on Net Worth of the Company Required Under Clause 6(c) of the Fourth Schedule of the Real Estate Investment Trust Regulations, 2022

We have been requested to provide a certificate on the annexed statement, prepared on the basis of unaudited management accounts, which contains the Net Worth of TPL REIT Management Company Limited (the 'Company') as at 31 December 2023.

#### Scope of Certificate

The engagement is to provide a certificate on the annexed statement prepared on the basis of the unaudited management accounts which contains the details of the Net Worth of the Company as at 31 December 2023 as required under the Clause 6(c) of the Fourth Schedule of the Regulations.

#### Management Responsibility

It is the management responsibility to prepare the annexed statement, based on the unaudited management accounts, which contains the Net Worth of the Company as at 31 December 2023, in accordance with the definition of Net Worth given in section 2(43) of the Companies Act 2017.

Management is also responsible for ensuring compliance with the requirements of the laws and regulations applicable to the Company. This certificate does not relieve the management of its responsibilities.

#### Auditor's Responsibility

Our responsibility is to certify that the calculation of Net Worth of the Company as at 31 December 2023 as appearing in the annexed statement in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the Institute of Chartered Accountant of Pakistan. Our verification was limited to the procedures as mentioned below:

- Tracing the amount of total asset as at 31 December 2023, with unaudited management accounts prepared by the management of the Company.

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



**TPL REIT Management Company Limited**  
Auditor's Certificate on Net Worth of the Company Required  
Under Clause 6(c) of the Fourth Schedule of the Real Estate  
Investment Trust Regulations, 2022  
8 March 2024

KPMG Taseer Hadi & Co.

- Tracing the amount of total liabilities as at 31 December 2023, with the unaudited management accounts prepared by the management of the Company.
- Checking the calculation of net worth of the company by subtracting the total liabilities from the total assets as appearing in the unaudited management accounts prepared by the management of the Company.

**Certificate**

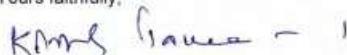
Based on the procedure mentioned above, we certify that the information contained in the annexed statement, prepared on the basis of the unaudited management accounts regarding the net worth of the company as at 31 December 2023, is calculated as per definition of Net Worth given in section 2(43) of the Companies act 2017.

No financial statements of the Company have been audited by us subsequent to the audit of the Company for the year ended 30 June 2023. Our procedures were limited to tracing the values of total assets and liabilities and checking the calculation of net worth without verifying the authenticity of the balances appearing in the unaudited management accounts prepared by the Company's management.

**Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor on the special request of the management in relation to the requirements under Clause 6(c) of the Fourth Schedule of the Regulations for the purpose of inclusion in prospectus and for onward submission to Pakistan Stock Exchange Limited (PSX) and Securities and Exchange Commission of Pakistan (SECP) and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.p

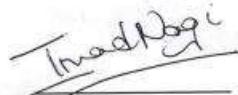
Yours faithfully,



TPL REIT Management Company Limited  
NET WORTH OF THE COMPANY AS PER  
UNCONSOLIDATED FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2023

(Rupees in '000)

Issued, subscribed and paid-up capital as at June 30, 2023	551,300
Issuance of Right shares dated November 10, 2023	305,000
Accumulated profit as of December 31, 2023	550,262
<b>Total net worth as of December 31, 2023</b>	<b>1,406,562</b>



Chief Financial Officer of  
the TPL REIT  
Management Company  
Limited



Chief Executive Officer of  
the TPL REIT  
Management Company  
Limited



## 6. DETAILS OF THE TRUSTEE, TRUST DEED AND OTHER DISCLOSURES

---

Name of Trustee	Digital Custodian Company Limited
Registered Address of Trustee	B1, LSE Plaza, Kashmir Egerton Road, Lahore

### 6.1 ABOUT THE TRUSTEE

Formerly known as MCB Financial Services Limited, Digital Custodian Company Limited (“DCCL”) is appointed as the Trustee for TPL REIT, to separately hold and take custody of the shares of SPVs of TPL REIT.

DCCL has repositioned as Pakistan’s first Blockchain FinTech to function as a fully digitized custodian/registry and Trustee of assets, besides aiming to provide smart contract platform solutions. At present, DCCL is one of the only two trustee/custodian companies in Pakistan, providing independent asset holding services to Investment Advisors, Debt Securities, Discretionary Portfolios, Specialized Trusts, and Specially Managed Accounts.

### 6.2 TRANSFER OF REAL ESTATE / SHAREHOLDING TO TRUSTEE

#### 6.2.1 NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED – MANGROVE

The entire shareholding of the SPV in respect of the Mangrove project has been vested in the name of the Trustee, Digital Custodian Company Limited, on June 24, 2022.

#### 6.2.2 HKC (PRIVATE) LIMITED – ONE HOSHANG

94.6% shareholding of the SPV in respect of the One Hoshang project has been vested in the name of the Trustee, Digital Custodian Company Limited, on June 24, 2022.

#### 6.2.3 TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED – TECHNOLOGY PARK

The entire shareholding of the SPV in respect of the Technology Park project has been vested in the name of the Trustee, Digital Custodian Company Limited, on December 08, 2022.

### 6.3 BOARD OF DIRECTORS OF THE TRUSTEE

S. No.	Name	Director Type
1	Mr. Muhammad Iqbal	Chairman
2	Ms. Maleeha Humayun Bangash	Independent Director
3	Dr. Yusuf Zafar	Independent Director
4	Mr. Shoaib Mir	Independent Director
5	Mr. M. Khalid Farooq Qazi	Non-Executive Director
6	Mr. Naseer Akhtar	Non-Executive Director
7	Mr. Farrukh Younas Khan	Non-Executive Director
8	Mr. Muhammad Nasir Mirza	Non-Executive Director
9	Mr. Mukhtar Hussain Jaffery	Non-Executive Director
10	Mr. Aftab Ahmad Chaudhry	Chief Executive Officer

### 6.4 SUMMARY OF THE SUBSTANTIVE PROVISIONS OF THE TRUST DEED

Digital Custodian Company Limited (“DCCL”) was appointed as the Trustee of the REIT Scheme via the Trust Deed dated December 06, 2021, executed between the Trustee and TPL RMC, and registered under the Sindh Trust Act on December 10, 2021. The Trust Deed governs the way in which the REIT operates and sets out the rights and benefits attaching to the Units.

The following paragraphs have been summarized from the Trust Deed, therefore, any reference to an article means reference to the article of the Trust Deed and capitalized terms shall have the same meaning as they have been assigned to in the Trust Deed.

Further, please note that the Trust Deed was prepared pursuant to the Real Estate Investment Trust Regulations, 2015 which are updated from time to time. Accordingly, in accordance with Article 38.1 of the Trust Deed, where there is any conflict between the provisions of the Trust Deed and the REIT Regulations (as prevailing from time to time), the provisions of then applicable REIT Regulations will prevail.

It may however be noted that the REIT Regulations prescribe minimum requirements, obligations, and rights for the protection of the investors. Accordingly, the Trust Deed may contain provisions that confer additional requirements, obligations, and rights over and above such minimum requirements so long as the same are not in direct conflict with the provisions of the REIT Regulations. Such provisions of the Trust Deed are supplementary in nature and are therefore not considered in conflict with the framework stipulated by the REIT Regulations.

### **Objective of the Trust**

The REIT Scheme has been established with the objective of investing in REIT Projects through SPVs in accordance with the Constitutive Documents and Applicable Laws to generate income/returns for Unit Holders.

### **Rights of the Beneficiaries of the Trust**

The beneficiaries under the Trust are the Unit Holders who enjoy all rights in accordance with the Constitutive Documents and the REIT Regulations. For more information, please refer to Section 6.5 of the OFSD.

### **Obligations of the Trustee**

The Trust Deed executed between TPL RMC and DCCL outlines the obligations of the Trustee in TPL REIT. DCCL is obligated to carry out and ensure the following key duties:

- i. exercise due diligence and vigilance in carrying out its functions and duties under the Constitutive Documents, REIT Regulations and all other applicable laws;
- ii. ensure that the REIT Assets are held by it on behalf of the Unit Holders in accordance with the Constitutive Documents and applicable laws;
- iii. ensure that the title to all REIT Assets is lawfully vested in it;
- iv. deposit all the money received by it in relation to the REIT Scheme with a bank which has the minimum rating as prescribed under the REIT Regulations;
- v. carry out the instructions of RMC (including in relation to the acquisition, disposal of or otherwise dealing with the REIT Assets) from time to time in relation to the REIT Scheme, unless such instructions are in conflict with the Constitutive Documents and applicable laws;
- vi. immediately inform the SECP of any action of the TPL RMC related to the REIT Scheme that is reasonably expected to be in the knowledge of the Trustee and that contravenes applicable laws;
- vii. ensure that the real estate proposed by the RMC for investment through a SPV meets the requirements of the Constitutive Documents and the REIT Regulations; and
- viii. perform any other duty or obligation as may be imposed on it from time to time under the Constitutive Documents and Applicable Laws.

For more details, please refer to Article 12 of the Trust Deed and the REIT Regulations which can be accessed from <https://www.secp.gov.pk/document/real-estate-investment-trust-regulations-2022/?wpdmdl=46227&refresh=65e80438de9fc1709704248>.

### Rights and Powers of the Trustee

The Trustee has all powers and rights as are necessary for performing its duties, functions and obligations under the Constitutive Documents and the REIT Regulations which powers and rights shall only be exercised in accordance with the Constitutive Documents and applicable laws.

For more details, please refer to Article 12.2 of the Trust Deed and the REIT Regulations which can be accessed from <https://www.secp.gov.pk/document/real-estate-investment-trust-regulations-2022/?wpdmdl=46227&refresh=65e80438de9fc1709704248>

### Obligations of the REIT Management Company

The day-to-day management and operation of the REIT Scheme is delegated to and is the responsibility of the REIT Management Company in accordance with the Constitutive Documents and in accordance with the REIT Regulations. TPL RMC's (as the REIT Management Company) material obligations include:

- (a) ensure that the Real Estate transferred to, or already held by, the SPVs meets the requirements prescribed under the REIT Regulations, including the title thereof being free from all defects, encroachments, and encumbrances, except encumbrances resulting from Borrowing (if any) as permitted and contemplated in the Constitutive Documents;
- (b) arrange transfer of Real Estate to the SPV, or arrange or cause the issuance/transfer of shares of SPV owning the Real Estate to REIT Scheme, as per binding agreements;
- (c) ensure that the REIT Assets are held in the name of the Trustee for the benefit of the Unit Holders, and the REIT Project Assets are held in the name of the SPVs, in accordance with the provisions of the Constitutive Documents and the REIT Regulations;
- (d) manage the REIT Scheme and SPVs in the best interest of Unit Holders in accordance with the Constitutive Documents and all Applicable Laws;
- (e) with the consent of the Trustee, appoint REIT intermediaries for smooth functioning of REIT Scheme;
- (f) within the prescribed timelines, prepare, and transmit (via website or in printed form) or make available on its website to the Unit Holders, the Trustee, the SECP and, where applicable, the stock exchange(s) (including PSX) on which the Units of a REIT Scheme are listed, quarterly and annual financial statements and other specified documents in accordance with the REIT Regulations;
- (g) obtain updated rating for the REIT Scheme on annual basis, or at such other time as may be specified by the SECP, and publish such rating in the accounts and advertising material;
- (h) determine or cause to determine the NAV of the REIT Scheme in accordance with the Constitutive Documents and the REIT Regulations;
- (i) adopt all the necessary arrangements for ensuring prevention of money laundering and terrorist financing in compliance with Applicable Laws;
- (j) comply with the regulations of the stock exchange(s) on which the Units of a REIT Scheme are listed (including the PSX Regulations); and
- (k) any other duty or obligation as may be imposed from time to time on the REIT Management Company under the Constitutive Documents and the REIT Regulations.

For more details, please refer to Article 10 of the Trust Deed and REIT Regulations which can be accessed from <https://www.secp.gov.pk/document/real-estate-investment-trust-regulations-2022/?wpdmdl=46227&refresh=65e80438de9fc1709704248>

#### **Powers of the REIT Management Company**

The REIT Management Company has all powers and rights as are necessary for performing its duties, functions and obligations under the Constitutive Documents and the REIT Regulations in respect of the REIT Scheme and SPVs. TPL RMC (as REIT Management Company) has the power to carry out any and all of the objects and purposes of the REIT Scheme and request any necessary information from any Unit Holder as required by applicable laws etc.

For more details, please refer to Article 10.2 of the Trust Deed and REIT Regulations which can be accessed from <https://www.secp.gov.pk/document/real-estate-investment-trust-regulations-2022/?wpdmdl=46227&refresh=65e80438de9fc1709704248>.

#### **Trustee and REIT Management Company Limitation of Liability and Indemnity**

To the fullest extent permitted by applicable law, the Trustee, REIT Management Company and their respective directors, officers, employees and agents shall not be liable to TPL REIT, the Unitholders, Project SPVs or any third party for any action or omission taken by them in connection with the management, operation, business or activities of TPL REIT and Project SPVs or otherwise in connection with the Constitutive Documents, or any loss due to any such action or omission, unless such action or omission resulted from such indemnified person's fraud, gross negligence or willful misconduct. The REIT Management Company nor the Trustee shall be liable for any loss or damage caused to TPL REIT (or the Unit Holders in general), Project SPVs or REIT projects on account of any force majeure or frustration of contract (as defined in the Trust Deed).

To the fullest extent permitted by Applicable Law, TPL REIT shall also indemnify and keep indemnified and hold harmless the Trustee, REIT Management Company and their respective directors, officers, employees and agents (including former directors, officers, employees and agents) against any and all liabilities, claims, costs, demands, damages, losses and expenses (including legal fees and other legal costs, amounts paid in satisfaction of judgments, compromises or settlements, fines and penalties, and reasonable expenses of investigating or defending against any claim or alleged claim) of any nature whatsoever, known or unknown, liquidated or un-liquidated, incurred in connection with any threatened, pending or completed legal action, suit or proceeding (civil, criminal, administrative or investigative) in connection with or relating to the management, operation, business or activities of TPL REIT and Project SPVs, provided however that such indemnity shall not apply where such legal action, suit or proceeding resulted from such indemnified person's fraud, gross negligence or willful misconduct.

#### **Remuneration of the REIT Management Company**

The RMC is entitled to a management fee (Wakalah fee) and performance fee which is stated in this Offering Document in sections 3.12.1 and 3.12.2.

#### **Remuneration of the Trustee**

The Trustee is entitled to annual remuneration as specified in this Offering Document in section 3.14. The remuneration due to the Trustee is payable quarterly in arrears and is chargeable as an expense to the REIT Scheme in the relevant accounting period.

#### **Removal or Retirement of the Trustee**

The Trustee may be removed by SECP in the case of liquidation or in the best interest of Unit Holders (including where the Trustee is acting in violation of the Constitutive Documents and REIT Regulations). The Trustee may

also be removed by the RMC after informing the SECP of such change along with cogent reasons and supporting evidence.

The Trustee may, upon giving at least thirty (30) days' notice in writing to the REIT Management Company, retire from its office, provided that the retiring Trustee shall continue to perform its functions as trustee of TPL REIT and to receive the remuneration until appointment of the new Trustee and assumption of assets by such new Trustee. The cost of transfer of TPL REIT to the new Trustee shall be borne by the retiring Trustee.

For more details, please refer to Article 13 of the Trust Deed and the REIT Regulations which can be accessed from <https://www.secp.gov.pk/document/real-estate-investment-trust-regulations-2022/?wpdmdl=46227&refresh=65e80438de9fc1709704248>.

### **Removal of the REIT Management Company**

The REIT Management Company may be removed only upon the occurrence of any of the following events:

#### ***Disabling Event Removal***

Within sixty (60) days of the Unit Holders being notified by RMC of a Disabling Event, the Unitholders by way of a special resolution may decide to continue TPL REIT and to appoint a replacement RMC.

*"Disabling Event" means, in relation to RMC, where: (a) RMC goes into liquidation, becomes insolvent or has a liquidator or receiver or administrator appointed over its assets, provided that a Disabling Event shall not be deemed to have occurred where insolvency or liquidation proceedings or petitions initiated or filed against RMC are frivolous or vexations and are discharged, stayed or dismissed within sixty (60) days of commencement; or (b) RMC's license is cancelled or is not renewed pursuant to a final order or determination of the SECP.*

#### ***For Cause Removal***

Within thirty (30) days of the Unit Holders being notified by RMC of a Removal Conduct, the Unitholders may by way of a special resolution decide to remove RMC on not less than sixty (60) days' advance written notice. For the avoidance of doubt, the Unit Holders shall not be entitled to remove the RMC for cause if they fail to pass a special resolution for removal of the RMC within thirty (30) days of being notified of any Removal Conduct, in which case the RMC shall continue to undertake its duties in accordance with the Constitutive Documents and applicable law.

*"Removal Conduct" means with respect to RMC, a final judgment or determination of a court or governmental or regulatory body of competent jurisdiction (other than a preliminary or interim judgment, but including a guilty plea, as well as any settlement entered into in connection with any litigation which includes an admission of the applicable conduct) that RMC has committed:*

- *fraud, gross negligence, or willful misconduct in connection with the performance of its duties under the Constitutive Documents;*
- *a criminal offence;*
- *a material violation of any applicable laws that adversely affects the ability of TPL REIT to conduct its business and affairs in a significant manner, provided however, that RMC shall not be deemed to have engaged in such a material violation: (a) where RMC has acted in good faith and in accordance with the advice of reputable legal counsel that was monitored and selected with due care; or (b) where such violation is caused by a Unit Holder's(s') failure to comply with a request for information by RMC from such Unit Holder(s) pursuant to the terms of the Constitutive Documents; or*

- *a material breach of RMC's obligations under the Constitutive Documents that is likely to have a material adverse effect on TPL REIT and/or the SPV(s), and RMC fails to cure such material breach (if curable) within sixty (60) days of such judgment or determination.*

For the avoidance of doubt, a for cause removal shall be limited to the acts of RMC only, and not the conduct of any single member or personnel of RMC or its affiliates.

#### ***Without Cause Removal***

If, at any time after listing of TPL REIT on the PSX, the Unit Holders by way of a special resolution decide to remove RMC on not less than one hundred and twenty (120) days advance written notice. For the avoidance of doubt RMC can only be removed by the Unit Holders without cause after the listing of TPL REIT on the PSX.

#### ***SECP Removal***

Where, in the opinion of the SECP, further management by RMC of TPL REIT and its SPVs by RMC is detrimental to the interests of the Unit Holders or the REIT projects as a whole or for any other reason which is to be recorded in writing by the SECP, provided that the RMC shall be given an opportunity of a hearing before any action is taken against it pursuant to this provision.

In the event of a SECP removal, the removal of RMC, and the rights and obligations of the outgoing RMC, shall be in accordance with and subject to the directives of the SECP.

#### ***RMC Continuing to Act***

Notwithstanding the sixty (60) days' advance written notice from the date of the special resolution for a cause removal, the RMC shall continue to perform its functions as the management company of TPL REIT for an additional period of sixty (60) days (which can be further extended subject to agreement with the Unit Holders and SECP) if a successor RMC has not been appointed with the approval of the Unit Holders by way of a special resolution (on or before the expiry of the aggregate sixty (60) days' advance notice period and additional sixty (60) day period), and such successor RMC has not become bound by the provisions of the Constitutive Documents by executing, subject to the approval of the SECP, a supplemental Trust Deed with the Trustee and the successor RMC, a supplemental Management Agreement with the TPL REIT, and a supplemental SPV Management Services Agreement with the SPVs.

Notwithstanding the one hundred and twenty (120) days' advance written notice from the date of the special resolution for a without cause removal, the RMC may continue to perform its functions as the management company of TPL REIT for an additional period subject to agreement with the Unit Holders and the SECP if a successor RMC has not been appointed with the approval of the Unit Holders by way of a special resolution on or before the expiry of the one hundred and twenty (120) days' advance notice period, and such successor RMC has not become bound by the provisions of the Constitutive Documents by executing, subject to the approval of the SECP, a supplemental trust deed with the Trustee and the successor RMC, supplemental Management Agreement with TPL REIT, and a supplemental SPV Management Services Agreement with the project SPVs.

In the event of a disabling event removal, the successor RMC shall be appointed on or as soon as possible after the date of passing the special resolution requiring the removal of RMC and in any event within a period not exceeding sixty (60) days from the date such special resolution is passed.

If a successor RMC has not been appointed to replace outgoing RMC within the periods set out in this section, TPL REIT may be extinguished in accordance with Section 6.4.

### ***Rights and Obligations of Outgoing RMC***

In the event of a Disabling Event removal, for cause removal or without cause removal, the outgoing RMC shall have the following rights.

#### **Disabling Event Removal**

**Management Fees:** The outgoing RMC shall remain entitled to receive payment of 80% of the Management Fees which are due and payable to the outgoing RMC from TPL REIT for the relevant quarter in the relevant accounting period calculated pro rata as of the date immediately prior to the date on which the outgoing RMC ceases to be RMC of TPL REIT i.e. actual date of removal of outgoing RMC ("Removal Date").

Notwithstanding the above, any Management Fees that have accrued and that remain unpaid in respect of any previous quarters in any accounting periods shall be due and payable in full on or prior to the Removal Date.

**Performance Fees:** The outgoing RMC shall remain entitled to receive payment of 80% of the Performance Fees which would otherwise be due and payable to the outgoing RMC from TPL REIT for the relevant accounting period calculated pro rata as of the date immediately prior to the Removal Date.

Notwithstanding the above, any Performance Fees that have accrued and that remain unpaid in respect of any previous accounting periods shall be due and payable in full on or prior to the Removal Date.

**Expenses:** The outgoing RMC shall remain entitled to receive in full (and without any deductions) any reimbursements of expenses and other amounts that have accrued and that remain unpaid from TPL REIT for actions taken on or prior to the Removal Date (which will become due and payable on or prior to the Removal Date).

**Late Payment:** Following a Disabling Event removal, if any amounts payable to the outgoing RMC are not paid within the time periods stipulated, such amounts will incur a 9% per annum late payment charge to cover the costs and expenses of the outgoing RMC for such late payment.

**Indemnities/Limitation of Liability:** Notwithstanding the termination of RMC's appointment, RMC shall continue to benefit from the limitation of liability and indemnification provisions as set out in this section to the extent of the outgoing RMC's actions and/or omissions on or prior to the Removal Date.

#### **For Cause Removal**

**Management Fees:** The outgoing RMC shall remain entitled to receive payment of 80% of the Management Fees which are due and payable to the outgoing RMC from TPL REIT for the relevant quarter in the relevant accounting period calculated pro rata as of the date immediately prior to the Removal Date.

Notwithstanding the above, any Management Fees that have accrued and that remain unpaid in respect of any previous quarters in any accounting periods shall be due and payable in full on or prior to the Removal Date.

**Performance Fees:** The outgoing RMC shall remain entitled to receive payment of 80% of the Performance Fees which would otherwise be due and payable to the outgoing RMC from TPL REIT for the relevant accounting period calculated pro rata as of the date immediately prior to the Removal Date.

Notwithstanding the above, any Performance Fees that have accrued and that remain unpaid in respect of any previous accounting periods shall be due and payable in full on or prior to the Removal Date of the outgoing RMC.

**Expenses:** The outgoing RMC shall remain entitled to receive in full (and without any deductions) any reimbursements of expenses and other amounts that have accrued and that remain unpaid from TPL REIT for actions taken on or prior to the Removal Date (which will become due and payable on or prior to the Removal Date).

Late Payment: Following a for cause removal, if any amounts payable to the outgoing RMC are not paid within the time periods stipulated, such amounts will incur a 9% per annum late payment charge to cover the costs and expenses of the outgoing RMC for such late payment.

Indemnities/Limitation of Liability: Notwithstanding the termination of RMC's appointment, RMC shall continue to benefit from the limitation of liability and indemnification provisions as set out in this section to the extent of the outgoing RMC's actions and/or omissions on or prior to the Removal Date.

#### **Without Cause Removal**

Management Fees: The outgoing RMC shall be entitled to receive payment of any Management Fees which would otherwise be due and payable to the outgoing RMC from TPL REIT for the relevant quarters in the relevant accounting period in full and without any deductions.

Notwithstanding the above, the outgoing RMC shall also be entitled to receive:

- (i) any Management Fees that have accrued and that remain unpaid in respect of any previous quarters in any accounting periods, which amounts shall be due and payable in full on or prior to the Removal Date; and
- (ii) Management Fees, without any deductions, for a period of eighteen (18) calendar months after the Removal Date. The timing of payments of such amounts shall be in line with the payment mechanics set out in this OFSD.

Performance Fees: The outgoing RMC shall be entitled to receive payment of any Performance Fees which would otherwise be due and payable to the outgoing RMC from TPL REIT for the relevant accounting period in full and without any deductions.

Notwithstanding the above, the outgoing RMC shall also be entitled to receive:

- (i) any Performance Fees that have accrued and that remain unpaid in respect of any previous accounting periods, which amounts shall be due and payable in full on or prior to the Removal Date; and
- (ii) Performance Fees, in full without any deductions, for a period of eighteen (18) calendar months after the Removal Date. The timing of payments of such amounts shall be in line with the payment mechanics set out in this OFSD.

Expenses: The outgoing RMC shall remain entitled to receive in full (and without any deductions) any reimbursements of expenses and other amounts that have accrued and that remain unpaid from TPL REIT for actions taken on or prior to the Removal Date (which will become due and payable on or prior to such Removal Date).

Late Payment: Following a without cause removal, if any amounts payable to the outgoing RMC are not paid within the time periods stipulated, such amounts will incur a 9% per annum late payment charge to cover the costs and expenses of the outgoing RMC for such late payment.

Indemnities/Limitation of Liability: Notwithstanding the termination of RMC's appointment, RMC shall continue to benefit from the limitation of liability and indemnification provisions as set out in this section to the extent of the outgoing RMC's actions and/or omissions on or prior to the Removal Date.

In the event of a Disabling Event removal, for cause removal or without cause removal, the outgoing RMC shall have the following obligations:

- the outgoing RMC shall, subject to the approval of SECP, execute all such documents as are necessary for the purpose of transfer of management rights of the REIT Scheme and the SPVs to the successor RMC;

- the outgoing RMC shall forward all documents, books, records, correspondence, and databases (whether physical or electronic) in the outgoing RMC's possession and related to investments or the administration of TPL REIT and SPVs to the successor RMC (to the extent such records are not proprietary information or databases of the outgoing RMC and/or the outgoing RMC is not required by applicable law to retain any such records).
- during the advance notice periods or any additional or extended periods applicable to for cause removal or without cause removal and until the Removal Date the RMC shall: (i) only take those actions in respect of the TPL REIT that have already been approved by the Board of Directors of the RMC prior to the Unit Holders passing a special resolution for removal of the RMC, or are otherwise in the ordinary course of business; and (ii) shall continue to act in the best interests of TPL REIT, in line with best market practices;
- the outgoing RMC shall be required to sell to the successor RMC its Units in TPL REIT (if any) at NAV per Unit (as at the time of transfer) if required or instructed by the SECP to ensure compliance with the minimum holding requirements prescribed under the REIT Regulations.

#### **Extinction / Dissolution of the REIT Scheme**

The REIT Scheme shall continue in perpetuity until the same is extinguished and dissolved on the happening of one or more of the following events:

- a) if in the opinion of the REIT Management Company, the objective of the REIT Scheme and its REIT projects has been achieved and all REIT Assets (including interests in SPVs) have been disposed of and/or wound up/liquidated in accordance with the Constitutive Documents and the REIT Regulations;
- b) if the Unit Holders pass a Special Resolution demanding revocation of the Trust for any reason (as applicable) contemplated under Article 36 of the REIT Regulations, 2022 (previously Article 40 of the repealed REIT Regulations, 2015);
- c) if, following the removal of the REIT Management Company pursuant to Article 11(a) to (c) of the Trust Deed, no successor REIT Management Company is appointed within the period set out in this OFSD;
- d) if, in the opinion of REIT Management Company, the REIT Scheme and its REIT projects are no longer commercially viable or the purpose of the REIT Scheme cannot be accomplished or its objective cannot be achieved for any reason, and the Unit Holders have consented to such an action through a Special Resolution (provided that REIT Management Company shall not vote at such meetings and its presence shall not be counted towards requisite voting for Special Resolution);
- e) if the SECP deems it necessary to revoke the REIT Scheme and directs the Trustee or REIT Management Company to revoke the REIT Scheme in the interest of Unit Holders;
- f) if in the opinion of the Trustee an event or circumstance has occurred which, as per the Trust Deed, requires the REIT Scheme to be revoked; or
- g) if the REIT Scheme fails to invest in a single REIT Project within the time period stipulated under the REIT Regulations.

## **Modification of Trust Deed**

The Trustee and REIT Management Company acting together shall be entitled by a supplemental trust deed to modify, alter or add to the provisions of the Trust Deed in such manner and to such extent as they may consider expedient for any purpose, subject to the prior review of Shariah Advisor and prior notice of at least ten (10) Business Days to each Unit Holder about the proposed change(s).

## **Dispute Resolution**

In the event of any dispute arising out of the Constitutive Documents between the REIT Management Company on the one part and the Trustee on the other part (including disputes as to the respective rights and obligations of the Parties hereto or those relating to the interpretation of the terms and the conditions of the Constitutive Documents), the same shall be referred to arbitration under the Arbitration Act, 1940, by two (2) arbitrators, one to be appointed by the REIT Management Company and the other to be appointed by the Trustee. In the event that the two (2) arbitrators are unable to arrive at a unanimous decision, the two arbitrators shall appoint an umpire whose decision shall be final. The arbitrators and the umpires shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned law firms, CFA charter holders in good standing, or senior bankers or senior members of the PSX, (who may even be the heads of corporate members). The venue of the arbitration shall be Karachi.

## **6.5 OTHER DISCLOSURES**

### **Rights and Liabilities of the Unit Holders**

#### ***Management Affairs***

No Unit Holder shall have the right or power to participate in the management or affairs of TPL REIT and project SPVs (including in relation to voting rights attached to any TPL REIT Assets), except to the extent of the limited voting rights as provided in the Constitutive Documents and REIT Regulations. No Unit Holder shall have the power to sign for or bind TPL REIT and project SPVs.

#### ***Unit Holders Ranking Pari Passu***

The Unit Holders rank pari passu inter se, according to the number of Units held by each Unit Holder in TPL REIT. All Unit(s) represent an undivided share in the TPL REIT Assets and rank pari passu as to their rights in the net assets of TPL REIT, earnings, and the receipt of the dividends and distributions and, each Unit Holder has a beneficial interest in TPL REIT proportionate to the Unit(s) held by such Unit Holder(s).

#### ***Access to books and records***

The Unit Holders shall be entitled to inspect the books and records of TPL REIT and have access to TPL REIT's balance sheet, profit and loss statement, cash flow statement, summary of the valuation report and statement of the movement in NAV along with the report of the Trustee, the report of the Auditor, report of Shariah Advisor, and any other document as specified by the SECP.

#### ***Redemptions***

TPL REIT is a closed-end scheme and hence the Unit Holders shall not have any right to require TPL REIT to redeem their Units. The Units shall only be redeemed: (a) in part on pro rata basis, upon the liquidation or disposal of a Project SPV for distributing liquidation/sale proceeds (after payment of all associated liabilities and expenses) of such Project SPV to the Unitholders by way of a redemption of Units; or (b) in full, upon the extinguishment and revocation of TPL REIT in accordance with section 6.4 of this OFSD. The Units shall be redeemed in accordance with the provisions of the Constitutive Documents and the REIT Regulations. For the avoidance of doubt, the Units are not otherwise redeemable during the life of TPL REIT.

Redemption shall be done at such redemption price as is notified by the REIT Management Company to the Unitholders. Redemption amounts shall be distributed to the Unitholders pro rata to their interest in TPL REIT and will be paid in cash.

#### ***Other Rights***

Unit Holders shall also have the right to:

- (a) Distributions / dividends in accordance with the dividend policy of TPL REIT as discussed in section 10.16;
- (b) participate in rights issue of Units by TPL REIT in proportion to their existing Units;
- (c) subject to applicable laws, transfer their Units and/or pledge / lien all or any of his Units as security for any debt of the Unit Holder or any third party; and
- (d) to the proceeds from the sale of TPL REIT Assets in accordance with the REIT Regulations.

#### ***Liability of Unit Holders***

The Unit Holders shall not have any personal liability whatsoever in its capacity as a Unit Holder whether to TPL REIT, to any of the Unit Holders or to the creditors of TPL REIT, for the debts, liabilities, contracts, or any other obligations of TPL REIT or for any losses of TPL REIT, except as specifically set forth in the Trust Deed or this OFSD.

The Unit Holders will not be liable to make any payment after it has paid the consideration against the price of the Unit (either as cash or against transfer of the real estate to Project SPV or the transfer/issuance of shares of Project SPV holding the real estate, as applicable) and a Unit Holder shall not be obligated to make any further contribution to TPL REIT to repay to TPL REIT, any Unit Holder or any creditor of TPL REIT.

No Unit Holder shall be entitled to any interest or compensation by reason of payment of the subscription price or by reason of serving as a Unit Holder. Further, no Unit Holder shall be required to lend any funds to TPL REIT.

#### ***Meetings of the Unit Holders***

Voting rights of the Unit Holders shall be exercisable in a meeting of the Unit Holders which shall be held in accordance with the procedures prescribed under the REIT Regulations.

#### ***Obligations of the Unit Holders***

Each Unit Holder shall have the obligation to provide to the RMC such information as the RMC deems necessary to comply with its obligations under applicable laws and/or to eliminate or reduce the exposure of TPL REIT or the Unit Holders, in general, to adverse tax or regulatory consequences. Where a Unit Holder(s) fails to comply with any information request of the RMC, the RMC shall also have the right, power and authority to take all such actions against such Unit Holder(s) as are required by applicable laws or otherwise deemed necessary by the RMC in the best interest of TPL REIT or the Unit Holders in general (including but not limited to reporting to the SECP or any other relevant tax or regulatory authority or Government agency).

## 7. PRINCIPAL PURPOSE OF THE OFFER

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Unitholders of the REIT Scheme have unanimously resolved to conduct listing of the REIT Scheme. The decision to list the REIT Scheme is driven by the following:

### A. Interest of Foreign Investors

There has been encouraging feedback from foreign investors to invest in TPL REIT Fund I. TPL RMC has been receiving queries from multiple foreign investors regarding participation in TPL REIT and listing has appeared to be one of the key criteria for their decision to invest. This is mainly because investment proceeds for a listed instrument/security can be conveniently routed through Special Convertible Rupee Account (SCRA).

It is pertinent to note that non-residents are allowed to trade freely in the units of funds quoted on the Stock Exchange(s) in Pakistan through Special Convertible Rupee Account (SCRA) pursuant to Paragraph 9A of Chapter 20 of the Foreign Exchange Manual issued by State Bank of Pakistan.

### B. Broaden Investor Base

The existing investors of TPL REIT include TPLP and commercial banks. Listing of the REIT Scheme will make the instrument eligible for a wider investor base with the inclusion of mutual funds, pension funds, employee funds, life insurance companies and other investors which require prices on daily basis to mark-to-market their investment.

### C. Regulatory Oversight

REITs operate in a highly regulated and structured manner. TPL REIT already has a robust corporate governance framework, however, listing of the REIT Scheme will further improve corporate governance by including regulatory oversight by PSX.

### D. Price Prospect

A NAV on account of continuing progress on the three projects of TPL REIT will be quarterly disseminated through PSX providing potential investors with periodic updates giving impetus to the listed Units price. A quoted price will be beneficial to all investor portfolios that are marked to market.

### E. Compliance with REIT Regulations

This will also ensure compliance with Regulation 7 of the REIT Regulations which require a REIT Scheme to be listed within a maximum period of three (3) years from the date of Transfer of Real Estate or financial close whichever is later.

## 8. VALUATION SECTION

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The Units of TPL REIT Fund I are being offered at an **Offer Price of PKR 17.59/- per Unit** which is at a premium of PKR 7.59/unit to its par value but is **equivalent to the latest NAV** of the REIT Scheme as certified by the Auditor (as of December 28, 2023).

Valuation of any investment opportunity is assessed / justified by considering both quantitative and qualitative factors. In terms of quantitative assessment, this is highlighted that no premium is being charged over the latest audited book value (NAV) of the REIT Scheme, entailing that the all upside has been left on the table for the incoming IPO investors.

Qualitative factors contribute to investors' perception of an investment opportunity's attractiveness, potential upside, and alignment with their investment objectives. If an investment opportunity is able to integrate such qualitative features which are critical for sophisticated investors (local and foreign), demand for the investment opportunity typically increases, leading to higher valuations and investment inflows which ultimately should reflect in the market price.

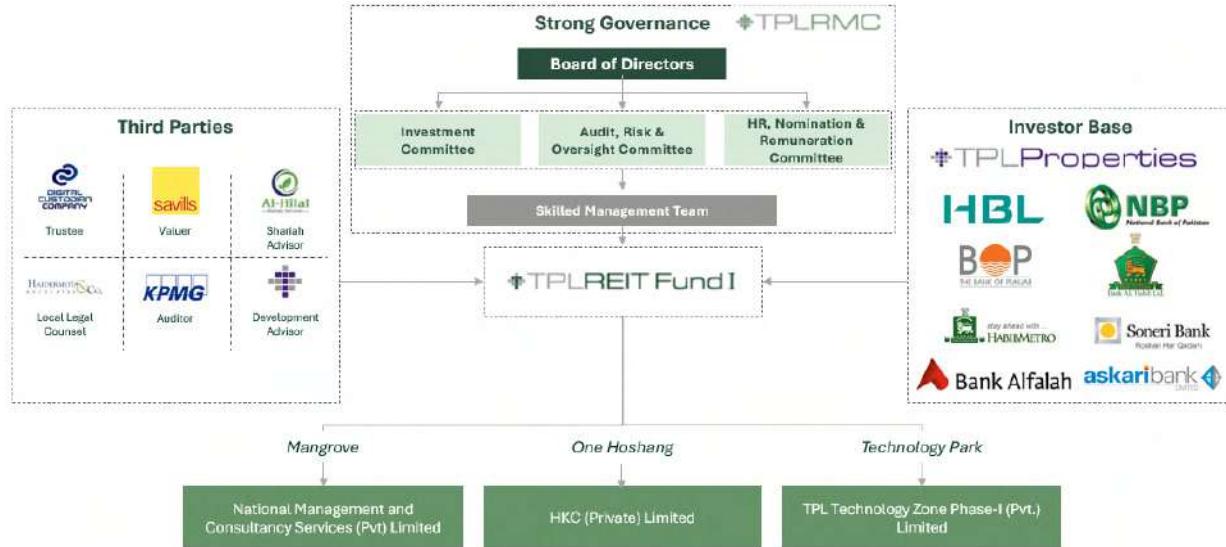
Some of the qualitative features of TPL REIT justifying the valuation are deliberated below:

### 8.1 INTERNATIONAL STANDARD GOVERNANCE

TPL REIT is managed under a transparent structure with SPVs ownership vested in Trustee and involvement of several third parties. The REIT Scheme is being managed by TPL RMC, responsible for providing strategic planning, project management and financial oversight while maintaining high standards of excellence in terms of quality.

TPL RMC operates under a robust governance framework that is in conformity with international standards. The Board of Directors of TPL RMC are highly qualified and experienced professionals, comprising both, the management team members, and independent professionals. The governance structure is supported by a Shariah Advisor that ensures that the REIT Scheme adheres to Islamic principle. Board committees are also in place for policy making.

The senior management comprises of robust team of individuals who bring invaluable international and domestic experience with their careers spanning over two decades (detailed overview of the management team is given in section 11 of this Offer for Sale Document). Several third parties such as Trustee, Valuer, Shariah Advisor, Legal Counsel and Auditor are also part of operations of the REIT Scheme which enhances transparency and investor confidence. A pictorial view of the operating structure of the REIT Scheme is given below:



Presence of a strong governance structure increases investor confidence which leads to increase in demand.

## 8.2 DIVERSIFIED POOL OF REAL ESTATE ASSETS

The REIT Scheme has invested in diversified pool of real estate assets spread across prime areas of Karachi. The projects include a Master Planned Community including mid-rise Residential Apartment Towers, Commercial Offices, Service Apartments, Hotel & Retail Space located at waterfront, to be equipped with quality infrastructure. The other project is Pakistan's one of a kind premium-end luxurious Residential Apartment Tower and Showrooms with world class amenities, located in the city's most posh area.

The third project is first of a kind Technology Park in Pakistan, with high end IT infrastructure to be designed for world-class technology companies, accompanied with a 42 key business hotel.

The project locations, as well as the asset classes are quite diverse which reduces reliance on any single asset class as well as hedge the Unitholders' return to a great extent.

## 8.3 STRONG INVESTOR BASE

The existing investor base of the REIT Scheme includes TPL Properties Limited which is Pakistan's leading Real Estate Developer & Operator. TPLP is the strategic investor that has contributed through real estate assets in the REIT Scheme. In addition to this, the other initial investors include 8 leading commercial banks of Pakistan including Habib Bank Limited, National Bank of Pakistan, The Bank of Punjab, Bank Al Habib Limited, Bank Alfalah Limited, Habib Metropolitan Bank, Soneri Bank Limited and Askari Bank Limited. It is important to highlight that banks have stringent review and assessment processes in place for making equity investments. The willingness of banks to contribute equity investment in TPL REIT speaks volumes about the confidence of sophisticated institutional investors. Presence of sophisticated investors endorses the quality of the investment opportunity.

## 8.4 ENVIRONMENTALLY FRIENDLY SUSTAINABLE ASSETS

All real estate investments undertaken by TPL REIT are set to follow the best sustainability and environment principles and shall achieve at least one of the prominent green building certifications such as EDGE, LEED, BREEAM or WELL for all its real estate development projects. One Hoshang and Technology Park are targeted for LEED Gold Certified. In the recent years, environment friendliness has emerged as one of the key criteria for institutional investors, and having this feature built-in would increase demand of the REIT Scheme.

## 8.5 STRONG SPONSOR SUPPORT

The REIT Scheme is part of TPL Group which is Pakistan's prominent technology conglomerate with businesses across a variety of sectors. TPLP is the Strategic Investor and its 100% owned subsidiary TPL Developments is the Development Advisor of the REIT Scheme. It has rich experience of real estate projects including its flagship project of Centrepoint, Grade A Commercial Office Tower, that yielded an ROI of 130%. Sponsor's domain knowledge and success history increase investor confidence which should lead to increase in demand.

## 8.6 DIVIDEND EXPECTATION

TPL REIT is perpetual in nature, but its projects have finite lives. Therefore, sizeable dividends are expected to be distributed to the Unitholders at each project completion to avail tax exemption for the REIT Scheme. One Hoshang project has the shortest tenor and is expected to be completed in FY26. Hence a sizeable dividend is expected in the medium term, subject to market conditions. The expectation of dividends should be reflected in the market price to rationalize its dividend yield in comparison to other investment options.

Since all approvals of One Hoshang are in place and construction is ongoing, the IPO investors are at an advantage to the initial investors who invested in the REIT Scheme with high greenfield risk.

## JUSTIFICATION

The units of the REIT Scheme are being offered at an Offer price of PKR 17.59 per share which is equivalent to the Net Asset Value as of 28/12/2023.

The Lead Manager is of the opinion that due to investments in sustainable and diversified pool of real estate assets, strong governance, credible investor base, dividend expectation, there exists strong upside for the investors participating in this IPO and the Offer Price is justifiable. Post listing, NAV of the REIT Scheme will be supplemented by the continuing progress on the three projects of TPL REIT which is expected to be reflected in the market price.

## 8.7 POST-OFS FREE FLOAT OF REIT SCHEME

Free Float	No. of Units (Mn)*	% of Unitholding
Held by Strategic Investor (TPL Properties)	701	38.21%
<b>Held by Anchor Investors / Accredited Investors and General Public – Free Float</b>	<b>1,134</b>	<b>61.79%</b>
<b>Total</b>	<b>1,835</b>	<b>100%</b>

\*In case of Base Offer

**Free Float:** This is pertinent to note that none of the Anchor Investors will have any restriction on selling / transferring their Units post listing, therefore, their units will be part of the free float. A free float of ~62% will significantly enhance liquidity and tradability of the REIT Units.

## 8.8 PEER COMPARISON

There are no listed competitors of TPL REIT in Pakistan. Dolmen City REIT is a purely rental REIT having a single project. Globe Residency REIT is a limited life developmental REIT involved in development and sale of residential apartments only.

On the other hand, TPL REIT is a **perpetual hybrid REIT** Scheme involved in diversified real estate projects including (i) master planned community for mixed use development on waterfront property, (ii) Pakistan's one of its kind premium-end residential apartment tower and (iii) first of its kind technology park in Pakistan. All three projects are being executed through separate SPVs of the REIT Scheme.

A brief comparison of TPL REIT with these listed REITs in terms of pricing and multiples is shown below:

Peer Comparison	Unit	TPL REIT Fund I	Globe Residency REIT	Dolmen City REIT
Consolidated Earnings per unit as of 31 Dec, 2023*	PKR	(0.96)	1.20	5.43
Consolidated Book value per unit as of 31 Dec, 2023	PKR	17.54	11.58	32.58
Unconsolidated Earnings per unit as of 31 Dec, 2023*	PKR	(0.96)	1.20	5.43
Unconsolidated Book value per unit as of 31 Dec, 2023	PKR	17.60	11.58	32.58
Market value per unit as of 22 Mar, 2024	PKR	17.59**	12.90	14.00
P/E multiple	Times	n/a	10.75	2.58
Average P/E multiple (including TPL REIT Fund I)	Times		4.44	
Average P/E multiple (excluding TPL REIT Fund I)	Times		6.66	
Median P/E multiple of the above	Times		2.58	
KSE-100 Index P/E multiple as of 22 Mar, 2024	Times		3.80	
P/B multiple	Times	1.00	1.11	0.43
Return on Equity	%	0.33%	9.61%	17.62%
Return on Assets	%	0.31%	4.01%	17.41%
Free Float	Units ('Mn)	1,134	42	556
Free Float	%	61.79%	30.00%	25.00%

\*The consolidated and unconsolidated earnings per unit, ROE, and ROA are based on trailing twelve months from Jan, 2023 till Dec, 2023

\*\* Offer Price

## 9. RISKS

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### 9.1 INTERNAL RISKS

#### 9.1.1 CONSTRUCTION RISK

**Budget Risk:** Construction operations are susceptible to budget overruns. Even though, in some projects, uptick in key raw material pricing has been built into the sales contract, it is likely that some of the sales in the future may not include a cost pass-on clause, which could affect the revenues and margins of REIT Scheme and payouts to TPL REIT investors. Budget overruns may result from any of the following:

- Key raw materials like cement and steel roughly comprise 40-50% of the construction cost. The underlying raw materials driving the prices of these two materials are coal and iron ore and accordingly, any changes in the international market in the pricing of coal and iron ore would affect the construction cost
- Inputs include imported items like HVAC systems, furnishings, the cost of which may be inflated by any devaluation in PKR. Roughly about 50-55% of the costing is susceptible to change on account of PKR devaluation
- Construction is a labor-intensive industry, with labor costs comprising roughly a quarter of the cost. Accordingly, changes prescribed by Sindh Minimum Wage Board could affect project costing and in turn margins of TPL REIT

**Time Delay:** Construction projects are susceptible to time delays. Although, time delay arising from contractor negligence is subject to cost claw-back clauses, certain kind of time delay caused by legitimate construction site related challenges pose a time delay risk. Potential time delays can result in delayed sales, thus impacting returns of TPL REIT, while inordinate delays in several projects could adversely result in reputational risk for TPL RMC.

#### 9.1.2 DEMAND RISK

The demand of real estate units being built by TPL REIT projects may be affected by competition from other similar projects in Karachi in addition to external factors like the state of the economy. This can result in an oversupply of the built-up properties which can result in stuck cashflows. In case of elevated demand risk, TPL RMC may have to sell off real estate units at a lower price than assumed in projections, which may affect the revenues, margins, and payouts of TPL REIT.

#### 9.1.3 REGULATORY RISK

REIT Funds are subject to regulation by laws and regulations at local and national level. Any changes in government rules, regulations and fiscal policies including those of changes in taxation, REIT Regulations, environmental and zoning law or the interpretation of such laws by regulators, may hinder the performance of TPL REIT.

In Pakistan, REIT Funds enjoy several tax incentives. Dividends paid by SPV to REIT Scheme and by the REIT Scheme to its Unit Holders are tax exempted, subject to the condition that 90% of their accounting income is distributed. Any adverse change in taxation legislation may hamper return on investment for Unit Holders and the overall profitability of the REIT Scheme.

Furthermore, the development of Real Estate Assets requires several regulatory approvals to be sought from various regulatory authorities. For One Hoshang, all the requisite approvals are in-place (refer to section 3.7.2) and development works are underway. For the Mangroves and Technology Park projects, the majority of the NOCs and approvals are in place (refer to section 3.7.1 & 3.7.3), while the main construction approvals will be sought upon completion of the detailed design. Any delay in securing these approvals will adversely impact

the return of Unitholders. Moreover, there is also a risk that these approvals are not provided or risk that the NOCs that have been provided will be cancelled due to a subsequent noncompliance with laws, in that case the assets will have to be liquidated, affecting the expected returns of the Unitholders.

#### **9.1.4 GEOGRAPHIC CONCENTRATION**

TPL REIT's existing portfolio comprises multi-storey buildings and other residential blocks, all of which are situated in Karachi, Pakistan. TPL REIT is exposed to risks associated with geographical concentration, including risk of an overall downturn in economic and real estate market in Karachi as well as other city-specific force majeure events, thereby impacting the performance of the REIT Scheme.

#### **9.1.5 SPONSOR DEPENDENCE & REPUTATIONAL RISK**

TPL RMC intends to leverage on and benefit from the Sponsor's (TPL Properties) established track record in property development, as well as maintaining and operating the properties, and use 'TPL' brand name in attracting buyers. In addition, TPL RMC's group company, TPL Corp, also provides IT infrastructure among other support services, to TPL RMC. If the Sponsor or group companies are unable to provide the support required by TPL RMC in the future, it may have material adverse effect on TPL RMC's operations and future growth. The group companies of TPL RMC include investments in a myriad of industries including life & non-life insurance, logistics management, technology among others. All these businesses are significantly dependent on Pakistan's economy, and accordingly any adverse economic shock could affect the group's viability, which would have a negative impact on TPL RMC's operations and ultimately on the performance of TPL REIT. Furthermore, any future event, which negatively impacts the 'TPL' brand, would enhance the demand risk on TPL REIT projects.

#### **9.1.6 LIQUIDITY RISK**

Projects underlying TPL REIT are to be funded with a mix of off-plan sales, investor equity and debt. However, in case of lower-than-expected offtake of properties or default by multiple buyers, liquidity buffer may erode resulting in a liquidity crisis for the project(s). Although TPL RMC has a defined process for buyer default; in the short term, the lack of proceeds from off-plan sales will have to be plugged in by obtaining short-term borrowing, which could affect margins of TPL REIT.

#### **9.1.7 COMPLIANCE RISK**

Operations of REIT Scheme are subject to regulatory requirements, which are as follows:

**PSX & SECP:** As a listed REIT scheme, TPL REIT would be subject to regulatory requirements set by PSX & SECP. In case of non-compliance, TPL REIT may be placed in the 'Defaulter Segment', which may potentially hamper or suspend trading in units of TPL REIT Fund I, thus resulting in liquidity risk for the investor. REIT Scheme can also be delisted due to noncompliance. At the same time, SECP can also take actions against the REIT Scheme in case of any non-compliance related to the REIT Regulations.

**FBR:** One of TPL REIT's properties, One Hoshang, was registered under fixed tax regime, as specified in Section 100D of Income Tax Ordinance 2001 and was required to complete the grey structure of the project, as defined under Eleventh Schedule of Income Tax Ordinance 2001, latest by September 30, 2023. However, given project delays and eventual transfer of One Hoshang into REIT, wherein REIT income becomes tax-free if 90% of the profits are paid out, TPL RMC has subsequently appealed against consideration in Section 100D. While a final judgement in this is awaited, an adverse judgement could affect tax liability of TPL REIT, which affect payouts to investors.

Furthermore, as part of consideration as a REIT Scheme, for tax purposes, TPL REIT is required to payout 90% of its taxable income to investors. There may be times where TPL REIT may not have disposable liquidity to make such a payout, which could expose it to a higher tax charge.

### 9.1.8 RISKS RELATING TO PROPERTY OWNERSHIP

Real estate assets carry varying degree of risks in respect of property ownership. Defected title or litigation on the real estate asset under consideration will render real estate not transferable in the name of TPL REIT.

### 9.1.9 CONFLICT OF INTEREST RISK

Construction operations are undertaken by a combination of companies which include external contractors as well as companies that are part of the TPL group i.e. related parties of TPL RMC. Accordingly, through the course of TPL REIT's operations, there may be conflicts of interest in terms accountability for each task performed. If a conflict of interest results in disadvantageous terms/treatment for the REIT Scheme, its operational and financial performance may be impacted.

TPL Group and TPL RMC have a conflict-of-interest policy in place to ensure all related party transactions are on arms-length basis, while transactions with related parties are subject to audit and duly disclosed in the financials of TPL RMC, its SPVs and financials of TPL Corp. Furthermore, conflict of interest may also arise from additional real estate portfolios taken on by TPL RMC.

### 9.1.10 SOME DAMAGE MAY NOT BE COVERED BY INSURANCE

TPL REIT maintains comprehensive property & liability insurance policies with coverage features and insured limits that TPL RMC believes are consistent with market practices in the real estate industry in Pakistan. Adequate insurance coverage is in place for the existing projects.

Market forces beyond TPL RMC's control may nonetheless limit the scope of insurance coverage that it can obtain or its ability to obtain such coverage at reasonable rates. Design, construction and other latent property or equipment defects or deficiencies in the properties may require additional capital expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties, other than those disclosed in this OFSD and may not be covered by insurance. In addition, certain types of losses, generally of a catastrophic nature, such as natural disasters, terrorist acts and outbreak of infectious diseases or any losses as a result of these form may be uninsurable or the required insurance premium may be too expensive to justify obtaining insurance. In such a scenario, whereby the damage is not covered by the insurance policy, the REIT Scheme will have to incur such losses, which may adversely affect the returns of the Unitholders.

### 9.1.11 ENVIRONMENTAL RISK

Environmental risks in certain projects of REIT Scheme, particularly the Mangrove Project, are elevated. Any adverse environmental impact by REIT Scheme's operations will translate in reputational risk, which may increase demand risk for the project. In addition, any contravention of Sindh Environmental Protection Agency (SEPA) legislation may result in regulatory actions and penalties for TPL REIT.

### 9.1.12 SOCIAL RISK

Construction operations are prone to social risks, as follows:

- **Health & Safety & Minimum Wage:** Regulatory stipulations such as Sindh Occupational Safety & Health Act and Sindh Minimum Wages Act comprise laws to protect worker safety. Even though TPL RMC ensures payment of minimum wages and highest Health & Safety precautions on-site, there is risk that external 3<sup>rd</sup> party contractors may not comply with local regulations, which may impact operations on-site and may subject TPL REIT to indirect penalties and/or regulatory actions.
- **Neighborhood Disturbance Risk:** The construction operations have to follow certain noise guidelines, which are of particular importance when operating in residential areas. Certain projects of the REIT Scheme are more prone to breach these guidelines, which may result in neighborhood disturbance

complaints and legislative action against TPL REIT. TPL RMC regularly monitors on-site noise levels through 3<sup>rd</sup> party service providers to document these metrics to ensure compliance with local laws.

### **9.1.13 ILLIQUIDITY OF REAL ESTATE**

TPL RMC's ability to promptly sell any of its properties or to vary its investment portfolio in response to changing economy, financial and investment conditions may be limited. The market for acquiring/ disposing residential and commercial units tends to be inactive, mainly being affected by general economic conditions, availability of financing, interest rates and other factors, including supply and demand, that are beyond TPL RMC's control. Slow off-take of residential and commercial units will lead to lower profitability of the REIT Scheme, thereby impacting its performance and the dividends to the Unitholders.

### **9.1.14 ASSET LEVEL RISK**

Idiosyncratic risk is specific to a particular property. There is demand for multifamily real estate throughout different stages of the economic cycle, however demand for hospitality and commercial real estate sector is more sensitive to the change in market conditions, hence it is riskier. Lower occupancy in hospitality assets of the REIT Scheme and slow off-take of commercial units will lead to lower profitability of the REIT Scheme, thereby impacting its performance and the dividends to the Unitholders. In order to diversify this risk, TPL REIT has invested in real estate of multiple projects across different sectors ranging from commercial office, residential, retail, and hospitality.

### **9.1.15 NEGATIVE CASHFLOW FROM OPERATIONS**

The REIT Scheme has posted negative cashflows from operations in FY 2022, FY 2023 and 1QFY24. This has occurred because the REIT Scheme has acquired real estate assets and recorded their unrealized gains, but any sale proceeds were yet to commence. After adjusting for the non-cash expenses i.e. unrealized gains, the cash flow from operations turned negative. This is a typical feature of any new business where initial operations are funded by either equity or debt financing until the business becomes self-sustaining.

Similar is the case with developmental /hybrid REIT Scheme in its nascent and pre-sale stage. TPL REIT was also financing its initial operations from issuance of units. Booking of initial tranche of units of premium residential apartments of the One Hoshang project has been initiated. Moving ahead, further sale of apartments in next tranches along with commencement of sale from Technology Park project is expected to generate positive cashflows for the REIT Scheme in the medium term while phase wise sales of Mangrove project would generate positive operating cashflows at a sustainable level in the long term.

### **9.1.16 OPERATIONAL HISTORY**

TPL RMC was incorporated in 2018 and TPL REIT is its first REIT Scheme, which was established in 2022. Accordingly, neither the RMC nor REIT Scheme, has any operating history by which its past performance may be assessed.

## **9.2 EXTERNAL RISKS**

### **9.2.1 MACROECONOMIC & COUNTRY RISK**

TPL RMC, TPL REIT Fund I, the SPVs and underlying assets are incorporated and located in Pakistan. Accordingly, the performance of TPL REIT is highly dependent on prevailing economic conditions in Pakistan. Any slowdown or perceived slowdown in the Pakistani economy, or in specific sectors of the economy, could have a material adverse effect on the business, financial condition, operational results and the price of the Units.

Factors that may adversely affect the economy and hence operational results of TPL REIT are as follows:

- Downgrade in Pakistan's sovereign ratings or default by the Government of Pakistan;
- Increase in scarcity of credit or other financing in Pakistan;
- Prevailing income, consumption and savings conditions among consumers and corporations in Pakistan;
- Volatility in, and actual or perceived trends in trading activity on, Pakistan Stock Exchange;
- Changes in Pakistan's tax, trade, fiscal or monetary policies;
- Political instability, terrorism or military conflict in Pakistan, including increased tensions on the borders, or in countries in the region or globally, including in Pakistan's various neighboring countries;
- The occurrence of natural or man-made disasters;
- Prevailing regional or global economic conditions;
- Balance of trade movements, including export demand and movements in key imports, including oil and oil products; and
- Other significant regulatory or economic developments in or affecting Pakistan or its real estate sector.

#### **9.2.2 INFLATION RISK**

REIT Funds are exposed to inflation risks with respect to acquisition of real asset assets, land and underperforming assets in particular. During an inflationary period, the cost of acquisition and the cost of mortgage financing for buyers may also rise, which could adversely impact the ability of TPL REIT to sell its real estate inventory at attractive sales prices and impact the profits.

#### **9.2.3 INTEREST RATE RISK**

REITs can be highly sensitive to interest rate fluctuations. Any increase in interest rates will subsequently increase yields that the investors can get from risk-free investments like treasury securities and other income-based instruments and would substitute risky equity investments. An increase in interest rates, while REIT Scheme has acquired debt, would also impact the profitability of the REIT Scheme by increasing finance costs, thus making dividend yield less attractive.

#### **9.2.4 FORCE MAJEURE RISK**

TPL REIT may be exposed to direct or indirect consequences of natural phenomena, pandemics, man-made disasters and terrorist attacks which may cause disruptions to commerce, reduced economic activity or market liquidity and continued volatility in markets throughout the globe. Such events could have an adverse impact on the real estate sector and the financial performance of REIT Scheme.

#### **9.2.5 LEGAL RISK**

The operations of REITs are subject to REIT Regulations 2022, while the FBR treats REITs as a Real Estate Agent subject to S.R.O 924(1)/2020. Furthermore, real-estate governing laws constitute multiple pieces of legislation, rules, regulations, circulars, notifications etc., which are not always reconcilable or readily available in the public domain. Market practices at times tend to diverge from laws and legal proceedings pertaining to real estate are cumbersome & protracted and determination of disputes may spread over a number of years. In addition, the aforementioned regulations also are susceptible to unexpected changes, which may affect the operations of TPL REIT adversely.

#### **9.2.6 DOCUMENTATION DELAY RISK**

Real Estate development industry in Karachi is governed by Sindh Building Control Authority, wherein several NOCs and building plan approvals are required to initiate construction. In certain cases, delays in approval of certain stages and NOCs are beyond the control of TPL RMC and are likely to delay the construction process relative to timelines envisaged, which would in-effect impact payouts to investors.

#### 9.2.7 CAPITAL MARKET RISK

After being listed on the securities exchange, the price of Units of RIET Scheme will be determined by market forces driven by socio-economic events (locally & internationally), capital & money market behavior, and REIT Scheme's performance. The value of the units of the REIT Scheme will be subject to fluctuation based on combined impact of market forces.

**NOTE: INVESTMENT IN THE REIT SCHEME IS SUBJECT TO RISKS. IT IS STATED THAT ALL MATERIAL RISK FACTORS HAVE BEEN DISCLOSED AND THAT NOTHING HAS BEEN CONCEALED IN THIS RESPECT.**

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE RMC**

Date: January 31, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We, being the Chief Executive Officer and Chief Financial Officer of TPL REIT Management Company Limited accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **TPL REIT Management Company Limited**

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Imad Zahid Nagi  
Chief Financial Officer

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Ali Asgher  
Chief Executive Officer

**CERTIFICATE BY THE OFFEROR – TPL PROPERTIES LIMITED**

Date: January 31, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Chief Executive Officer and Chief Financial Officer of TPL Properties Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **TPL Properties Limited**

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Adnan Quaid Johar Khandwala  
Chief Financial Officer

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Mohammad Ali Jameel  
Chief Executive Officer

**CERTIFICATE BY THE OFFEROR – HABIB BANK LIMITED**

Date: February 02, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Head Corporate, Commercial & Investment Banking and Head Investment Banking of Habib Bank Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **Habib Bank Limited**

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Aamir Irshad  
Head Corporate, Commercial & Investment Banking

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Usman Hameed  
Head Investment Banking

**CERTIFICATE BY THE OFFEROR – NATIONAL BANK OF PAKISTAN**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Manager Operations and Manager Credit of National Bank of Pakistan (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **National Bank of Pakistan**

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Kamran Shoukat  
Manager Operations

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Muhammad Haroon Kaleem  
Manager Credit

**CERTIFICATE BY THE OFFEROR – THE BANK OF PUNJAB**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Head Debt Capital Markets, Syndications & Equity Advisory and Team Leader – Equity & Advisory of The Bank of Punjab (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **The Bank of Punjab**

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Mateen Farooq  
Head Debt Capital Markets, Syndications & Equity Advisory

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Badr un Naeem Siddiqui  
Team Leader – Equity & Advisory

**CERTIFICATE BY THE OFFEROR – BANK AL HABIB LIMITED**

Date: February 07, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Head of Investment Banking and Company Secretary of Bank Al Habib Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **Bank Al Habib Limited**

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Syed Mohammad Imad Riaz  
Head of Investment Banking

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Mohammad Taqi Lakhani  
Company Secretary

**CERTIFICATE BY THE OFFEROR – BANK ALFALAH LIMITED**

Date: February 09, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Group Head Treasury & Financial Markets and Group Head Corporate, Investment Banking & International Business of Bank Alfalah Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **Bank Alfalah Limited**

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Pervez Shahbaz Khan  
Group Head Treasury & Financial Markets

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Farooq Ahmed Khan  
Group Head Corporate, Investment  
Banking & International Business

**CERTIFICATE BY THE OFFEROR – ASKARI BANK LIMITED**

Date: February 13, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Head of Capital Markets Operations and Unit Head Project Finance of Askari Bank Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **Askari Bank Limited**

-sd-

---

Abdul Rauf  
Head of Capital Markets Operations

-sd-

---

Muhammad Akhlas Agha  
Unit Head Project Finance

**CERTIFICATE BY THE OFFEROR – HABIB METROPOLITAN BANK LIMITED**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Head Equity and Head Investment Banking of Habib Metropolitan Bank Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **Habib Metropolitan Bank Limited**

-sd-

---

Muhammad Imran Khan  
Head Equity

-sd-

---

Hafiz Faraz Ali  
Head Investment Banking

**CERTIFICATE BY THE OFFEROR – SONERI BANK LIMITED**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We being the Team Leader CIBG and Credit Manager of Soneri Bank Limited (“Offeror”) accept absolute responsibility for the disclosures made in the Offer for Sale Document. We hereby certify that we have reviewed the Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true and plain disclosures of all material facts relating to the REIT scheme, the Offeror and the units being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intents expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and behalf of **Soneri Bank Limited**

-sd-

---

Fahad Imtiaz  
Team Leader – CIBG

-sd-

---

Muhammad Asif  
Credit Manager

**STATEMENT BY THE REIT MANAGEMENT COMPANY**

Date: January 31, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of TPL REIT Fund I, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed

For and behalf of **TPL REIT Fund I**

-sd-

---

Ali Asgher  
Chief Executive Officer

-sd-

---

Imad Zahid Nagi  
Chief Financial Officer

-sd-

---

Shayan Mufti  
Company Secretary

**CERTIFICATE BY REIT MANAGEMENT COMPANY**

Date: January 31, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We, the undersigned, hereby confirm that the related parties of TPL REIT Management Company Limited associated with TPL REIT Fund I ("REIT Scheme") are capable of performing their duties in relation to the REIT Scheme independent of their other businesses.

For and behalf of **TPL REIT Management Company Limited**

-sd-

-sd-

-sd-

---

Ali Asgher  
Chief Executive Officer

---

Imad Zahid Nagi  
Chief Financial Officer

---

Shayan Mufti  
Company Secretary

**STATEMENT BY THE OFFEROR - TPL PROPERTIES LIMITED**

Date: January 31, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **TPL Properties Limited**

-sd-

---

Adnan Quaid Johar Khandwala  
Chief Financial Officer

-sd-

---

Mohammad Ali Jameel  
Chief Executive Officer

**STATEMENT BY THE OFFEROR - HABIB BANK LIMITED**

Date: February 02, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Habib Bank Limited**

-sd-

---

Aamir Irshad  
Head Corporate, Commercial & Investment Banking

-sd-

---

Usman Hameed  
Head Investment Banking

**STATEMENT BY THE OFFEROR - NATIONAL BANK OF PAKISTAN**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **National Bank of Pakistan**

-sd-

---

Kamran Shoukat  
Manager Operations

-sd-

---

Muhammad Haroon Kaleem  
Manager Credit

**STATEMENT BY THE OFFEROR – THE BANK OF PUNJAB**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **The Bank of Punjab**

-sd-

---

Mateen Farooq  
Head Debt Capital Markets, Syndications & Equity Advisory

-sd-

---

Badr un Naeem Siddiqui  
Team Leader – Equity & Advisory

**STATEMENT BY THE OFFEROR - BANK AL HABIB LIMITED**

Date: February 07, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Bank Al Habib Limited**

-sd-

---

Syed Mohammad Imad Riaz  
Head of Investment Banking

-sd-

---

Muhammad Taqi Lakhani  
Company Secretary

**STATEMENT BY THE OFFEROR - BANK ALFALAH LIMITED**

Date: February 09, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Bank Alfalah Limited**

-sd-

---

Pervez Shahbaz Khan  
Group Head Treasury & Financial Markets

-sd-

---

Farooq Ahmed Khan  
Group Head Corporate, Investment  
Banking & International Business

**STATEMENT BY THE OFFEROR - ASKARI BANK LIMITED**

Date: February 13, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Askari Bank Limited**

-sd-

---

Abdul Rauf  
Head of Capital Markets Operations

-sd-

---

Muhammad Akhlas Agha  
Unit Head – Project Finance

**STATEMENT BY THE OFFEROR - HABIB METROPOLITAN BANK LIMITED**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Habib Metropolitan Bank Limited**

-sd-

---

Muhammad Imran Khan  
Head Equity

-sd-

---

Hafiz Faraz Ali  
Head Investment Banking

**STATEMENT BY THE OFFEROR - SONERI BANK LIMITED**

Date: February 15, 2024

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

As the Offeror, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer For Sale Document and that whatever is stated in Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Soneri Bank Limited**

-sd-

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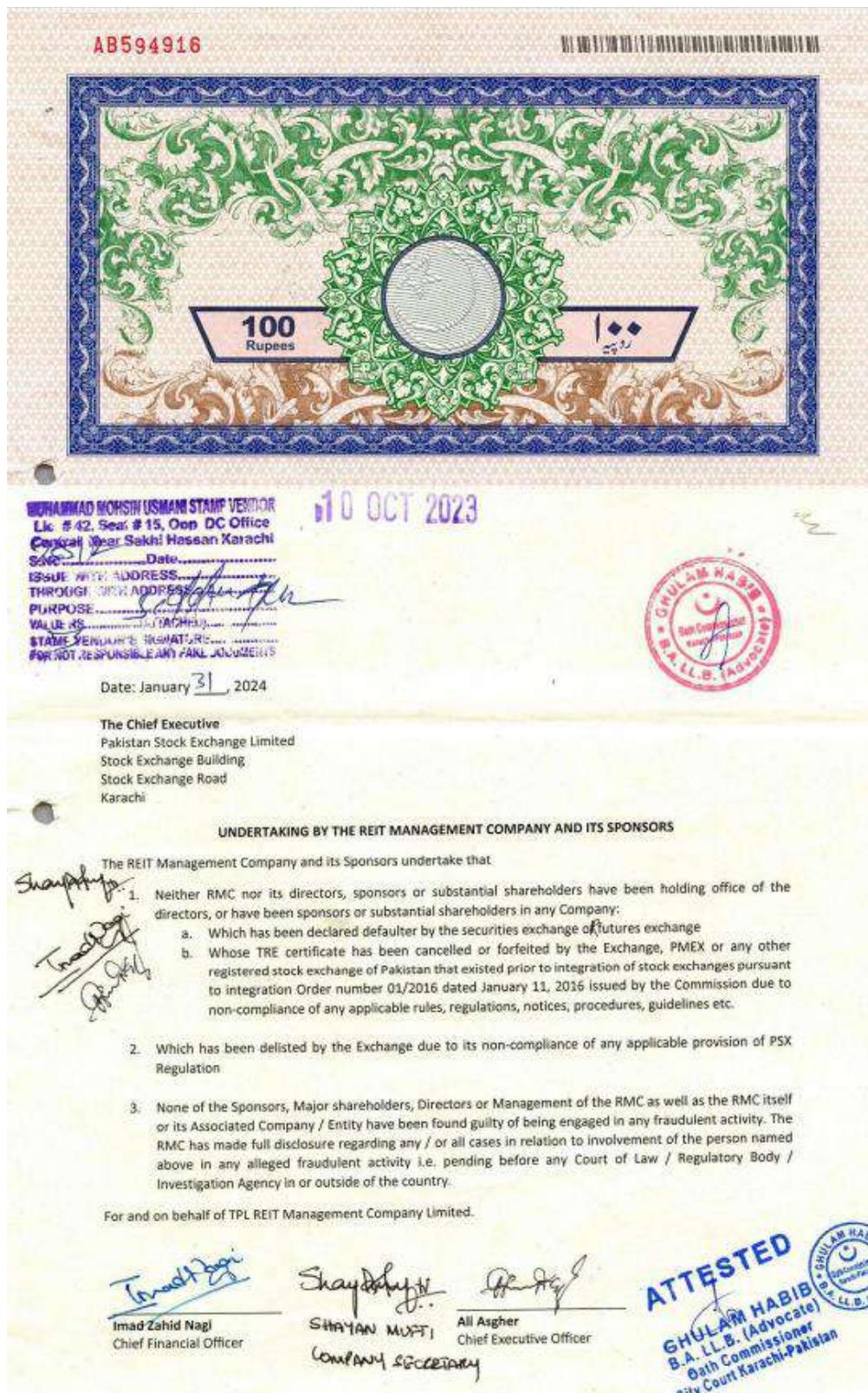
Fahad Imtiaz  
Team Leader - CIBG

-sd-

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Muhammad Asif  
Credit Manager

## UNDERTAKING BY THE REIT MANAGEMENT COMPANY AND ITS SPONSORS



## UNDERTAKING BY THE OFFEROR - TPL PROPERTIES LIMITED

AC379287

Muhammad Zakir Stamp Vendor  
Lic No. 31, Suite No. 705-A, 7th Floor  
Panorama Center-1, Near Atrium Mall  
Bander Karachi-Pakistan

086387 30 JAN 2024

S.NO. ..... DATE: .....

ISSUED TO WITH ADDRESS: .....

THROUGH WITH ADDRESS: .....

PURPOSE: .....

VALUE RS ..... ATTACHED .....

STAMP VENDOR SIGNATURE: .....

Not For Use For Will & Divorce Deed

*Mudassir Sabeeb Adv*

Dated: January 31, 2024

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**UNDERTAKING BY TPL PROPERTIES LIMITED ("OFFEROR") AND ITS SPONSORS**

TPL Properties Limited and its Sponsors undertake that

1. Neither Offeror nor its directors, sponsors or substantial shareholders have been holding office of the directors, or have been sponsors or substantial shareholders in any Company:
  - a. Which has been declared defaulter by the securities exchange or futures exchange
  - b. Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
2. Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulation
3. None of the Sponsors, Major shareholders, Directors or Management of the Offeror as well as the Offeror itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The RMChas made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of TPL Properties Limited ("Offeror"),

*AJ*  
Muhammad Ali Jameel  
Chief Executive Officer

*f.d*  
Adnan Quaid Johor Khandwala  
Chief Financial Officer

*ATTESTED*  
S. RIZWAN ADVOCATE  
B.A.LL.B. NOTARY PUBLIC  
KARACHI PAKISTAN

## UNDERTAKING BY THE OFFEROR - HABIB BANK LIMITED

AC455693

**ANIL RAJPUT STAMP VENDOR**  
Lic # 05, Shop # 113, New Ruby Centre,  
Taijur Road, Boulton B.R.N.O.  
Market, Karachi DATE: 67817 31 JAN 2024 (RUPEES ONE HUNDRED ONLY)

THROUGH WITH ABBREVIATION  
THROUGH WITH ABBREVIATION  
PURPOSE  
VALUE RS. ATTACHED  
STAMP VENDOR SIGNATURE  
(NOT USE FOR FREE WILL & DIVORCE PURPOSE)  
Vendor Not Responsible For False Documents

SYED MAHMOOD ALI RIZVI  
ADVOCATE HC/1246

Dated: FEBRUARY 2<sup>nd</sup>, 2024

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Usman Hameed  
Head Investment Banking  
Habib Bank Limited

**UNDERTAKING BY HABIB BANK LIMITED ("OFFEROR") AND ITS DIRECTORS FOR TPL REIT FUND 1 LISTING**

Habib Bank Limited and its Directors undertake that:

- Neither Offeror nor its directors, have been holding office of the directors, or have been sponsors or substantial shareholders in any Company:
  - Which has been declared defaulter by the securities exchange / futures exchange.
  - Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to Integration Order No 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
  - Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
- None of the Directors or Management of the Offeror as well as the Offeror itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The RMC has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e., pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of Habib Bank Limited ("Offeror").

Name: Usman Hameed  
Head Investment Banking

Name: Usman Hameed  
Head Investment Banking

ATTESTED  
GHULAM HABIB  
B.A.L.B. (Advocate)  
Oath Commissioner  
City Court Karachi-Pakistan

## UNDERTAKING BY THE OFFEROR - NATIONAL BANK OF PAKISTAN

AC379216



30 JAN 2024  
086316

Muhammad Zakir Stamp Vendor  
Lic No. 31, Suite No. 705-A, 7th Floor  
Panorama Center-1, Near Atrium Mall  
Sadar Katchhi-Pakistan

S.NO. ----- DATE. -----  
ISSUED TO WITH ADDRESS. -----  
THROUGH WITH ADDRESS. -----  
PURPOSE. -----  
VALUE RS. ----- ATTACHED. -----  
STAMP VENDOR SIGNATURE. -----  
Not For Use Free Will & Divorce Deed

*Mudassir Saleem Adv*

Dated: February 15, 2024

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**UNDERTAKING BY NATIONAL BANK OF PAKISTAN ("OFFEROR") AND ITS DIRECTORS**

National Bank of Pakistan and Its Directors undertake that:

- Neither Offeror nor its directors, have been holding office of the directors, or have been sponsors or substantial shareholders in any Company:  
 a. Which has been declared defaulter by the securities exchange or futures exchange.  
 b. Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.  
 c. Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
- None of the Directors or Management of the Offeror as well as the Offeror itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The RMC has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of National Bank of Pakistan ("Offeror").

*[Signature]*

Name: **KAMRAN SHOUKAT**  
Designation: Manager Operations  
National Bank of Pakistan  
Corporate Br, Chapai Plaza, Khi  
CNIC-42301-7493985-3

**ATTESTED**

*[Signature]*

Name: **MUHAMMAD HAROON KHAN**  
Designation: AVP / Manager Credit  
National Bank of Pakistan  
Corporate Branch, Central Plaza, Karachi  
CNIC-42301-184041-1

Name: **GHULAM HABIB**  
Designation: B.A., LL.B. (Advocate)  
Oath Commissioner  
City Court Karachi, Pakistan

*[Signature]*

Name: **MUHAMMAD HABIB**  
Designation: B.A., LL.B. (Advocate)  
Oath Commissioner  
City Court Karachi, Pakistan

## UNDERTAKING BY THE OFFEROR - THE BANK OF PUNJAB



## UNDERTAKING BY THE OFFEROR - BANK AL HABIB LIMITED



Dated: February 07, 2024

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

## UNDERTAKING BY BANK AL HABIB LIMITED ("OFFEROR") AND ITS DIRECTORS

Bank AL Habib Limited and its Directors undertake that:

1. Neither Offeror nor its directors, have been holding office of the directors, or have been sponsors or substantial shareholders in any Company:
  - a. Which has been declared defaulter by the securities exchange or futures exchange.
  - b. Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
  - c. Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
2. None of the Directors or Management of the Offeror as well as the Offeror itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The RMC has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of Bank AL Habib Limited ("Offeror").

Name: SYED MOHAMMAD INAS RIAZ  
Designation: PEAS - INVESTMENT BANKING

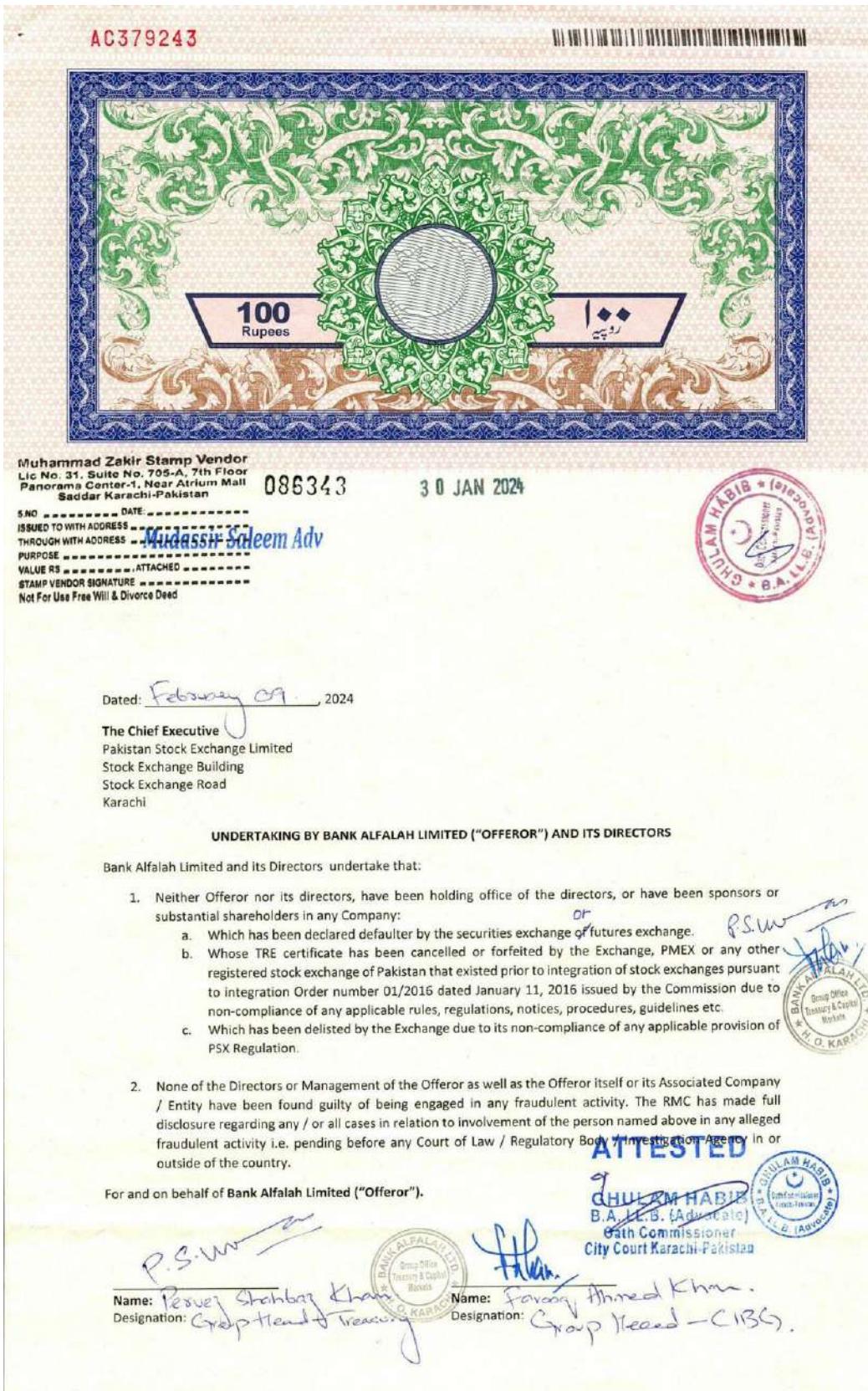
Name: Mohammad Tagi Iqbal  
Designation: Company Secretary

ATTESTED

Name: GHULAM HABIB  
B.A.LL.B (Advocate)  
With Commission  
O/C Court Karachi-Pakistan



## UNDERTAKING BY THE OFFEROR - BANK ALFALAH LIMITED



## UNDERTAKING BY THE OFFEROR - ASKARI BANK LIMITED



## UNDERTAKING BY THE OFFEROR - HABIB METROPOLITAN BANK LIMITED

AC379292



Muhammad Zakir Stamp Vendor  
Lic No. 31, Suite No. 705-A, 7th Floor  
Panorama Center-1, Near Atrium Mall  
Saddar Karachi-Pakistan

086392      30 JAN 2024

S.NO. .... DATE: ....  
ISSUED TO WITH ADDRESS: ....  
THROUGH WITH ADDRESS: ....  
PURPOSE: ....  
VALUE RS: .... ATTACHED: ....  
STAMP VENDOR SIGNATURE: ....  
NOT For Use Free Will & Divorce Deed

Dated: Febuary 15th, 2024

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**UNDERTAKING BY HABIB METROPOLITAN BANK LIMITED ("OFFEROR") AND ITS DIRECTORS**

Habib Metropolitan Bank Limited on behalf of it and its directors undertake that:

1. Neither Offeror nor its directors, have been holding office of the directors or have been sponsors or substantial shareholders in any Company:
  - a. Which has been declared defaulter by the securities exchange or futures exchange.
  - b. Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
  - c. Which has been delisted by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
2. None of the Directors or Management of the Offeror as well as the Offeror itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The RMC has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of Habib Metropolitan Bank Limited ("Offeror").

**ATTESTED**

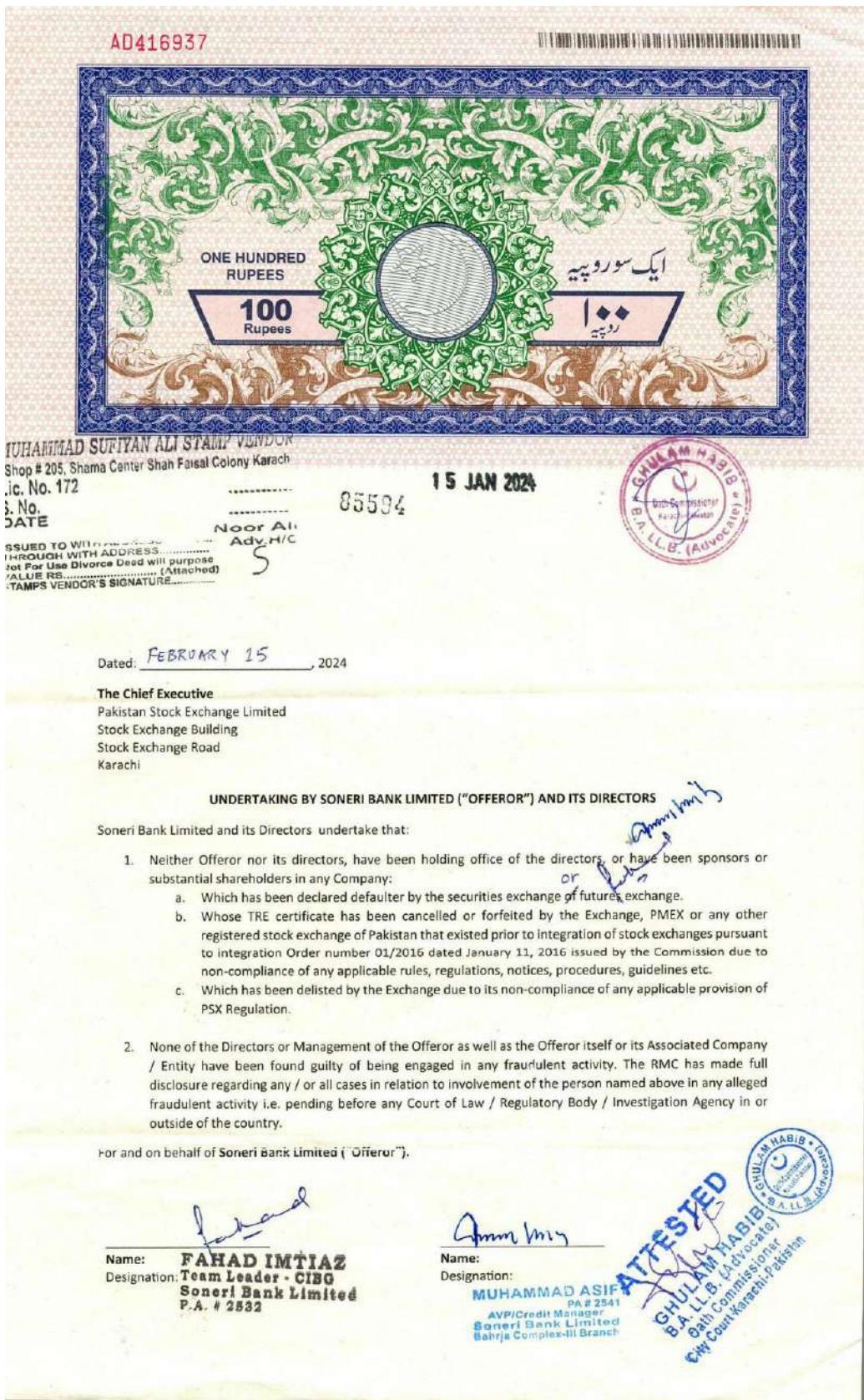
Name: MUHAMMAD IMRAN KHAN  
Designation: HEAD EQUITY

Name: GHULAM HABIB  
B.A. LL.B. (Advocate)  
Oath Commissioner  
City Court Karachi-Pakistan

Name: HAFIZ FARAZ A.I.  
Designation: HEAD INVESTMENT BANKING

GHULAM HABIB  
B.A. LL.B. (Advocate)  
Oath Commissioner  
City Court Karachi-Pakistan

## UNDERTAKING BY THE OFFEROR - SONERI BANK LIMITED



## STATEMENT BY LEAD MANAGER



## 10. FINANCIAL INFORMATION

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### 10.1 AUDITORS REPORT UNDER CLAUSE 1 OF SECTION 2 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017 FOR THE PURPOSE OF INCLUSION IN THE OFFER FOR SALE DOCUMENT OF TPL REIT SCHEME I



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

The Board of Directors  
TPL REIT Management Company Limited -  
Management Company of TPL REIT Fund 1  
20th Floor, Sky Tower-East Wing, Dolmen City, HC-3,  
Block 4, Abdul Sattar Edhi Avenue, Clifton,  
Karachi

Our ref KA-ZS-484  
Contact Muhammad Taufiq

13 December 2023

Dear Board Members,

#### **Auditors' Certificate on Financial Information as Required Under section 2(1) of the First Schedule to the Public Offering Regulations, 2017**

We have been requested to provide you with a certificate on the annexed statement, which contains the profits and losses and assets and liabilities of the TPL REIT Fund-I (the 'REIT') and its subsidiaries (together the 'Group') and the details of dividend paid as required under clause 1 of section 2 of the First Schedule to the Public Offering Regulation, 2017 (the 'Regulations').

#### **Scope of Certificate**

We understand that this certificate is being issued in our capacity as the statutory auditor, and we are required to issue a certificate on the accuracy of the information summarized in the annexed statement.

The Securities and Exchange Commission of Pakistan (SECP) under section 2(1) of the First Schedule of Public Offering Regulations, 2017 requires a report to be made by auditors (who shall be named in the Offer for Sale Document) immediately preceding the issue of the prospectus with respect to the following:

- (a) profits and losses and assets and liabilities of the REIT as a whole with the combined profits and losses of its subsidiaries, and individually with profit and loss of each subsidiary concern, for the period ended on 30 June 2022 and year ended on 30 June 2023, and
- (b) details of the dividend paid by the REIT during the period from 23 December 2021 to 30 June 2023.

#### **Management's Responsibility**

It is the responsibility of the management to prepare the annexed statement based on the audited financial statements as required under clause 1 of section 2 of the regulations and to ensure compliance with the requirements of other laws and regulations applicable to the REIT. This certificate does not relieve the management of its responsibilities.



**TPL REIT Management Company Limited - Management  
Company of TPL REIT Fund 1**

*Auditors' Certificate on Financial Information as Required  
Under section 2(1) of the First Schedule to the Public Offering  
Regulations, 2017*  
13 December 2023

KPMG Taseer Hadi & Co.

#### **Auditor's Responsibility**

Our responsibility is to certify the accuracy of the information appearing in the annexed statement as required under section 2(1) of the First Schedule to the Regulations in accordance with the '*Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms*' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

- Agreed to the information about profits and losses, and assets and liabilities included in the annexed statement with the audited consolidated and unconsolidated financial statement of the REIT and the audited financial statement of its subsidiaries for the period ended on 30 June 2022 and year ended on 30 June 2023, and
- Agreed to the details of dividend paid by the REIT during the period from 23 December 2021 to 30 June 2023 with the audited financial statements of the REIT.

#### **Certificate**

Based on the procedures mentioned above, we certify that the information contained in the annexed statement about the profits and losses and assets and liabilities of the Group and details of dividend paid is in agreement with the respective audited financial statements of the Group. Moreover, no dividend was paid during the period from 23 December 2021 to 30 June 2023.

#### **Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor, on the special request of the management in relation to the requirements under section 2(1) of the Regulations for the purpose of inclusion in the prospectus and for onward submission to PSX and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.

Yours faithfully,

*KM&L Taseer*

**TPL REIT Fund I  
STATEMENT OF PROFITS AND LOSSES AND ASSETS AND LIABILITIES AND THE DETAILS  
OF DIVIDEND PAID  
AS PER UNCONSOLIDATED FINANCIAL STATEMENTS**

**1 STATEMENT OF FINANCIAL POSITION**

The statement of financial position of the REIT Fund is as follows:

June 30, 2023      June 30, 2022  
(Rupees in '000)

**ASSETS**

Non-current assets	20,734	25,885
Preliminary expenses and flotation costs	100	100
Security deposits	<u>31,082,959</u>	<u>15,340,691</u>
Investments	<u>31,103,793</u>	<u>15,368,676</u>
Current assets	20,747	1,485
Advances and prepayments	2,000	-
Due from related parties	<u>991,671</u>	<u>2,647,064</u>
Bank balances	<u>1,014,418</u>	<u>2,648,549</u>
<b>TOTAL ASSETS</b>	<b><u>32,118,211</u></b>	<b><u>18,015,225</u></b>

**LIABILITIES**

Current liabilities	2,435,576	1,023,477
Payable to the REIT Management Company	3,273	267
Payable to the Trustee	25,000	558
Payable to the SECP	600,000	1,000,000
Advance against issuance of units	5,209	30,256
Accrued expenses and other liabilities	<u>3,069,058</u>	<u>2,054,558</u>
<b>TOTAL LIABILITIES</b>	<b><u>3,069,058</u></b>	<b><u>2,054,558</u></b>

**NET ASSETS**

CONTINGENCIES AND COMMITMENTS	(Number of units)	
Units in issue	<u>1,497,500,000</u>	<u>1,110,000,000</u>
(Rupees per unit)		
Net assets value per unit	<u>19.39</u>	<u>14.38</u>
(Rupees in '000)		
REPRESENTED BY:		
Total Unit holders' fund	<u>29,049,153</u>	<u>15,960,667</u>



## 2 STATEMENT OF PROFIT OR LOSS

The unconsolidated statement of profit or loss is as follows:

	For the year ended 30 June 2023	For the period: from 23 December 2021 to 30 June 2022
	(Rupees in '000)	
<b>INCOME</b>		
Unrealised gain on remeasurement of investments through profit or loss	11,122,268	6,285,691
Profit on bank deposits	130,088	7,977
<b>Total income</b>	<u>11,252,356</u>	<u>6,293,668</u>
<b>EXPENSES</b>		
Remuneration of the REIT Management Company	382,014	4,725
Performance fee of the REIT Management Company	1,592,744	992,032
Remuneration of the Trustee	10,124	189
SECP monitoring fee	25,000	558
Auditors remuneration	4,971	3,198
Legal and professional fee	12,057	-
Amortization of preliminary expenses and floatation costs	5,151	85
Fund rating fee	347	318
Share registrar fee	339	78
Bank and custody charges	6,744	3
CDC fresh issue fee	-	17,909
Transaction advisor fee	-	254,250
Participation fee / (reversal)	(750)	159,656
Printing charges	129	-
<b>Total expenses</b>	<u>2,038,870</u>	<u>1,433,001</u>
<b>PROFIT FOR THE YEAR / PERIOD BEFORE TAXATION</b>	<u>9,213,486</u>	<u>4,860,667</u>
Taxation	-	-
<b>PROFIT FOR THE YEAR / PERIOD AFTER TAXATION</b>	<u>9,213,486</u>	<u>4,860,667</u>
	(Rupees)	
<b>EARNING PER UNIT - basic and diluted</b>	<u>6.97</u>	<u>4.38</u>

## 3 STATEMENT OF COMPREHENSIVE INCOME

<b>PROFIT FOR THE YEAR / PERIOD AFTER TAXATION</b>	9,213,486	4,860,667
Other comprehensive income for the year / period	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR / PERIOD</b>	<u>9,213,486</u>	<u>4,860,667</u>

## 4 DETAILS OF DIVIDEND

Total amount declared	Nil	Nil
Amount per units	Nil	Nil

  
Chief Financial Officer of the  
TPL REIT Management  
Company Limited



  
Chief Executive Officer  
of the TPL REIT Management  
Company Limited



**TPL REIT Fund I  
STATEMENT OF PROFITS AND LOSSES AND ASSETS AND LIABILITIES AND THE DETAILS  
OF DIVIDEND PAID  
AS PER CONSOLIDATED FINANCIAL STATEMENTS.**

**1 STATEMENT OF ASSETS AND LIABILITIES**

The statement of financial position of the REIT Fund is as follows:

	June 30, 2023	June 30, 2022
	(Rupees in '000)	
<b>ASSETS</b>		
Non-current assets		
Preliminary expenses and floatation costs	20,734	25,885
Security deposits	100	100
Investment property	26,264,477	12,700,716
Intangibles assets	-	99
	<u>26,285,511</u>	<u>12,726,800</u>
Current assets		
Development property	3,449,655	3,132,452
Investments	351,877	-
Advances and prepayments	607,097	1,494
Advance tax	5,754	5,754
Bank balances	2,450,684	2,885,291
	<u>6,895,047</u>	<u>6,024,991</u>
<b>TOTAL ASSETS</b>	<u>33,150,358</u>	<u>18,751,791</u>
<b>LIABILITIES</b>		
Non-current liabilities		
Long term financing	775,000	400,000
	<u>775,000</u>	<u>400,000</u>
Current liabilities		
Payable to the REIT Management Company	2,438,081	1,023,477
Payable to the Trustee	3,273	267
Payable to the SECP	25,000	558
Advance against issuance of units	600,000	1,000,000
Accrued markup	46,819	1,515
Accrued expenses and other liabilities	51,952	91,642
Due to related parties	105,140	100,471
	<u>3,270,265</u>	<u>2,217,930</u>
<b>TOTAL LIABILITIES</b>	<u>4,045,265</u>	<u>2,817,930</u>
Net assets attributable to non-controlling interest	158,721	173,195
	<u>158,721</u>	<u>173,195</u>
<b>Net assets - attributable to equity holders of the Fund</b>	<u>28,946,372</u>	<u>15,960,666</u>
	(Rupees in '000)	
Unit holders' fund	28,946,372	15,960,666
Contingencies and commitments		
	(Number of units)	
Units in issue	1,497,500,000	1,110,000,000
	(Rupees per unit)	
Net assets value per unit	<u>19.32</u>	<u>14.38</u>



## 2 STATEMENT OF PROFIT OR LOSS

The consolidated statement of profit or loss is as follows:

	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
	(Rupees in '000)	
<b>INCOME</b>		
Unrealised gain on revaluation of investment properties	10,882,140	6,350,553
Profit on bank deposits	254,399	7,977
Dividend income on mutual funds	2,938	-
Profit on GOP Sukuk	8,760	-
Unrealised loss on remeasurement of investments through profit or loss	(545)	-
Total income	<u>11,146,792</u>	<u>6,358,530</u>
<b>EXPENSES</b>		
Remuneration of the REIT Management Company	382,014	4,725
Performance fee of the REIT Management Company	1,592,744	992,031
Remuneration of the Trustee	10,124	189
SECP monitoring fee	25,000	558
Auditors remuneration	14,230	3,198
Legal and professional fee	14,740	-
Amortization of preliminary expenses and floatation costs	5,151	85
Fund rating fee	347	318
Share registrar fee	339	78
Bank and custody charges	6,773	4
Participation fee	(750)	159,656
Amortization of intangible assets	99	-
Printing expenses	186	-
CDC fresh issue fee	-	17,309
Transaction advisor fee	-	254,259
Total expenses	<u>2,050,997</u>	<u>1,433,001</u>
<b>PROFIT FOR THE YEAR / PERIOD BEFORE TAXATION</b>	<b>9,095,795</b>	<b>4,925,529</b>
Taxation charged / (reversal)	(436)	-
<b>PROFIT FOR THE YEAR / PERIOD AFTER TAXATION</b>	<b>9,096,231</b>	<b>4,925,529</b>
<b>PROFIT ATTRIBUTABLE TO:</b>		
Unit holders of the fund	9,096,230	4,860,666
Non-controlling interest	(289)	64,863
	<u>9,096,231</u>	<u>4,925,529</u>
(Rupees)		
<b>EARNING PER UNIT - basic and diluted</b>	<b>6.97</b>	<b>4.28</b>

## 3 STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 30 June 2023	For the period from 23 December 2021 to 30 June 2022
	(Rupees in '000)	
<b>PROFIT FOR THE YEAR / PERIOD AFTER TAXATION ATTRIBUTABLE TO:</b>		
Unit holders of the fund	9,096,520	4,860,666
Non-controlling interest	(289)	64,863
	<u>9,096,231</u>	<u>4,925,529</u>
Other comprehensive income for the year / period	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR / PERIOD</b>	<b>9,096,231</b>	<b>4,925,529</b>

## 4 DETAILS OF DIVIDEND

Total amount declared  
Amount per units  
  
  
 Chief Financial Officer of the TPL  
REIT Management Company  
Limited



NI NI  
NI NI  
  
  
 Chief Executive Officer  
of the TPL REIT Management  
Company Limited



**HKC PRIVATE LIMITED**  
**STATEMENT OF PROFITS AND LOSSES AND ASSETS AND LIABILITIES AND THE DETAILS**  
**OF DIVIDEND PAID**  
**AS AT JUNE 30, 2023**

**1 STATEMENT OF FINANCIAL POSITION**

The statement of financial position of the subsidiary of the REIT Fund is as follows:

	June 30, 2023	June 30, 2022
	(Rupees in '000)	(Rupees in '000)

**ASSETS**

<b>Non-current assets</b>		<b>99</b>
Intangible asset	-	1,582,712
Development property	<u>1,899,915</u>	<u>1,582,811</u>

<b>Current assets</b>	<b>9</b>	<b>9</b>
Prepayments	9,099	5,754
Taxation - net	5,123	-
Bank profit receivable	313,033	238,227
Bank balances	327,264	243,990

<b>TOTAL ASSETS</b>	<u>2,227,179</u>	<u>1,826,801</u>
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**EQUITY AND LIABILITIES****SHARE CAPITAL AND RESERVES**

Authorised share capital		
Authorised capital of 150,000,000 (2022: 150,000,000)		
ordinary shares of Rs.10/- each	<u>1,500,000</u>	<u>1,500,000</u>
Issued, subscribed and paid-up capital	174,800	94,800
Share premium	1,222,536	102,536
Accumulated losses	(20,449)	(15,113)
Advance against issuance of shares	-	1,200,000
	<u>1,376,887</u>	<u>1,382,223</u>

<b>Non-current liabilities</b>		
Long-term financing	775,000	400,000

<b>Current liabilities</b>		
Trade and other payables	24,463	39,310
Due to related parties - unsecured	4,010	3,754
Accrued mark-up	46,819	1,514
	<u>75,292</u>	<u>44,578</u>
<b>TOTAL LIABILITIES</b>	<u>850,292</u>	<u>444,578</u>

**CONTINGENCIES AND COMMITMENTS**

<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,227,179</u>	<u>1,826,801</u>
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## 2 STATEMENT OF PROFIT OR LOSS

The statement of profit or loss is as follows:

	For the year ended 30 June 2023	For the year ended 30 June 2022
	(Rupees in '000)	
Administrative expenses	(5,336)	(6,619)
<b>Loss before taxation</b>	<b>(5,336)</b>	<b>(6,619)</b>
Taxation	-	-
<b>Loss after taxation</b>	<b>(5,336)</b>	<b>(6,619)</b>
Other comprehensive income for the year	-	-
<b>Total comprehensive loss for the year</b>	<b>(5,336)</b>	<b>(6,619)</b>
	(Rupees)	
<b>Loss per share - basic and diluted</b>	<b>(0.34)</b>	<b>(0.70)</b>

## 3 DETAILS OF DIVIDEND

Total amount declared	Nil	Nil
Amount per units	Nil	Nil

  
 Chief Financial Officer of  
 the TPL REIT  
 Management Company  
 Limited



  
 Chief Executive Officer  
 of the TPL REIT Management  
 Company Limited



NATIONAL MANAGEMENT & CONSULTANCY SERVICES PRIVATE LIMITED  
 STATEMENT OF PROFITS AND LOSSES AND ASSETS AND LIABILITIES AND THE DETAILS  
 OF DIVIDEND PAID  
 AS AT JUNE 30, 2023

**1 STATEMENT OF FINANCIAL POSITION**

The statement of financial position of the subsidiary of the REIT Fund is as follows:

	June 30, 2023	June 30, 2022
	(Rupees in '000)	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment property	23,814,229	12,700,716
<b>Current assets</b>		
Investments - at fair value through profit or loss	351,877	
Advances and other receivable	38,740	
Bank balances	1,143,539	
<b>TOTAL ASSETS</b>	<b>25,348,385</b>	<b>12,700,716</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
<b>Authorised capital</b>		
2,000,000 (2022: 2,000,000) ordinary shares of Rs. 100/- each.	200,000	200,000
<b>Issued, subscribed and paid-up capital</b>	<b>66,700</b>	<b>47,500</b>
Share premium	1,900,800	-
Accumulated profit	23,361,261	12,534,424
<b>TOTAL EQUITY</b>	<b>25,328,761</b>	<b>12,581,924</b>
<b>Current liabilities</b>		
Accrued liabilities and other payables	7,223	22,076
Due to related party - unsecured	12,401	96,716
	19,624	118,792
<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,348,385</b>	<b>12,700,716</b>



**2 STATEMENT OF PROFIT OR LOSS**

The statement of profit or loss is as follows:

	For the year ended 30 June 2023 (Rupees in '000)	For the year ended 30 June 2022 (Rupees in '000)
Administrative expenses	(4,043)	(1,836)
Other income	135,025	-
Unrealized gain on revaluation of investment property	10,696,400	9,231,500
Unrealized loss on investments at fair value through profit or loss	(545)	-
<b>Profit before taxation</b>	<b>10,826,837</b>	<b>9,229,664</b>
Taxation	-	-
<b>Profit after taxation</b>	<b>10,826,837</b>	<b>9,229,664</b>
Other comprehensive income for the year	-	-
<b>Total Comprehensive Income for the year</b>	<b>10,826,837</b>	<b>9,229,664</b>
Earning per share - basic and diluted	(Rupees) <u>18.88</u>	(Rupees) <u>19.43</u>

**3 DETAILS OF DIVIDEND**

Total amount declared	Nil
Amount per units	Nil

Nil	Nil
Nil	Nil

  
Chief Financial Officer of the TPL  
REIT Management Company  
Limited



  
Chief Executive Officer  
of the TPL REIT Management  
Company Limited



**TPL TECHNOLOGY ZONE PHASE 1 PRIVATE LIMITED  
STATEMENT OF PROFITS AND LOSSES AND ASSETS AND LIABILITIES AND THE DETAILS  
OF DIVIDEND PAID  
AS AT JUNE 30, 2023**

**1 STATEMENT OF FINANCIAL POSITION**

The statement of financial position of the subsidiary of the REIT Fund is as follows:

June 30, 2023  
(Rupees in '000)

**ASSETS**

<b>Non-current asset</b>	
Investment property	2,450,248

2,450,248

**Current assets**

Advances and other receivable	539,133
Bank balances	2,422
	541,555

539,133

2,422

541,555

**TOTAL ASSETS**

**2,991,803**

**EQUITY AND LIABILITIES****SHARE CAPITAL AND RESERVES**

<b>Authorised Share Capital</b>	
300,000,000 (30 June 2022: 300,000,000) ordinary shares of Rs. 10/- each.	3,000,000

3,000,000

Issued, subscribed and paid-up capital	1,825,000
Accumulated profit	1,058,509
	2,883,509

1,825,000

1,058,509

2,883,509

**Non-current liability**

Long-term financing	-
	-

-

-

**Current liabilities**

Accrued liabilities and other payables	15,061
Due to related parties - unsecured	93,233
	108,294

15,061

93,233

108,294

**CONTINGENCIES AND COMMITMENTS****TOTAL EQUITY AND LIABILITIES**

**2,991,803**



*Qasim* *D* *Qasim*

*V*

**2 STATEMENT OF PROFIT OR LOSS**

The statement of profit or loss is as follows:

	For the year ended 30 June 2023 (Rupees in '000)
Administrative expenses	(3,805)
Other income	152
Unrealized gain on revaluation of investment property	-
<b>(LOSS) / PROFIT BEFORE TAXATION</b>	<b>(3,653)</b>
Taxation	436
<b>(LOSS) / PROFIT AFTER TAXATION</b>	<b>(3,217)</b>
Other comprehensive income for the year	-
<b>TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR</b>	<b>(3,217)</b>

Earning per share - basic and diluted	(Rupees) <u>(0.02)</u>
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**3 DETAILS OF DIVIDEND**

Total amount declared	Nil
Amount per units	Nil

*[Signature]*  
Chief Financial Officer of the TPL  
REIT Management Company  
Limited



*[Signature]*  
Chief Executive Officer  
of the TPL REIT  
Management Company



**10.2 AUDITOR CERTIFICATE ON ISSUED, SUBSCRIBED, AND PAID-UP-CAPITAL OF THE REIT SCHEME  
– AS AT JUNE 30, 2023**



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

The Board of Directors  
TPL REIT Management Company Limited -  
Management Company of TPL REIT Fund 1  
20th Floor, Sky Tower - East Wing, Dolmen City, HC-  
3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi

Our ref KA-ZS-487  
Contact Muhammad Taufiq

13 December 2023

Dear Board Members,

**Auditor's Certificate on Issued, Subscribed and Paid-up Capital as Required Under Clause 11(i) of Section 1 of the First Schedule of the Public Offering Regulations, 2017**

We have been requested to provide a certificate on the annexed statement which contains the details of the issued, subscribed, and paid-up capital of TPL REIT Fund-I (the 'REIT') as at 30 June 2023 as required under clause 11(i) of section 1 of the First Schedule to the Public Offering Regulation, 2017 (the 'Regulations').

**Scope of Certificate**

The engagement is to provide a certificate on the annexed statement which contains the details of the issued, subscribed, and paid-up capital of the REIT as at 30 June 2023 as required under clause 11(i) of section 1 of the First Schedule of the Public Offering Regulations, 2017.

**Management's Responsibility**

It is the management's responsibility to prepare the annexed statement on the issued, subscribed, and paid-up capital of the REIT as at 30 June 2023, as required under clause 11(i) of section 1 of the First Schedule of the Regulations, and to ensure compliance with the requirements of other laws and regulations applicable to the REIT. This certificate does not relieve the management of its responsibilities.

**Auditor's Responsibility**

Our responsibility is to certify the information related to issued, subscribed and paid-up capital of the REIT as at 30 June 2023 as appearing in the annexed statement in accordance with the '*Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms*' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to agreeing the issued, subscribed and paid-up capital of the REIT as at 30 June 2023 disclosed in the annexed statement with the audited financial statements of the REIT as at 30 June 2023.



**TPL REIT Management Company Limited - Management  
Company of TPL REIT Fund 1**

*Auditor's Certificate on Issued, Subscribed and Paid-up  
Capital as Required Under Clause 11(i) of Section 1 of the  
First Schedule of the Public Offering Regulations, 2017*

13 December 2023

KPMG Taseer Hadi & Co.

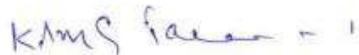
**Certificate**

Based on the procedure mentioned above, we certify that the information contained in the annexed statement about the issued, subscribed and paid-up capital of the REIT is in agreement with the audited financial statements of the REIT as at 30 June 2023.

**Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor on the special request of the management in relation to the requirements under clause 11(i) of section 1 of the First Schedule of the Regulations for the purpose of inclusion in prospectus and for onward submission to PSX and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.

Yours faithfully,



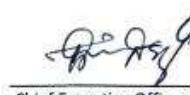
## TPL REIT Fund I

ISSUED, SUBSCRIBED AND PAID UP CAPITAL AS PER UNCONSOLIDATED FINANCIAL STATEMENTS  
AS AT JUNE 30, 2023

(Number of Units)		(Rupees in '000)
	Ordinary Units of Rs. 10 each	
787,500,000	Fully Paid in cash	7,875,000
710,000,000	Fully Paid in kind	7,100,000
<b>1,497,500,000</b>		<b>14,975,000</b>



Chief Financial Officer  
of the TPL REIT  
Management  
Company Limited

Chief Executive Officer  
of the TPL REIT  
Management  
Company Limited



**10.3 AUDITOR CERTIFICATE ON ISSUED, SUBSCRIBED, AND PAID-UP-CAPITAL OF THE REIT SCHEME  
– AS AT DECEMBER 28, 2023**



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

The Board of Directors  
TPL REIT Management Company Limited  
Management Company of TPL REIT Fund 1  
20th Floor, Sky Tower - East Wing  
Dolmen City, HC-3, Block 4, Abdul Sattar Edhi  
Avenue, Clifton  
Karachi

Our ref KA-AQ-566  
Contact Muhammad Taufiq

8 January 2024

Dear Board Members,

**Auditor's Certificate on Issued, Subscribed and Paid-up Capital as required Under Clause 11(i) of Section 1 of the First Schedule to the Public Offering Regulations, 2017**

We have been requested to provide a certificate on the annexed statement, prepared on the basis of the unaudited management accounts, which contains the details of the issued, subscribed, and paid-up capital of TPL REIT Fund-I (the 'Fund') as at 28 December 2023 as required under Clause 11(i) of section 1 of the First Schedule to the Public Offering Regulation, 2017(the 'Regulations').

**Scope of Certificate**

The engagement is to provide a certificate on the annexed statement prepared on the basis of the unaudited management accounts which contains the details of the issued, subscribed, and paid-up capital of the Fund as at 28 December 2023 as required under Clause 11(i) of section 1 of the First Schedule to the Public Offering Regulation, 2017.

**Management Responsibility**

It is the management responsibility to prepare the annexed statement, based on unaudited management accounts, which contains the details of the issued, subscribed, and paid-up capital of the Fund as at 28 December 2023 as required under Clause 11(i) of section 1 of the First Schedule to the Public Offering Regulation, 2017.

Management is also responsible for ensuring compliance with the requirement of other laws and regulations applicable to the Fund. This certificate does not relieve the management of its responsibilities.

**Auditor's Responsibility**

Our responsibility is to certify the information related to issued, subscribed and paid-up capital of the Fund as at 28 December 2023 as appearing in the annexed statement in accordance with the '*Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants*'

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



TPL REIT Management Company Limited Management  
Company of TPL REIT Fund I

Auditor's Certificate on Issued, Subscribed and Paid-up  
Capital as required Under Clause 11(i) of Section 1 of the  
First Schedule to the Public Offering Regulations, 2017  
8 January 2024

KPMG Taseer Hadi & Co.

Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to agreeing the issued, subscribed and paid-up capital of the Fund as at 28 December 2023 disclosed in the annexed statement with the unaudited management accounts of the Fund as at 28 December 2023.

**Certificate**

Based on the procedure mentioned above, we certify that the information contained in the annexed statement about the issued, subscribed and paid-up capital of the Fund is in agreement with the unaudited management accounts of the Fund as at 28 December 2023.

No financial statements of the Fund have been audited by us subsequent to the audit of the financial statement of the Fund for the year ended 30 June 2023.

**Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor, on the special request of the management in relation to the requirements under Clause 11(i) of section 1 of the First Schedule to the Regulations for the purpose of inclusion in prospectus and for onward submission to Pakistan Stock Exchange Limited (PSX) and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.

Yours faithfully,



**TPL REIT Fund I**  
**ISSUED, SUBSCRIBED AND PAID UP CAPITAL AS PER UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT DECEMBER 28, 2023**

(Number of Units)	(Rupees in '000)
Ordinary Units of Rs. 10 each	
1,125,000,000	Fully Paid in cash
710,000,000	Fully Paid in kind
<b><u>1,835,000,000</u></b>	<b><u>18,350,000</u></b>



Chief Financial Officer  
of the TPL REIT  
Management  
Company Limited



Chief Executive Officer  
of the TPL REIT  
Management  
Company Limited



## 10.4 AUDITOR CERTIFICATE ON THE BREAK-UP VALUE – AS AT JUNE 30, 2023



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

The Board of Directors  
 TPL REIT Management Company Limited -  
 Management Company of TPL REIT Fund 1  
 20th Floor, Sky Tower-East Wing, Dolmen City, HC-3,  
 Block 4, Abdul Sattar Edhi Avenue, Clifton,  
 Karachi

Our ref KA-ZS-486  
 Contact Muhammad Taufiq

13 December 2023

Dear Board Members,

**Auditors Certificate for Breakup Value of Units as Required Under Clause 11(ii) of Section 1 of the First Schedule to the Public Offering Regulations, 2017**

We have been requested to provide a certificate on the annexed statement which contains the breakup value per unit of TPL REIT Fund-I (the 'REIT') as at 30 June 2023 as required under clause 11(ii) of section 1 of the First Schedule to the Public Offering Regulation, 2017 (the 'Regulations').

**Scope of Certificate**

The engagement is to provide a certificate on the annexed statement, which contains the details of the breakup value per unit of the REIT as at 30 June 2023 as required under clause 11(ii) of section 1 of the First Schedule of the Public Offering Regulations, 2017.

**Management's Responsibility**

It is the management's responsibility to prepare the annexed statement which contain the breakup value per unit of the REIT as at 30 June 2023, as required under clause 11(ii) of section 1 of the First Schedule of the Regulations, and to ensure compliance with the requirements of other laws and regulations applicable to the REIT. This certificate does not relieve the management of its responsibilities.

**Auditor's Responsibility**

Our responsibility is to certify that the calculation of breakup value of units of the REIT as at 30 June 2023 as appearing in the annexed statement in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the ICAP. Our verification was limited to the procedures as mentioned below;

- Agreed to the amount of unit holders' fund as at 30 June 2023 with the audited financial statements of the REIT.
- Agreed to the number of units issued at 30 June 2023 with the audited financial statements of the REIT.



*TPL REIT Management Company Limited - Management  
Company of TPL REIT Fund I  
Auditors Certificate for Breakup Value of Units as Required  
Under Clause 11(ii) of Section 1 of the First Schedule to the  
Public Offering Regulations, 2017  
13 December 2023*

KPMG Taseer Hadi & Co.

- Checked the calculation of breakup value per unit by dividing unit holders' fund with the number of units issued.

#### **Certificate**

Based on the procedure mentioned above, we certify that the information contained in the annexed statement about the breakup value per unit of the REIT is in agreement with the audited financial statements of the REIT as at 30 June 2023.

#### **Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor on the special request of the management in relation to the requirements under clause 11(ii) of section 1 of the First Schedule of the Regulations for the purpose of inclusion in prospectus and for onward submission to PSX, and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.

Yours faithfully,

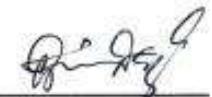
*KAMRAN HADI*

**TPL REIT Fund I**  
**BREAKUP VALUE / NET ASSET VALUE PER UNIT AS PER**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2023**

Unit holder's Fund	(Rupees in '000)
Issued, subscribed and paid up units (1,497,500,000 units of Rs. 10 each)	14,975,000
Undistributed Income	14,074,153
<b>Total Unit holder's Fund</b>	<b><u>29,049,153</u></b>
	(Number of units)
Number of units in issue	<u>1,497,500,000</u>
	(Rupees per unit)
Breakup value / Net asset value per unit	<u>19.39</u>

  
 Chief Financial Officer of  
 the TPL REIT  
 Management Company  
 Limited



  
 Chief Executive Officer  
 of the TPL REIT  
 Management Company  
 Limited



## 10.5 AUDITOR CERTIFICATE ON THE BREAK-UP VALUE – AS AT DECEMBER 28, 2023



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

The Board of Directors  
TPL REIT Management Company Limited  
Management Company of TPL REIT Fund 1  
20th Floor, Sky Tower-East Wing, Dolmen City, HC-3  
Block 4, Abdul Sattar Edhi Avenue, Clifton  
Karachi

Our ref KA-AQ-567

Contact Muhammad Taufiq

8 January 2024.

Dear Board Members,

**Auditor's Certificate for Breakup Value Per Unit as required Under Clause 11(ii) of Section 1 of the First Schedule to the Public Offering Regulations, 2017**

We have been requested to provide a certificate on the annexed statement, prepared on the basis of unaudited management accounts, which contains the breakup value per unit of TPL REIT Fund-I (the 'Fund') as at 28 December 2023 as required under Clause 11(ii) of section 1 of the First Schedule to the Public Offering Regulation, 2017(the 'Regulations').

**Scope of Certificate**

The engagement is to provide a certificate on the annexed statement prepared on the basis of the unaudited management accounts which contains the details of the breakup value per unit of the Fund as at 28 December 2023 as required under the Clause 11(ii) of section 1 of the First Schedule to the Public Offering Regulation, 2017.

**Management Responsibility**

It is the management responsibility to prepare the annexed statement, based on the unaudited management accounts, which contains the breakup value per unit of the Fund as at 28 December 2023 as required under Clause 11(ii) of section 1 of the First Schedule to the Public Offering Regulation, 2017, in accordance with the guidance provided in Technical Release 22 (TR-22) issued by Institute of Chartered Accountants of Pakistan.

Management is also responsible for ensuring compliance with the requirements of other laws and regulations applicable to the Fund. This certificate does not relieve the management of its responsibilities.

**Auditor's Responsibility**

Our responsibility is to certify that the calculation of breakup value per unit of the Fund as at 28 December 2023 as appearing in the annexed statement, prepared on the basis of the unaudited management accounts, is calculated as per the guidance given in Technical Release 22 (TR-22) issued by the Institute of Chartered Accountant of Pakistan (ICAP) in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants'.

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



**TPL REIT Management Company Limited Management  
Company of TPL REIT Fund 1**

*Auditors Certificate for Breakup Value of Units as required  
Under Clause 11(ii) of Section 1 of the First Schedule to the  
Public Offering Regulations, 2017*

8 January 2024

KPMG Taseer Hadi & Co.

Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

- Agreed the amount of Unit Holders' Fund as at 28 December 2023 with the unaudited management accounts of the Fund.
- Agreed the number of units issued as at 28 December 2023 with the unaudited management accounts of the Fund.
- Checked the calculation of breakup value per unit by dividing the amount of Unit Holders' Fund with the number of units in issuance as at 28 December 2023.

#### Certificate

Based on the procedure mentioned above, we certify that the information contained in the annexed statement, prepared on the basis of the unaudited management accounts regarding the breakup value per unit of the Fund, is calculated in accordance with the guidance provided in Technical Release 22 (TR-22) issued by the Institute of Chartered Accountant of Pakistan.

No financial statements of the Fund have been audited by us subsequent to the audit of the financial statement of the Fund for the year ended 30 June 2023.

#### Restriction on use and distribution

The certificate is being issued in the capacity of the statutory auditor, on the special request of the management in relation to the requirements under Clause 11(ii) of section 1 of the First Schedule to the Regulations for the purpose of inclusion in prospectus and for onward submission to Pakistan Stock Exchange Limited (PSX) and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.

Yours faithfully,

*KPMG Taseer - )*

**TPL REIT Fund I**  
**BREAKUP VALUE / NET ASSET VALUE PER UNIT AS PER**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT DECEMBER 28, 2023**

**Unit holder's Fund**

(Rupees in '000)

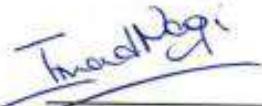
Issued, subscribed and paid up units (1,830,000,000 units of Rs. 10 each)	18,350,000
Undistributed Income	13,943,590
<b>Total Unit holder's Fund</b>	<b>32,293,590</b>

(Number of units)

Number of units in issue	1,835,000,000
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(Rupees per unit)

Breakup value / Net asset value per unit	17.59
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Chief Financial Officer  
of the TPL REIT  
Management Company  
Limited




Chief Executive Officer  
of the TPL REIT  
Management Company  
Limited



## 10.6 AUDITOR CERTIFICATE FOR TRANSFER OF SPV SHARES IN NAME OF TRUSTEE



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

The Board of Directors  
 TPL REIT Management Company Limited -  
 Management Company of TPL REIT Fund 1  
 20th Floor, Sky Tower - East Wing  
 Dolmen City, HC-3, Block 4, Abdul Sattar Edhi  
 Avenue, Clifton, Karachi

Our ref KA-ZS-485

Contact Muhammad Taufiq

13 December 2023

Dear Board Members,

**Auditor's Certificate on Transfer of Shares of SPV in the Name of Trustee as Required Under Clause 8(F) of the Fourth Schedule of the Real Estate Investment Trust Regulations, 2022**

We have been requested to provide a certificate to confirm the transfer of shares of SPVs, namely HKC (Private) Limited, TPL Technology Zone Phase-I (Private) Limited and National Management and Consultancy Services (Private) Limited (together the 'SPVs'), in the name of Digital Custodian Company Limited (the 'Trustee'), for the purpose of information to be disclosed in the offering document as required under clause 8(f) of the Fourth Schedule of the Real Estate Investment Trust Regulations, 2022 (the 'REIT Regulations, 2022').

**Scope of Certificate**

The scope of engagement is to provide a certificate to confirm the transfer of Shares of SPVs in the name of the trustee of the REIT for the purpose of information to be disclosed in the offering document as required under clause 8(f) of the Fourth Schedule of the REIT Regulations, 2022.

**Management's Responsibility**

It is the management's responsibility to ensure the transfer of shares of SPVs in the name of the trustee of the REIT and to disclose the same in the offering document as required under the Fourth Schedule of the REIT Regulations, 2022, and to ensure compliance with the requirements of other laws and regulations applicable to the REIT. This certificate does not relieve the management of its responsibilities.

**Auditor's Responsibility**

Our responsibility is to certify the information related to transfer of shares of SPVs in the name of the trustee of the REIT for the purpose of information to be disclosed in the offering document as required under clause 8(f) of the Fourth Schedule of the REIT Regulations, 2022, in accordance with the '*Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms*' issued by the Institute of Chartered Accountants of Pakistan. Our verification procedure was limited to checking whether the transfer of shares has been made to trustee from share certificate.



KPMG Taseer Hadi &amp; Co.

**TPL REIT Management Company Limited - Management  
Company of TPL REIT Fund I**

*Auditor's Certificate on Transfer of Shares of SPV in the  
Name of Trustee as Required Under Clause 8(F) of the  
Fourth Schedule of the Real Estate Investment Trust  
Regulations, 2022*

13 December 2023

**Certificate**

Based on the procedure mentioned above, we certify that the information appearing in the table below is correct with respect to the transfer of shares to the trustee of the REIT.

Name of SPVs	Total outstanding Shares at acquisition	Shares transferred to the Trustee
TPL Technology Zone Phase I (Private) Limited	75,000,000	74,999,999
National Management & Consultancy Services (Private) Limited	475,000	474,999
HKC (Private) Limited	9,480,000	8,531,970

**Restriction on use and distribution**

This certificate is issued in relation to the requirements mentioned under clause 8(f) of the Fourth Schedule of the REIT Regulations, 2022 for the purpose of disclosure of information in the offering document and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully,

## 10.7 AUDITOR CERTIFICATE FOR ISSUANCE OF UNITS IN LIEU OF REAL ESTATE



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

The Board of Directors  
 TPL REIT Management Company Limited -  
 Management Company of TPL REIT Fund 1  
 20th Floor, Sky Tower - East Wing, Dolmen City  
 HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton  
 Karachi

Our ref KA-ZS-586

Contact Muhammad Taufiq

10 January 2024

Dear Board Members,

**Auditor's Certificate required under of section 7(2) and schedule IV clause 9 (d) Real Estate Investment Trust Regulations, 2022**

We have been requested to provide you with a certificate to confirm the issue of Units of TPL REIT Fund - I ("the Fund") in lieu of shares of SPVs for the purpose of information to be disclosed in the offering document by the REIT Scheme for public offering as per the requirements of section 7(2) and schedule IV clause 9 (d) of Real Estate Investment Trust Regulations, 2022 ("the REIT Regulations").

**Scope of Certificate**

The engagement is to provide a certificate to confirm the issue of Units of the Fund in lieu of shares of SPVs as required under section 7(2) and schedule IV clause 9 (d) of the REIT Regulations.

**Management's Responsibility**

It is management's responsibility to ensure all compliances with requirements of the REIT Regulations and other laws applicable to the public offering of units of the Fund. This certificate does not relieve the management of its responsibilities.

Further, it is the responsibility of the management to ensure that the units are issued in lieu of shares of SPVs.

**Auditor's Responsibility**

Our responsibility is to certify the information related to the issue of Units of the Fund in lieu of shares of SPVs for the purpose of information to be disclosed in the public offering document as required under section 7(2) and schedule IV clause 9 (d) of the REIT Regulations in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan.

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



TPL REIT Management Company Limited - Management  
Company of TPL REIT Fund I

Auditor's Certificate required under section 7(2) and  
schedule IV clause 9 (d) Real Estate Investment Trust  
Regulations, 2022  
10 January 2024

KPMG Taseer Hadi & Co.

Our verification procedure was limited to checking the share purchase agreements and transfer deeds for shares of SPVs and traced the units issued from the statement of Central Depository Company of Pakistan Limited.

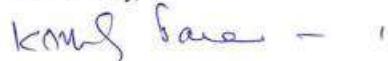
**Certificate**

Based on the procedure mentioned above, we certify that 710,000,000 units of the Fund, as appearing in the CDC statement, have been issued in lieu of the transfer of shares of SPVs as outlined in the share purchase agreement and transfer deed.

**Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor, on the special request of the management in relation to the requirements under section 7(2) and schedule IV clause 9 (d) of the REIT Regulations for the purpose of information to be disclosed in the offering document by the Fund for public offering and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully,



**10.8 AUDITOR CERTIFICATE FOR RECEIPT OF SUBSCRIPTION MONEY FROM ACCREDITED INVESTORS IN THE NAME OF TRUSTEE**



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

The Board of Directors  
TPL REIT Management Company Limited -  
Management Company of TPL REIT Fund 1  
20th Floor, Sky Tower - East Wing, Dolmen City  
HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton  
Karachi

Our ref KA-ZS-585

Contact Muhammad Taufiq

10 January 2024

Dear Board Members,

**Auditor's Certificate required under of section 7(2) and schedule IV clause 9 (e) Real Estate Investment Trust Regulations, 2022**

We have been requested to provide you with a certificate on the receipt of subscription money from the accredited investor in the name of Trustee for the purpose of information to be disclosed in the offering document by the REIT Scheme for public offering as per the requirements of section 7(2) and schedule IV clause 9 (e) of Real Estate Investment Trust Regulations, 2022 ("the REIT Regulations").

**Scope of Certificate**

The engagement is to provide a certificate on the annexed statement which contains the detail of receipt of subscription money from the accredited investors in the name of Trustee as required under section 7(2) and schedule IV clause 9 (e) of the REIT Regulations.

**Management's Responsibility**

It is management's responsibility to ensure all compliances with requirements of the REIT Regulations and other laws applicable to the public offering of units of the Fund. This certificate does not relieve the management of its responsibilities.

Further, it is the responsibility of the management to ensure that the subscription money from accredited investors has been received in the name of Trustee.

**Auditor's Responsibility**

Our responsibility is to certify the information related to the receipt of subscription money in the name of Trustee as mentioned in the annexed statement, for the purpose of information to be disclosed in the public offering document as required under section 7(2) and schedule IV clause 9 (e) of the REIT Regulations in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan.

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



**TPL REIT Management Company Limited - Management Company of TPL REIT Fund I**  
Auditor's Certificate required under of section 7(2) and schedule IV clause 9 (e) Real Estate Investment Trust Regulations, 2022  
10 January 2024

KPMG Taseer Hadi & Co.

Our verification procedure was limited to checking whether the subscription amount is received in the designated bank having account title in the name of Trustee.

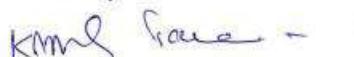
**Certificate**

Based on the procedure mentioned above, we certify that the subscription money from accredited investors as mentioned in the annexed statement amounting to PKR 11,250,000,000/- have been received in the designated bank account having account title in the name of Trustee.

**Restriction on use and distribution**

The certificate is being issued in the capacity of the statutory auditor, on the special request of the management in relation to the requirements under section 7(2) and schedule IV clause 9 (e) of the REIT Regulations for the purpose of information to be disclosed in the offering document by the Fund for public offering and is not to be used and / or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed statement.

Yours faithfully,



## ANNEXURE

**TPL REIT FUND I****STATEMENT ON RECEIPT OF FULL AMOUNT OF SUBSCRIPTION MONEY AGAINST ISSUANCE OF UNITS**

The following details pertain to receipt of full amount of subscription money against issuance of units by TPL REIT Fund I.

Sr. no.	Particulars	Number of Units (A)	Total subscription amount $B = A * 10$ (Price per unit) (Rupees)
<b>Units subscribed by Anchor Investors:</b>			
1	Habib Bank Limited	225,000,000	2,250,000,000
2	National Bank of Pakistan	200,000,000	2,000,000,000
3	The Bank of Punjab	200,000,000	2,000,000,000
4	Bank Al Habib Limited	150,000,000	1,500,000,000
5	Bank Alfalah Limited	100,000,000	1,000,000,000
6	Habib Metropolitan Bank Limited	100,000,000	1,000,000,000
7	Askari Bank Limited	100,000,000	1,000,000,000
8	Soneri Bank Limited	50,000,000	500,000,000
<b>Total</b>		<b>1,125,000,000</b>	<b>11,250,000,000</b>

**DETAILS OF BANK ACCOUNT IN WHICH SUBSCRIPTION AMOUNT WAS DEPOSITED**

Name of Bank	Branch	IBAN No.	Amount Received
Bank Al Habib Limited	Islamic Banking Shahrah-e-Faisal	PK19BAHL5001008102027001	11,250,000,000

**COMPLIANCE WITH THE REGULATORY REQUIREMENT**

- We undertake that the abovementioned information is true and correct.
- We confirm that the total amount of subscription against the issuance of units to anchor investors have been received in the aforementioned bank account.



For TPL REIT Fund I

Chief Financial Officer

25th Floor, Sky Tower, East Wing,  
Daman City, HC-3, Block 4,  
Abdul Sattar Edhi Avenue, Gulben, Karachi.

+92 21 37136227  
info@tplfunds.com  
www.tplfunds.com

## 10.9 SUMMARY OF FINANCIAL HIGHLIGHTS OF TPL REIT

### 10.9.1 TPL REIT FUND I CONSOLIDATED

TPL REIT Fund I Consolidated	Units	FY2022 (Audited)	FY2023 (Audited)	1H, FY2024 (Unaudited)
<b>Income Statement</b>				
Total Income (including unrealized gains)	PKR ('Mn)	6,358	11,147 <sup>1</sup>	161
Total Income (excluding unrealized gains)	PKR ('Mn)	8	265	161
Remuneration of RMC	PKR ('Mn)	5	382	253
Performance fee of RMC	PKR ('Mn)	992	1,593 <sup>2</sup>	-
Remuneration of Trustee	PKR ('Mn)	-	10	7
Other Expenses	PKR ('Mn)	436	66	33
Profit before Taxation	PKR ('Mn)	4,925	9,096	(132)
Taxation charged / (reversal) <sup>3</sup>	PKR ('Mn)	-	-	-
Profit after Taxation	PKR ('Mn)	4,925	9,096	(132)
<b>Balance Sheet</b>				
No. of Units Outstanding	Units ('Mn)	1,110	1,498	1,835
Non-Current Assets	PKR ('Mn)	12,727	26,285 <sup>4</sup>	26,784
Current Assets	PKR ('Mn)	6,025	6,865	8,677
Total Assets	PKR ('Mn)	18,752	33,150	35,461
Unit Holder's Fund	PKR ('Mn)	15,961	28,946 <sup>5</sup>	32,189
Long-term Debt <sup>6</sup>	PKR ('Mn)	400	775	775
Current Liabilities	PKR ('Mn)	2,218	3,270	2,338
<b>Cash Flow Statement</b>				
Cash Flow from Operating Activities <sup>7</sup>	PKR ('Mn)	(398)	(490)	(492)
Cash Flow from Financing Activities	PKR ('Mn)	6,625	1,148	2,775
Net Cash Balance	PKR ('Mn)	2,885	2,451	3,036
<b>Margins</b>				
Profit before Tax Margin	%	77%	82%	-82%
Profit after Tax Margin	%	77%	82%	-82%
<b>Profitability Ratios</b>				
Earnings per unit	PKR	4.38	6.88	(0.09)
Break-up value per unit	PKR	14.38	19.32	17.54
Return on Equity	%	30.86%	40.51%	-0.86% <sup>8,9</sup>
Return on Assets	%	26.26%	35.05%	-0.77% <sup>8,9</sup>
<b>Balance Sheet Ratios</b>				
Asset Turnover	Times	0.34	0.34	0.00
Current Ratio	Times	2.72	2.10	3.71
Long-term Debt to Equity	Times	0.02	0.03	0.02
Debt to Total Capital	%	2.42%	2.59%	2.34%

## Notes:

1. Increase in revenue in FY2023 was on account of sizable increase (PKR 10.8 bn) in unrealized gain on revaluation of investment property.
2. Performance fee is applicable as 15% of the increase in NAV of TPL REIT Fund I from the previous year. Hence, the increase is on account of total NAV of the Fund from 2022 to 2023.
3. The REIT Scheme'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. During the current year the REIT Scheme has incurred accounting loss when the net income is reduced by capital gains (whether realised or unrealised), therefore there is no distributable income for the current year. Further, TPL REIT 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.
4. Increase in non-current assets in FY2023 was on account of sizable increase (PKR 13.5 bn) in investment property on revaluation of investment property.
5. Increase in Unitholder's fund is due to increase in total assets of the Fund.
6. TPL REIT's subsidiary (One Hoshang) has availed the facility of Rs. 775 million from a commercial bank. The purpose of availing the facility is to finance the residential building project. Details of financing are given in section 15.2 of this OFSD.
7. Rationale for negative cashflow is given in section 9.1.15 of this OFSD.
8. Based on annualized earnings of 1HFY2024
9. The ROE and ROA dropped in 1H FY2024 because of the lower revenue during the period. The revenue decreased because there was no significant gain on revaluation of investment properties during the period.

**10.9.2 TPL REIT FUND I UNCONSOLIDATED**

TPL REIT Fund I Unconsolidated	Units	FY2022 (Audited)	FY2023 (Audited)	1H, FY2024 (Audited)
<b>Income Statement</b>				
Total Income (including unrealized gains)	PKR ('Mn)	6,294	11,252 <sup>1</sup>	159
Total Income (excluding unrealized gains)	PKR ('Mn)	8	130	159
Remuneration of RMC	PKR ('Mn)	5	382	253
Performance fee of RMC	PKR ('Mn)	992	1,593 <sup>2</sup>	-
Remuneration of Trustee	PKR ('Mn)	-	10	7
Other Expenses	PKR ('Mn)	436	54	26
Profit before Taxation	PKR ('Mn)	4,861	9,213	(126)
Taxation charged / (reversal)	PKR ('Mn)	-	-	-
Profit after Taxation	PKR ('Mn)	4,861	9,213	(126)
<b>Balance Sheet</b>				
No. of Units Outstanding	Units ('Mn)	1,110	1,498	1,835
Non-Current Assets	PKR ('Mn)	15,367	31,104 <sup>3</sup>	34,115
Current Assets	PKR ('Mn)	2,648	1,014	167
Total Assets	PKR ('Mn)	18,015	32,118	34,282
Unit Holder's Fund	PKR ('Mn)	15,960	29,049	32,298
Long-term Debt	PKR ('Mn)	-	-	-
Current Liabilities	PKR ('Mn)	2,055	3,069	1,985
<b>Cash Flow Statement</b>				
Cash Flow from Operating Activities <sup>4</sup>	PKR ('Mn)	(398)	(510)	(618)

Cash Flow from Financing Activities	PKR ('Mn)	6,625	1,850	2,775
Net Cash Balance	PKR ('Mn)	2,647	992	143
<b>Margins</b>				
Profit before Tax Margin	%	77%	82%	-79%
Profit after Tax Margin	%	77%	82%	-79%
<b>Profitability Ratios</b>				
Earnings per unit	PKR	4.38	6.97	(0.08)
Break-up value per unit	PKR	14.38	19.39	17.60
Return on Equity	%	30.46%	40.94%	-0.82% <sup>5,6</sup>
Return on Assets	%	26.98%	36.75%	-0.76% <sup>5,6</sup>
<b>Balance Sheet Ratios</b>				
Asset Turnover	Times	0.35	0.35	0.00
Current Ratio	Times	1.29	0.33	0.08
Long-term Debt to Equity	Times	-	-	-
Debt to Total Capital	%	-	-	-

## Notes:

1. Increase in revenue in FY2023 was on account of sizable increase (PKR 10.8 bn) in unrealized gain on revaluation of investment property.
2. Performance fee is applicable as 15% of the increase in NAV of TPL REIT Fund I from the previous year. Hence, the increase is on account of total NAV of the Fund from 2022 to 2023.
3. Increase in non-current assets is on account of increase in investments (in project SPVs) during the year.
4. Rationale for negative cashflow is given in section 9.1.15 of this OFSD.
5. Based on annualized earnings of 1H FY2024
6. The ROE and ROA dropped in 1H FY2024 because of the lower revenue during the period. The revenue decreased because there was no significant gain on revaluation of investment properties during the period.

## 10.9.3 NATIONAL MANAGEMENT &amp; CONSULTANCY SERVICES (PRIVATE) LIMITED - MANGROVE

NMCS (Pvt) Ltd	Units	FY2022 (Audited)	FY2023 (Audited)	1H, FY2024 (Audited)
<b>Income Statement</b>				
Total Income (including unrealized gains)	PKR ('Mn)	9,232	10,831 <sup>1</sup>	135
Total Income (excluding unrealized gains)	PKR ('Mn)	-	135	135
Other Expenses	PKR ('Mn)	2	4	3
Profit before Taxation	PKR ('Mn)	9,230	10,827	132
Taxation charged / (reversal)	PKR ('Mn)	-	-	-
Profit after Taxation	PKR ('Mn)	9,230	10,827	132
<b>Balance Sheet</b>				
No. of Shares Outstanding	Shares ('Mn)	0.48	0.67	0.67
Non-Current Assets	PKR ('Mn)	12,701	23,814 <sup>2</sup>	24,305
Current Assets	PKR ('Mn)	-	1,534	3,915
Total Assets	PKR ('Mn)	12,701	25,348	28,220
Long-term Debt	PKR ('Mn)	-	-	-
Current Liabilities	PKR ('Mn)	119	20	54
<b>Cash Flow Statement</b>				
Cash Flow from Operating Activities	PKR ('Mn)	117	124	16
Cash Flow from Financing Activities	PKR ('Mn)	-	1,920	2,705
Net Cash Balance	PKR ('Mn)	-	1,143	2,840
<b>Margins</b>				
Profit before Tax Margin	%	100%	100%	98%
Profit after Tax Margin	%	100%	100%	98%
<b>Profitability Ratios</b>				
Earnings per share	PKR	19,430.87	18,895.00	197.83
Break-up value per share	PKR	26,488.26	37,974.15	42,227.89
Return on Equity	%	115.85%	57.12%	0.99% <sup>4</sup>
Return on Assets	%	114.99%	56.91% <sup>3</sup>	0.99% <sup>4</sup>
<b>Balance Sheet Ratios</b>				
Asset Turnover	Times	0.73	0.43	0.00
Current Ratio	Times	-	76.70	72.50
Long-term Debt to Equity	Times	-	-	-
Debt to Total Capital	%	-	-	-

Notes:

1. This reflects unrealized gain on revaluation of investment property by PKR 10.7 bn.
2. This is on account of increase in investment property due to revaluation of the property.
3. Return on Assets dropped in FY23 due to a significant increase in total assets (due to revaluation of property), while profit after tax only showed a small growth from 2022 to 2023.
4. Based on annualized earnings of 1H FY2024

## 10.9.4 HKC (PRIVATE) LIMITED – ONE HOSHANG

HKC (Private) Limited	Units	FY2022 (Audited)	FY2023 (Audited)	1H, FY2024 (Audited)
<b>Income Statement</b>				
Total Income (including unrealized gains)	PKR ('Mn)	-	-	-
Total Income (excluding unrealized gains)	PKR ('Mn)	-	-	-
Other Expenses	PKR ('Mn)	7	5	2
Profit before Taxation	PKR ('Mn)	(7)	(5)	(2)
Taxation charged / (reversal)	PKR ('Mn)	-	-	-
Profit after Taxation	PKR ('Mn)	(7)	(5)	(2)
<b>Balance Sheet</b>				
No. of Shares Outstanding	Shares ('Mn)	9	17	19
Non-Current Assets <sup>1</sup>	PKR ('Mn)	1,583	1,900	2,441
Current Assets	PKR ('Mn)	244	327	64
Total Assets	PKR ('Mn)	1,827	2,227	2,505
Long-term Debt <sup>2</sup>	PKR ('Mn)	400	775	775
Current Liabilities	PKR ('Mn)	45	75	180
<b>Cash Flow Statement</b>				
Cash Flow from Operating Activities	PKR ('Mn)	(135)	(45)	103
Cash Flow from Financing Activities	PKR ('Mn)	449	375	175
Net Cash Balance	PKR ('Mn)	238	313	50
<b>Margins</b>				
Profit before Tax Margin	%	-	-	-
Profit after Tax Margin	%	-	-	-
<b>Profitability Ratios</b>				
Earnings per share	PKR	(0.70)	(0.34)	(0.13)
Break-up value per share	PKR	145.78	78.78	83.33
Return on Equity	%	-0.89%	-0.36%	-0.27% <sup>3</sup>
Return on Assets	%	-0.42%	-0.25%	-0.17% <sup>3</sup>
<b>Balance Sheet Ratios</b>				
Asset Turnover	Times	-	-	-
Current Ratio	Times	5.42	4.36	0.36
Long-term Debt to Equity	Times	0.29	0.56	0.50
Debt to Total Capital	%	22%	36%	33%

Notes:

- The non-current assets increased during the years due to the cost incurred in relation to development of the property, which is capitalized.
- TPL REIT's subsidiary (One Hoshang) has availed the facility of Rs. 775 million from a commercial bank. The purpose of availing the facility is to finance the Company's residential building project. Details of financing are given in section 15.2.
- Based on annualized earnings of 1HFY2024.

## 10.9.5 TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE) LIMITED – TECHNOLOGY PARK

TTPZ Phase-1 (Pvt) Limited	Units	FY2022 (Audited)	FY2023 (Audited)	1H, FY2024 (Audited)
<b>Income Statement</b>				
Total Income (including unrealized gains)	PKR ('Mn)	386 <sup>1</sup>	-	0.1
Total Income (excluding unrealized gains)	PKR ('Mn)	21	-	0.1
Other Expenses	PKR ('Mn)	2	4	2
Profit before Taxation	PKR ('Mn)	384	(4)	(2)
Taxation charged / (reversal)	PKR ('Mn)	(6)	-	-
Profit after Taxation	PKR ('Mn)	378	(3)	(2)
<b>Balance Sheet</b>				
No. of Shares Outstanding	Shares ('Mn)	75	183	183
Non-Current Assets	PKR ('Mn)	2,373	2,450	2,461
Current Assets	PKR ('Mn)	542	542	541
Total Assets	PKR ('Mn)	2,915	2,992	3,002
Long-term Debt	PKR ('Mn)	1,000	-	-
Current Liabilities	PKR ('Mn)	103	108	120
<b>Cash Flow Statement</b>				
Cash Flow from Operating Activities	PKR ('Mn)	(1,209)	1	11
Cash Flow from Financing Activities	PKR ('Mn)	749	75	-
Net Cash Balance	PKR ('Mn)	3	2	2
<b>Margins</b>				
Profit before Tax Margin	%	99%	-	-
Profit after Tax Margin	%	98%	-	-
<b>Profitability Ratios</b>				
Earnings per share	PKR	5.04	(0.02)	(0.01)
Break-up value per share	PKR	24.16	15.80	15.79
Return on Equity	%	20.86%	-0.13%	-0.14% <sup>2</sup>
Return on Assets	%	12.97%	-0.10%	-0.13% <sup>2</sup>
<b>Balance Sheet Ratios</b>				
Asset Turnover	Times	0.13	-	-
Current Ratio	Times	5.26	5.02	4.51
Long-term Debt to Equity	Times	0.55	-	-
Debt to Total Capital	%	36%	-	-

Notes:

1. This reflects unrealized gain on revaluation of the property during the year.

2. Based on annualized earnings of 1HFY2024

## 10.10 SUMMARY OF FINANCIAL HIGHLIGHTS OF RMC

Financial highlights of the RMC are given in section 2.2.1 of this Offer for Sale Document.

## 10.11 SUMMARY OF MATERIAL PURCHASES / VENDORS

Material purchases / vendors of the REIT Scheme are listed in section 3.20 of this Offer for Sale Document.

## 10.12 CONTINGENCIES AND COMMITMENTS

### 10.12.1 TPL REIT FUND I

#### Contingencies

As per the standalone audited financials of TPL REIT for the half year ended December 31, 2023, there are no material contingencies outstanding.

#### Commitments

As per the standalone audited financials of TPL REIT for the half year ended December 31, 2023, there are no commitments outstanding.

### 10.12.2 TPL RMC

The company had an outstanding guarantee amounting to PKR 3.837 million as per unaudited consolidated financial statements for the half year ended on 31 December 2023.

## 10.13 COMPARATIVE FINANCIAL ANALYSIS

Comparative financial analysis of the REIT Scheme is given in section 3.16 of this Offer for Sale Document.

## 10.14 RELATED PARTY TRANSACTIONS POLICY

TPL RMC may from time-to-time enter into transactions with related parties, in relation to the TPL REIT. The contractual arrangements between TPL RMC and the related parties shall be carried out on arm's length basis and on economic terms with the prior approval of Trustee and shall comply with other REIT Regulations. Section 3.22.3 discloses the list of related parties and fairly discloses the transactions with related parties. TPL RMC shall also report the transactions with related parties in the annual as well as the quarterly accounts of the TPL REIT in accordance with the requirement of REIT Regulations.

## 10.15 CUSTOMER ADVANCES POLICY

TPL RMC shall utilize Customer Advances to finance the development expenses of developmental/hybrid REIT Projects in accordance with REIT Regulations.

## 10.16 DIVIDEND POLICY

The REIT Scheme proposes distributing at least 90% of its accounting income (excluding unrealized gains) as dividends to its Unitholders on an annual basis. The distributions will be made to Unitholders in proportion to the number of Units held. The after-tax return to a Unitholder shall depend upon the rate of tax applicable to each Unitholder, in accordance with the terms of the Income Tax Ordinance, 2001, as amended from time to time. Additionally, an interim dividend may be payable to Unitholders solely at the discretion of the Board of TPL RMC.

## 10.17 BORROWING POLICY

TPL RMC may utilize various forms of leverage including secured and unsecured borrowing by way of a Shariah compliant debt facility from financial institutions, directly at TPL REIT level or at project SPVs' level. TPL RMC

may use the borrowed funds to leverage acquisition and development of real estate assets and any such other purposes as permitted under the REIT Regulations. All borrowing shall be availed with the approval of the TPL RMC's Board of Directors / SPV Board of Directors of the SPV, Trustee, Unit Holders and Shariah Advisor, as applicable.

#### **10.18 EXTINCTION OF REIT SCHEME**

Please refer to section 6.4 of this OFSD.

#### **10.19 SEQUENCE OF CLAIM SETTLEMENT**

Unit Holders shall have the right to the liquidation proceeds from the sale of REIT Scheme's assets in accordance with the REIT Regulations.

Upon the dissolution of TPL REIT, the proceeds from the sale/liquidation of the TPL REIT Assets (including disposal/liquidation of Project SPV(s)) shall be distributed in one or more instalments in the following order of priority:

- a) first, to pay the expenses of the winding up, liquidation and dissolution of TPL REIT;
- b) second, to satisfy all the liabilities of TPL REIT in accordance with the terms agreed and otherwise on a pro rata basis; and
- c) third, the remaining proceeds, if any, plus any remaining TPL REIT Assets, shall be applied and distributed to the Unit Holders in pro rata to their interest in TPL REIT.

#### **10.20 RIGHTS OF CREDITORS**

Upon the liquidation of the REIT Scheme, the proceeds from the sale of the REIT Assets shall, after settling of liquidation expenses, be utilized towards satisfaction of all secured and unsecured liabilities of the REIT Scheme.

#### **10.21 ELIGIBILITY OF DIVIDENDS**

The Unit Holders shall rank pari-passu with the existing Unitholders in all matters of the REIT Scheme, including the right to such right issues, and dividend as may be declared subsequent to the date of offer of such Units.

#### **10.22 PAYOUT OF LISTED ASSOCIATED COMPANIES**

TPL Properties Limited	Unit	FY2022	FY2023	Q1 FY2024
Cash dividend (PKR per share)	PKR	-	2	-
Bonus Shares	%	60%	-	-
Buyback of shares	Units	-	-	8,719,691 (out of 50,000,000)

TPL Insurance Limited	Unit	CY2021	CY2022	CY2023*
Cash dividend per share (PKR)	PKR	-	-	3
Bonus Shares	%	-	35	-
Buyback of shares	Units	-	-	-

\*till Sep, 2023

TPL Corp Limited	Unit	FY2021	FY2022	FY2023
Cash dividend per share (PKR)	PKR	-	-	-
Bonus Shares	%	-	-	-

Buyback of shares	Units	-	-	-
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TPL Trakker Limited	Unit	FY2021	FY2022	FY2023
Cash dividend per share (PKR)	PKR	-	-	-
Bonus Shares	%	-	-	-
Buyback of shares	Units	-	-	-

#### 10.23 ACCOUNTING YEAR OF THE REIT SCHEME AND THE RMC

The accounting year end of TPL REIT Fund I and TPL RMC, both, is June 30 of each year.

#### 10.24 PERIODIC REPORTING TO UNIT HOLDERS

The Unit Holders of the TPL REIT shall be furnished with quarterly NAV of TPL REIT, a quarterly report of the TPL REIT's investments and overall fund performance, interim and annual financial statements and such other information as TPL RMC determines in its sole discretion from time to time and in accordance with applicable law and regulations.

#### 10.25 VALUATION POLICY OF REIT ASSETS AND NAV

The method and frequency of valuation of the REIT Assets for determining the value of the asset and liabilities and the Net Asset Value shall be as mentioned in the REIT Regulation.

As per Regulation 15 of the REIT Regulations, RMC is required to appoint a valuer to carry out the valuation of the assets of REIT Scheme for a period of three years and as per Regulation 17 of the REIT Regulations, RMC shall ensure that Valuer shall at least once in every half year value the real estate and produce a valuation report. In compliance with the REIT Regulations, RMC has appointed Savills Pakistan as the Valuer.

As per Regulation 15 of the REIT Regulations, RMC is required to provide the audited financial statements of the REIT scheme/ SPV and statement of the movement in NAV, the report of the auditor, the Valuation Report within one hundred and twenty days (120) of close of the financial year of the REIT scheme/SPV. Further, it is also required to provide financial statements showing balance sheet of the REIT Scheme/SPV as at the end of the quarter along with profit and loss statement, a cash flow statement and a statement of changes in NAV within thirty (30) days of the close of the first and third quarter and two (2) months of the close of second quarter of the financial year of the REIT Scheme/SPV.

## 11. MANAGEMENT OF THE RMC

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### 11.1 BOARD OF DIRECTORS OF THE RMC

S. No	Name	Designation	Address	CNIC/ Passport No.	Nature of Directorships	Directorship in Other Companies	Period of Directorship with RMC & last date of appointment
1	Mr. Muhammad Ali Jameel	Director	House No. 79 Street No. 3 Off Khayaban-e- Sehar Phase VI Karachi	42301-2108221-5	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ TPL Holding (Pvt.) Limited</li> <li>▪ TPL Corp Limited</li> <li>▪ TPL Properties Limited</li> <li>▪ HKC (Pvt.) Limited</li> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Developments (Pvt.) Limited</li> <li>▪ TPL Logistic Park (Pvt.) Limited</li> <li>▪ TPL Technology Zone Phase-1 (Pvt.) Limited</li> <li>▪ TPL Investment Management Limited (ADGM)</li> <li>▪ TPL Insurance Limited</li> <li>▪ TPL Life Insurance Limited</li> <li>▪ TPL Security Services (Pvt.) Limited</li> <li>▪ Trakker Middle East</li> </ul>	More than 4 years; 27/10/2022
2	Mr. Ali Asgher	Chief Executive Officer	House No. 108, Street 33, Khayaban-e Muahafiz, DHA Clifton Cantt, Karachi	42301-3575842-3	Executive Director	<ul style="list-style-type: none"> <li>▪ HKC (Pvt.) Limited</li> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Logistics Park (Pvt.) Limited</li> <li>▪ TPL Technology Zone Phase-1 (Pvt.) Limited</li> </ul>	More than 4 years; 27/10/2022

3	Mr. Imran Hussain	Director	House No. 10-1/1 E Street Phase 5 DHA Karachi	42000-0509042-5	Independent Director	<ul style="list-style-type: none"> <li>▪ Fauji Fresh n Freeze Limited</li> <li>▪ German Shepherd Dog Club Pakistan (Pvt.) Limited</li> </ul>	More than 4 years; 27/10/2022
4	Mr. Muhammad Adnan Afaq	Director	House No. 14 Falcon Enclave, Tufial Road, Lahore Cantt.	35200-3715443-7	Independent Director	<ul style="list-style-type: none"> <li>▪ Route 16 (Pvt.) Limited</li> <li>▪ Caravan of Life Trust</li> </ul>	More than 2 years; 27/10/2022
5	Mr. Abdul Wahab Al-Halabi	Director	Villa 13, Street, 31b, Al Manara, Dubai, UAE	120582517	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ Union Properties PJSC</li> <li>▪ Abu Dhabi Islamic Bank PJSC</li> <li>▪ Decker &amp; Halabi DMCC Limited</li> <li>▪ Embassy Capital Limited</li> <li>▪ FFAA Limited</li> <li>▪ Proximus Limited</li> <li>▪ AAH Holding Limited</li> <li>▪ Al Massaleh Real Estate Company KSC</li> <li>▪ PET JerseyCo. Limited</li> <li>▪ PET UK MidCo Limited</li> <li>▪ PET Belgium UK Limited</li> <li>▪ PET Bahrain UK Limited</li> <li>▪ JBF BH Investment in Commercial Enterprises and Management L.L.C</li> <li>▪ SNB Capital Special Real Estate Fund</li> </ul>	More than 2 years; 27/10/2022
6	Ms. Vanessa Eastham Fisk	Director	Villa 54, Aseel, Arabian Ranches, Dubai, UAE	532967328	Independent Director	<ul style="list-style-type: none"> <li>▪ ABC International Bank PLC, Europe</li> </ul>	More than 2 years; 27/10/2022
7	Mr. Osman Asgher Khan	Director	Atlasta House, House No. 6B, Sunset Avenue, DHA, Karachi	42301-3646381-9	Independent Director	<ul style="list-style-type: none"> <li>▪ Afiniti Software Solutions</li> <li>▪ The Bank of Khyber</li> <li>▪ Homechef</li> <li>▪ Bahria Foundation</li> </ul>	More than two months; 20/10/2023

## 11.2 BOARD OF DIRECTORS OF SPV

### 11.2.1 NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED - MANGROVE

S. No	Name	Designation	Address	CNIC/ Passport No.	Nature of Directorships	Directorship in Other Companies	Period of Directorship with SPV
1	Mr. Muhammad Ali Jameel	Director	House No. 79 Street No. 3 Off Khayaban-e-Sehar Phase VI Karachi	42301-2108221-5	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ TPL Holding (Pvt.) Limited</li> <li>▪ TPL Corp Limited</li> <li>▪ TPL Properties Limited</li> <li>▪ HKC (Pvt.) Limited</li> <li>▪ TPL REIT Management Company Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Developments (Pvt.) Limited</li> <li>▪ TPL Logistic Park (Pvt.) Limited</li> <li>▪ TPL Technology Zone Phase-1 (Pvt.) Limited</li> <li>▪ TPL Investment Management Limited (ADGM)</li> <li>▪ TPL Insurance Limited</li> <li>▪ TPL Life Insurance Limited</li> <li>▪ TPL Security Services (Pvt.) Limited</li> <li>▪ Trakker Middle East</li> </ul>	More than 2 years
2	Mr. Ali Asgher	Director	House No. 108, Street 33, Khayaban-e Muhamfiz, DHA Clifton Cantt, Karachi	42301-3575842-3	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ HKC (Pvt.) Limited</li> <li>▪ TPL REIT Management Company Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Logistics Park (Pvt.) Limited</li> <li>▪ TPL Technology Zone Phase-1 (Pvt.) Limited</li> </ul>	More than 2 years
3	Mr. Danish Qazi	Chief Executive Officer	20th Floor, Sky Tower – East Wing, Dolmen City, Block 4, Clifton, Karachi, Pakistan	42201-5209277-3	Executive Director	<ul style="list-style-type: none"> <li>▪ HKC Pvt Limited</li> <li>▪ TPL Developments Pvt Limited</li> <li>▪ TPL Logistics Park Pvt Limited</li> </ul>	More than 2 years

## 11.2.2 HKC (PRIVATE) LIMITED – ONE HOSHANG

S. No	Name	Designation	Address	CNIC/ Passport No.	Nature of Directorships	Directorship in Other Companies	Period of Directorship with SPV
1	Mr. Muhammad Ali Jameel	Chief Executive Officer	House No. 79 Street No. 3 Off Khayaban-e-Sehar Phase VI Karachi	42301-2108221-5	Executive Director	<ul style="list-style-type: none"> <li>▪ TPL Holding (Pvt.) Limited</li> <li>▪ TPL Corp Limited</li> <li>▪ TPL Properties Limited</li> <li>▪ TPL REIT Management Company Limited</li> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Developments (Pvt.) Limited</li> <li>▪ TPL Logistic Park (Pvt.) Limited</li> <li>▪ TPL Technology Zone Phase-1 (Pvt.) Limited</li> <li>▪ TPL Investment Management Limited (ADGM)</li> <li>▪ TPL Insurance Limited</li> <li>▪ TPL Life Insurance Limited</li> <li>▪ TPL Security Services (Pvt.) Limited</li> <li>▪ Trakker Middle East</li> </ul>	More than 4 years
2	Mr. Ali Asgher	Director	House No. 108, Street 33, Khayaban-e Muahafiz, DHA Clifton Cantt, Karachi	42301-3575842-3	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ TPL REIT Management Company Limited</li> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Logistics Park (Pvt.) Limited</li> <li>▪ TPL Technology Zone Phase-1 (Pvt.) Limited</li> </ul>	More than 4 years
3	Mr. Danish Qazi	Director	20th Floor, Sky Tower – East Wing, Dolmen City,	42201-5209277-3	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL Developments Pvt Limited</li> </ul>	More than 2 years

			Block 4, Clifton, Karachi, Pakistan			▪ TPL Logistics Park Pvt Limited	
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### 11.2.3 TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE LIMITED) – TECHNOLOGY PARK

S. No	Name	Designation	Address	CNIC/ Passport No.	Nature of Directorships	Directorship in Other Companies	Period of Directorship with SPV
1	Mr. Muhammad Ali Jameel	Chief Executive Officer	House No. 79 Street No. 3 Off Khayaban-e-Sehar Phase VI Karachi	42301-2108221-5	Executive Director	<ul style="list-style-type: none"> <li>▪ TPL Holding (Pvt.) Limited</li> <li>▪ TPL Corp Limited</li> <li>▪ TPL Properties Limited</li> <li>▪ HKC (Pvt.) Limited</li> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Developments (Pvt.) Limited</li> <li>▪ TPL Logistic Park (Pvt.) Limited</li> <li>▪ TPL REIT Management Company Limited</li> <li>▪ TPL Investment Management Limited (ADGM)</li> <li>▪ TPL Insurance Limited</li> <li>▪ TPL Life Insurance Limited</li> <li>▪ TPL Security Services (Pvt.) Limited</li> <li>▪ Trakker Middle East</li> </ul>	More than 4 years
2	Mr. Ali Asgher	Director	House No. 108, Street 33, Khayaban-e Muahafiz, DHA Clifton Cantt, Karachi	42301-3575842-3	Non-Executive Director	<ul style="list-style-type: none"> <li>▪ HKC (Pvt.) Limited</li> <li>▪ National Management Consultancy Services (Pvt.) Limited</li> <li>▪ TPL REIT Management Company Limited</li> <li>▪ TPL Property Management (Pvt.) Limited</li> <li>▪ TPL Logistics Park (Pvt.) Limited</li> </ul>	More than 4 years

### 11.3 PROFILES OF DIRECTORS

#### **Muhammad Ali Jameel (Non-Executive Director)**

Mr. Jameel is the pioneer of real estate developments in the country and is the founder & CEO of Pakistan's leading sustainable developer, TPL Properties.

Mr. Jameel has transformed TPL from a hardware-focused business to an IoT culture organization by introducing new technologies, combining the telematics from tracker devices to remodel insurance premiums, scaling up vehicle tracking business to build Maps, remodeling of the insurance business in the country, mass-market Fintech strategy and data mining within thousands of consumer touchpoints gathered via 7 businesses of the group. Today TPL stands out as one of the most innovative, technology-savvy, and forward-thinking groups in Pakistan with a clear focus on data and machine learning.

Mr. Jameel is also the Founding Sponsor and Director of TRG Pakistan Ltd., which consists of Afiniti and is also listed on the Pakistan Stock Exchange (PSX). Formerly, Mr. Jameel was the CEO of Jahangir Siddiqui Investment Bank.

Mr. Jameel has also held several advisory posts in the Board of Investment, Economic Advisory Council, Pakistan's information technology and telecommunication sectors, including appointments on the Task Force on Telecom Deregulation, the Fiscal Incentive Group of the IT Commission, and the Task Force on Venture Capital

Mr. Jameel received his B.Sc. degree in Economics from the London School of Economics and is also a Fellow Member of the Institute of Chartered Accountants in England & Wales and qualified in 1994 at KPMG Peat Marwick in London. In addition, Mr. Jameel is a Member of YPO Pakistan, Pakistan Business Council, and OICCI

#### **Ali Asgher (Executive Director / CEO)**

Mr. Asgher is a highly seasoned professional in the real estate development sector with over 16 years' related management experience. He has been associated with TPL group for 14 years and has been instrumental in setting the strategic direction of the group. He has held several senior level and board positions across group companies and directed TPL Properties to deliver Pakistan's first sustainable real estate development and listed TPLP on PSX.

Mr. Asgher has successfully structured and closed capital-raising transactions worth over PKR 50 billion, including IPOs, M&As and Debt. He has raised substantial financing in Equity and Debt over his career, in multiple sectors. His expertise includes strategic business management, financial management, value chain analysis, procurement and project management.

He is responsible for managing relationships with financial markets, regulators, and financial institutions. Presently, he serves on boards of TPL Trakker Limited, TPL RMC, HKC, TPL Technology Zone, TPL Property Management Limited, TPL Logistics Park and TPL Investment Management Limited at Abu Dhabi Global Market (ADGM) which is the UAE arm of the business.

He is a Fellow Member of the Chartered Institute of Management Accountants (CIMA) in UK, holds an Executive Education from Wharton School, USA in Leadership, a certified director and also did MBA with concentration in Finance.

#### **Imran Hussain (Independent Director)**

Mr. Hussain is an experienced professional who has built vast industrial units in Karachi and rural Sindh. He began his professional career with Union Carbide Pakistan, manufacturer of Eveready dry battery cells and

military battle batteries. He then held an important assignment for Fiat, which included handling their commercial vehicles sales to various government transport agencies in the provinces.

Additionally, Mr. Hussain has served Pangiro Sugar Mills as Managing Director for 12 years - the company holds the record of crushing in its first season and was an evolutionary unit in the field. He has also served several boards including the World Union of German Shepherd Dog Organization and Australasia among others and remained Country Advisor Pakistan at Fiat S.P.A and Economic Advisor at Union Carbide Pakistan Limited.

#### **M. Adnan Afaq (Independent Director)**

Mr. Afaq is an experienced professional with over three decades of diverse experience in risk management, finance, operations support, and business management at various leading financial institutions. Mr. Afaq's prior roles include Chief Executive and Managing Director of Pakistan Credit Rating Agency (PACRA), Chairman of PACRA Analytics (Pvt.) Limited and Rating Committee of PACRA. His diverse background, supplemented by comprehensive meetings with top management of key entities in Pakistan, has helped him become a key contributor in final rating decisions.

His expertise lies in risk management space. During his tenor as Managing Director of PACRA he has been involved in 400+ ratings opinions that represented over 25% of outstanding debt in Pakistan.

Mr. Afaq has also served as a Chief Executive Officer of Askari Investment Management Limited and worked as a Group Head Strategy and EVP at Askari Bank Limited and as a Chief Financial Officer at Royal Bank of Scotland. Further, he has been associated with Pak Oman Investment Company, Deutsche Bank, and A. F. Fergusson and Company (Chartered Accountants) at senior positions. Mr. Afaq is a Chartered Accountant from England and Wales (ICAEW) and Pakistan (ICAP).

#### **Abdul Wahab Al-Halabi (Non-Executive Director)**

Mr. Al Halabi is a Partner at Decker & Halabi, a Global Advisory Firm that strives to deliver a deliberate and precise strategy for each client through expertise, collaboration, and hard work. Mr. Al Halabi is also a chairman of Dubai DXB Entertainments (formerly Dubai Parks and Resorts PJSC) and AbFab Limited. Additionally, Mr. Al Halabi is also serving as a board member at Union properties, which has firmly established itself as a leader in the UAE property development market; Union Arab Bank PJSC, a listed bank in Dubai Financial Market; and Houlihan Lokey MEA, a global investment bank specializing in M&A and special situations.

In the past, he has served on several boards and senior management positions, including Vice Chairman at Planet Pharmacy LLC, Member of the oversight committee at Equitativa Limited, and also remained a board member of Global Investment House PJSC, Rove Hotels LLC, Dubai Hills LLC Arthrogen B.V.

Previously, he was the Group Chief Investment Officer of Meraas Holding, Partner at KPMG, Chief Executive Officer of Dubai Properties, amongst others. Mr. Al Halabi also held senior positions within the Dubai Holding Group for many years.

Mr. Al Halabi holds a BSc Economics from London School of Economics and an Executive MBA from Ecole Nationale des Ponts et Chaussées. Mr. Al Halabi is a Fellow of the Institute of Chartered Accountants in England and Wales and is a member of the UK-based Securities Institute

#### **Vanessa Eastham Fisk (Independent Director)**

Ms. Eastham Fisk focuses on companies having a strong innovation and/or transformation agenda, and her current portfolio includes both traditional and new digital enterprises. Ms. Eastham Fisk has a keen interest in those businesses deploying newer technologies to gain competitive advantage and is an active INED and Board Advisor to a number of Regional Companies.

Before pursuing a non-executive career, Ms. Eastham Fisk spent over 20 years in a wide variety of Senior Executive Director Positions across multiple geographies. During 18 years at Barclays Bank PLC, Ms. Eastham Fisk undertook roles of Chief Operating Officer and Chief Risk Officer for the Middle East; Director of Strategy & Transformation at Gerrard Investment Management Ltd; Chief Risk Officer for the Global Corporate Bank and Head of the UK Leveraged Finance businesses. More recently, Ms. Eastham Fisk spent five years as Wholesale Banking Managing Director & Chief Operating Officer for Standard Chartered Middle East, North Africa, and Pakistan.

Ms. Eastham Fisk graduated with a BA Hons in Accountancy and Finance from Huddersfield University, undertook her post-grad in Leadership Studies at Exeter University, and after leaving Standard Chartered completed the International Executive Programme in Global Corporate Governance at Insead Business School, Fontainebleau, Paris. For the last three years, Ms. Eastham Fisk has also been a visiting speaker on the INSEAD Executive MBA program, Corporate Governance module.

#### **Osman Asgher Khan (Independent Director)**

Mr Osman Asghar Khan is serving as Managing Director and General Manager at Afiniti in Pakistan, a leading AI unicorn. He is also serving on the board of a number of Pakistani companies (including Bahria Foundation and Bank of Khyber among others) and is the Honorary Consul of Ireland in Pakistan.

Osman Asghar Khan completed his articles with Ernst. Young LLP. In 1996, he moved to Data General in an internal audit role growing to lead the department. In 1999 Data General was acquired by EMC in Pakistan where he continued to have a number of senior roles in Finance and Operations. In 2007 he moved back to Pakistan and established EMC's operations within Pakistan, growing that business until it was acquired by Dell in 2016. Osman also has remained as Country Head of SAP in Pakistan.

Mr. Osman Asghar Khan holds a bachelor's degree from Brown University (USA) in Economics and IR and an MBA in Accounting and Finance from Boston University. He is a Certified Public Accountant (CPA) from (Massachusetts, USA) and a qualified Chartered Accountant from Canada & Pakistan. He is also a member of American Institute of Certified Public Accountants, Member of Canadian Institute of Chartered Accountants and Member of Institute of Chartered Accountants of Pakistan.

#### **11.4 NUMBER OF DIRECTORS**

At present, the Board consists of 7 directors, including the Chief Executive Officer.

#### **11.5 PROFILES OF DIRECTORS OF SPVS**

##### **11.5.1 NATIONAL MANAGEMENT & CONSULTANCY SERVICES (PRIVATE) LIMITED - MANGROVE**

###### **Ali Asgher (Non-Executive Director)**

Profile available in Section 11.3 above.

###### **Muhammad Ali Jameel (Non-Executive Director)**

Profile available in Section 11.3 above.

###### **Danish Qazi (Chief Executive Officer)**

Profile available in Section 11.6 below.

**11.5.2 HKC (PRIVATE) LIMITED – ONE HOSHANG****Ali Asgher (Non-Executive Director)**

Profile available in Section 11.3 above.

**Muhammad Ali Jameel (Chief Executive Officer)**

Profile available in Section 11.3 above.

**Danish Qazi (Non-Executive Director)**

Profile available in Section 11.6 below.

**11.5.3 TPL TECHNOLOGY ZONE PHASE-1 (PRIVATE LIMITED) – TECHNOLOGY PARK****Ali Asgher (Non-Executive Director)**

Profile available in Section 11.3 above.

**Muhammad Ali Jameel (Chief Executive Officer)**

Profile available in Section 11.3 above.

**11.6 PROFILE OF SENIOR MANAGEMENT****Ali Asgher (Chief Executive Officer)**

Profile available in Section 11.3 above.

**Imad Zahid Nagi (Chief Financial Officer)**

Mr. Nagi is a Certified Chartered Accountant and has done Master's in Economics from the University of Karachi. He is a part of senior management, with over 15 years of work experience in local and international markets. His core expertise is in Financial Reporting & Management, Forecasting Fund Valuations, and the Development of financial and tax strategies. He has been a part of the strategic planning and execution of the key projects and has led several financial transactions over his tenure.

Previously, he has worked in KPMG, HBL Asset Management, and HBL, Mauritius and has overseen finance and valuation related aspects of funds with combined AUM of PKR 50 billion

**Danish Qazi (Chief Legal Officer)**

Mr. Qazi is a UK-qualified Barrister, having 13 years of diverse experience in Corporate Law, Corporate Mergers & De-mergers, Commercial Law, Arbitration, Media Law, International Financial Law, Criminal Law, Public Sector, and Local Government Law. Mr. Qazi has been associated with TPL Group since 2017, wherein he has looked after legal and secretarial affairs of the entire group including four listed companies.

He has worked at reputable law firms in Pakistan and also handled cases as part of his private practice. Being part of international arbitration and appearing in High Courts of Pakistan, Mr. Qazi has handled cases pertaining to Taxation, Revenue, NAB among others for vast clientele.

**Moid Shaikh (Head of Investments & Acquisitions)**

Mr. Shaikh brings over 8 years of diverse experience in venture capital, private equity, investment banking, and real estate Investment. His expertise in sourcing, identifying, evaluating, and executing investment opportunities across the real estate and tech sector of Pakistan makes him invaluable for key investment, growth, and business decisions. He has also been part of capital raising transactions of over USD 265 million.

Moid is a CFA Charter holder and holds a Bachelor's degree in Economics from LUMS, and is currently pursuing a Master's degree in Business Administration. He also holds Equity Research and Corporate Finance certification from Genesis Institute, UAE.

**Arsal Ayub (Head of Risk Management)**

Mr. Ayub possesses expertise in assessing corporate entities and financial institutions across Asia with a career span of more than 10 years. Mr. Ayub has spent a decade as a credit rater with VIS Credit Rating Company Limited – Pakistan and Islamic International Rating Agency – Bahrain, having served clientele from a myriad of sectors include, banking, insurance, asset management, power, fertilizer and oil & gas among others. He is a subject matter expert in risk assessment and developing new products that redefine the traditional risk/return investment theory.

Mr. Ayub is a CFA Charter holder and holds a Bachelor's degree in Finance, Accounting & Management from University of Nottingham.

**Hashim Sadiq Ali (Chief Internal Auditor)**

Mr. Sadiq brings over three decades of working experience with 14 years of association in the insurance industry of Pakistan. Mr. Sadiq has years of association with TPL Group, whereby he served TPL Life Insurance as CFO and TPL Trakker Limited as Head of Internal Audit for over a decade.

He started his career with A.F. Fergusons in 1990 and worked with the Audit and Advisory section. Subsequently, in 2006, he joined American Life Insurance Limited as CFO with additional responsibility of Compliance officer.

He has also represented Insurance Companies at various forums by being a member of American Business Council and Insurance Association of Pakistan (IAP). He served at IAP as Chairman Life Committee and member of Taxation Committee.

**Sitvat Jamal (Group Head Corporate Communication & Sustainability)**

Mr. Sitvat has over 18 years of work experience across various sectors in the areas of CSR, marketing, operations, and program development. He was instrumental in setting up INJAZ Pakistan with the aim to empower youth by providing entrepreneurship, work readiness and financial literacy skills to under privileged children. Mr. Sitvat oversaw social impact investments of over PKR 25 million annually for businesses in Lakson Group. He has also implemented solar solutions for select retail outlets of McDonalds in Karachi.

Currently he is spearheading the CSR & Sustainability initiatives of TPL RMC and ensuring ESG best practices are adopted by TPL REIT Fund I.

**Furqan ul Huda (Chief Information Officer)**

Mr. Furqan is a CS graduate and has multiple certifications, trainings & workshops in IT from Pakistan, Poland and U.S. He has overall 19+ years of experience in IT & is associated with TPL for over 17 years and has served the group in various positions in IT.

He has experience of several IT development & implementation projects like Oracle ERP, CRM, HRMS, Contact Center Solutions, Core Systems for different business verticals, Tracking, Telematics, IoT Solutions, Mobile Applications, Complex Infrastructure Solutions, hardware acquisitions, support datacenter, call center and Information Security Solutions.

**Nader Nawaz (Group Head HR and Administration)**

Mr. Nawaz completed his BA (honors) in Business Administration from Holborn College, London and joined TPL in 2012, bringing with him 9+ years of experience in the Human Resources Industry. He has previously worked as a consultant at Engage Consulting. He is a highly personable, competent, and team-spirited professional with diversified experience in human resource areas, i.e. Recruitment, Organization Development, Compensation & Benefits, Remuneration Surveys, Human Capital Planning, and Policy Administration.

**Shayan Mufti (Company Secretary)**

Ms. Shayan Mufti has completed her Bachelor of Laws (LLB) (Hons) from the University of London and is a seasoned professional with over 9 years of experience in the legal industry. She began her career in 2013 at Surridge & Beechano and thereafter, commenced her corporate experience with EFU Life Insurance Limited.

Ms. Mufti has had a vast and varied experience in legal and compliance matters since she has joined TPL Corp Limited. Amidst other responsibilities, she has been primarily responsible for the compliance requirements of TPL Life Insurance Limited as the Compliance Officer. She has also supported the company secretary in all functions and duties.

**11.7 APPOINTMENT AND ELECTION OF DIRECTORS AND CHIEF EXECUTIVE**

The directors shall, subject to the provisions of Section 154 of the Act, fix the number of directors to be elected and the directors shall be elected to office by the members in general meeting. The present directors of the RMC were elected in the general meeting of the RMC held on October 27, 2022. The next election of directors is due on or before October 28, 2025.

**11.8 QUALIFICATION OF DIRECTORS**

No person shall be appointed as a Director of the RMC who is ineligible to be appointed as Director on any one or more of the grounds enumerated in Section 153 of the Companies Act or any other law for the time being in force.

**11.9 INTEREST OF DIRECTORS**

The directors performing whole-time service to the RMC may be deemed interested in the remuneration payable to them from the RMC. The directors may also be deemed to be interested, to the extent of any Units held by them in TPL REIT Fund I and the dividends to be declared on their unit holding in the REIT Scheme.

Following Directors are holding shares of the RMC:

S.No	Shareholder	Designation	Numbers of shares held	Value of shares held	% Shareholding in RMC
1	Muhammad Adnan Afaq	Director	1	10	0
2	Vanessa Eastham Fisk	Director	1	10	0
3	Abdul Wahab Al- Halabi	Director	1	10	0
4	Ali Asgher	Director / CEO	1	10	0
5	Muhammad Ali Jameel	Director	1	10	0
6	Imran Husain	Director	1	10	0
7	Osman Asghar Khan	Director	1	10	0
	<b>Total</b>		<b>7</b>	<b>70</b>	<b>0.00%</b>

### **11.10 REMUNERATION OF THE DIRECTORS**

As per article 56 of the Articles of Association, the remuneration of the Directors shall from time to time be determined by the Board of Directors of the RMC subject to the provisions of law.

The Non-Executive (including independent directors) but excluding those directors who are concurrently serving as Executive Directors in any of the TPL group of companies shall be allowed a remuneration for attending Board and its Committee Meeting as may be approved by the board from time to time. Further any non-executive director shall have the right to rescind receiving the remuneration for attending Board and its Committee meetings and such director shall provide an undertaking to the Board in the first meeting held subsequent to election of directors, however such director shall have the right to rescind the undertaking so submitted at any time and thereafter the director shall be entitled to such remuneration as other non-executive directors.

The board of directors as and when decide to assign any additional roles and responsibilities to any non-executive directors other than attending meeting of the board or its Committee, the board shall decide the remuneration to be provided to such non-executive director for the roles and responsibilities so assigned.

The board shall diligently decide the remuneration to be paid to non-executive directors for attending meeting as well as for any other roles and responsibilities so assigned that commensurate with the level of responsibility assigned and expertise needed and to encourage value addition. However, it shall not be at a level that could be perceived to compromise their independence particularly for non-executive independent directors.

Director's remuneration for the last three years and their breakup is given below:

Years	No. of Directors	Remuneration (PKR' 000)
2023	5	77,809
2022	4	36,485
2021	-	-

### **11.11 BENEFITS TO PROMOTERS AND OFFICERS**

No amount of benefits has been paid or given during the last year or is intended to be paid or given to any promoter or to any officer of the RMC other than as remuneration for services rendered as whole-time executive of the RMC.

### **11.12 VOTING RIGHTS**

The rights and privileges, including voting rights, attached to the shares of the RMC are equal. In the case of any equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall have and exercise a second or casting vote.

### **11.13 SHAREHOLDERS HOLDING 10% OR MORE SHARES IN RMC**

TPL REIT Management Company Limited is ~100% owned by TPL Properties Limited.

### **11.14 AUDIT, RISK AND OVERSIGHT COMMITTEE**

The Audit, Risk and Oversight Committee of the Board has been formed to comply with the Code of Corporate Governance, which comprises of the following directors:

1. Adnan Afaq - Chairman
2. Vanessa Eastham Fisk - Member

3. Ali Jameel – Member

#### **11.15 HUMAN RESOURCE, NOMINATION AND REMUNERATION COMMITTEE**

The Human Resource, Nomination and Remuneration Committee comprises of the following members:

1. Imran Hussain - Chairman
2. Ali Asgher – Member
3. Ali Jameel – Member

#### **11.16 INVESTMENT COMMITTEE**

The Investment Committee comprises of the following members:

1. Abdul Wahab Al Halabi - Chairman
2. Adnan Afaq – Member
3. Muhammad Aliuddin Ansari – Advisor to the Committee

#### **11.17 BORROWING POWERS OF DIRECTORS**

Subject to the provisions of the Act and RMC's articles of association, the directors may from or otherwise acquire finance, loans, facilities, any sum or sums of money as they think fit or the purpose of RMC's business, or obtain any banking or financial facilities from any bank, financial institution, modaraba, or any person, within or outside Pakistan.

#### **11.18 POWERS OF DIRECTORS**

The business of the RMC shall be managed by the directors, who may pay all expenses incurred in promoting and registering the RMC and may exercise all such powers of the RMC as are not by the Act or any statutory modification thereof for time being in force, or by the articles of association, required to be exercised by the RMC in general meeting.

#### **11.19 INDEMNITY AVAILABLE TO DIRECTORS AND OTHER EMPLOYEES OF THE RMC**

Pursuant to Article 116 of the RMC's articles of association, every officer of the RMC for the time being shall be indemnified out of the funds of the RMC from all suits, proceedings, cost charges, losses, damages, and expenses which anyone may incur by reason of any act done or committed to be done for and on behalf of the company.

## 12. LEGAL PROCEEDINGS AND OVERDUE LOANS

### 12.1 LEGAL PROCEEDINGS

#### 12.1.1 TPL REIT FUND I

No legal proceedings have been initiated or are pending against TPL REIT Fund I to date.

#### 12.1.2 TPL REIT MANAGEMENT COMPANY LIMITED

No legal proceedings have been initiated or are pending against TPL RMC to date.

#### 12.1.3 EXISTING REIT SPONSOR

The following legal proceedings are currently pending for the existing REIT Sponsor, TPL Properties Limited.

S. No	Year	Issuing Authority	Brief Case Description	Stage of Case	Amount (PKR)	Nature, Management Instance & Current Status
1	2023	N/A	<b>Suit No. 1565 of 2023</b> Siraj Ahmed & Another <b>Vs.</b> TPL Properties & Others	Hearing of applications	No amount claimed	A Constitutional Petition was filed by the Plaintiffs whereby the Plaintiffs have impugned the NOC dated 13.04.2021 issued by the Government of Sindh, granting the Company Permission for additions / alterations at the Homie Katrak Site in line with the approved development plan for the 37-floor residential building project namely, One Hoshang. The Company has filed an application under Order 7 Rule 11 (dismissal of the suit).  The matter is pending adjudication and the management of the Company expects a favorable outcome of the case.
2	2023	N/A	<b>I.T.R.A. 251/2023</b> TPL Properties Limited <b>Vs.</b> Deputy Commissioner Revenue	Stay order	PKR 1,200,00,000/-	The office of the Deputy Commissioner (Revenue) issued an unlawful order mandating the Company to pay approximately PKR 1.2 billion as a realized gain from the sale of one of its properties namely, Centrepoint. Subsequently, the Company initiated legal proceedings and successfully obtained an interim stay order against

						the Deputy Commissioner Revenue.
						The Deputy Commissioner Revenue has filed an intention of appealing the stay order in Supreme Court. The management of the Company expects a favorable outcome of the case.
3	2023	N/A	<b>CP No. 2407 of 2023</b>  Abdul Ahad Ahmad & Others <b>Vs.</b> HKC & Others	Hearing of case	No Amount Claimed	The objective of filing this Petition is the same as mentioned in Suit No. 1565 of 2023 as mentioned above. The Petitioners have failed to obtain any order from the Court in this matter despite several hearings and the Company has filed objections.  The matter is pending adjudication and management of the Company expects a favorable outcome of the case.
4	2023	N/A	<b>I.T.R.A. 251/2023</b>  Appeal filed against the order of the ruling of the tax tribunal against the alleged gain on disposal of property.	Stay obtained	PKR 1,200,00,000/-	The facts are the same as mentioned in the case I.T.R.A. 251/2023.  The Company has obtained an interim stay order against the ruling of the tax tribunal. The Deputy Commissioner (Revenue) has filed an intention of appealing the stay order in Supreme Court. The management of the Company expects a favorable outcome of the case.
			<b>Total</b>		<b>PKR 2,400,00,000</b>	

## 12.2 OVERDUE LOANS

There are no overdue loans (local or foreign currency) outstanding related to TPL REIT Fund I, TPL RMC, or its sponsors, directors, substantial shareholders and associated companies over which it has control.

## 12.3 ACTION TAKEN BY THE SECURITIES EXCHANGE AGAINST THE ASSOCIATED LISTED COMPANIES DURING THE LAST THREE YEARS DUE TO NONCOMPLIANCE OF THE ITS REGULATIONS

Name of the Company	Violation of PSX Rules	Description	PSX Notice Dated	Action taken by PSX
TPL Corp Limited	5C.	Shortfall in Sukuk and TFC	December 21, 2023	Matter Pending
	5C.8	Non submission of statement of profit payment	August 04, 2023	Matter resolved/ No action was taken by PSX
	5C.8	Noncompliance in terms of submission of documents	March 06, 2023	Matter resolved/ No action was taken by PSX
TPL Properties Limited		Non submission of AGM Minutes in stipulated time	February 13, 2023	Matter resolved/ No action was taken by PSX
	5.6.4.	Non-disclosure of interest by relevant person of the Company	December 01, 2022	Matter resolved/ No action was taken by PSX
		Multiple announcements on PUCAR in respect of financial results for the year ended June 30, 2022	September 30, 2022	Warning issued by PSX

## **13. EXPENSES TO THE OFFER (COMMISSION, BROKERAGE, AND OTHER EXPENSES)**

### **13.1 UNDERWRITING**

The Base Offer of 22,937,500 Units will be of face value of PKR 10 each offered at an Offer Price of PKR 17.59 per unit has been underwritten as under:

<b>Underwriters</b>	<b>Underwritten Units</b>	<b>Underwritten Amount</b>
Next Capital Limited	11,567,404	203,470,636
Dawood Equities Limited	11,370,096	199,999,989
<b>Total</b>	<b>22,937,500</b>	<b>403,470,625</b>

### **13.2 OPINION OF DIRECTORS REGARDING RESOURCES OF THE UNDERWRITERS**

In the opinion of the Directors of the RMC, the resources of the Underwriters are sufficient to discharge their underwriting commitments.

### **13.3 BUY BACK / REPURCHASE AGREEMENT**

The underwriters nor any of their associates have entered into any buyback or repurchase agreement with the issuers or any other person in respect of this issue.

Also, neither the Offerors nor any of their associates have entered into any buy back/repurchase agreement with the underwriters or their associates. The Offerors and their associates shall not buyback/repurchase units from the underwriters and their associates.

### **13.4 UNDERWRITING COMMISSION**

The underwriters will be paid an underwriting commission and take-up at the rate of 1.50% of the amount underwritten and taken-up by the underwriters.

### **13.5 COMMISSION OF THE BANKER TO THE OFFER**

Commission at the rate of 0.25% of the amount collected on allotment in respect of successful applicants will be paid by the Offerors to the Banker to the Offer for services rendered by them in connection with this Offer.

### **13.6 FEES AND EXPENSES FOR E-IPO SYSTEM**

Commission on application received through PES and CES will be paid to PSX and CDC which shall be not more than 0.8% of the amount of the total applications. PSX and CDC will share the fee with other participants of the e-IPO system at a ratio agreed amongst them.

### **13.7 BROKERAGE**

The Offeror will pay brokerage to the TRE Certificate Holder of PSX at the rate of 1% of the value of successful applications. No brokerage shall be payable in respect of units taken up by the underwriters by virtue of their underwriting commitment.

### 13.8 ESTIMATED EXPENSES OF THE OFFER

The expenses of this Offer are estimated not to exceed **PKR 51,804,986/-**. All such expenses are to be borne by the Offerors. Details of the approximate expenses are mentioned below:

<b>Particulars</b>	<b>Rate</b>	<b>Expenses</b>
Consultant to the Issue Fee	Fixed	30,000,000
Underwriter Commission	1.50%	6,052,059
Balotter & Share Registrar Fee	Fixed	500,000
Legal Counsel Fee	Fixed	1,000,000
SECP Non-Refundable Processing Fee	Fixed	200,000
SECP Supervisory Fee	Fixed	150,000
PSX Initial Listing Fee	Fixed	1,500,000
PSX Non-Refundable Service Charge	Fixed	50,000
Incremental CDC Annual Fee for Eligible Securities	Fixed	150,000
Banker to the Offer – General Public	0.25%	504,338
Banker to the Offer – Out of Pocket	Fixed	50,000
CDC / PSX E-IPO	0.80%	1,613,883
Printing & Publication of Prospectus / Marketing Costs	Fixed	5,000,000
Brokerage Commission (Regulatory)	1.00%	4,034,706
Miscellaneous Costs	Fixed	1,000,000
<b>Total</b>		<b>51,804,986</b>

## 14. MISCELLANEOUS INFORMATION

Role	Name	Address	Contact Person	Designation	Tel. No.	Email
REIT Management Company Limited	TPL REIT Management Company Limited	20th Floor, Sky Tower – East Wing, Dolmen City, Block 4, Clifton, Karachi, Pakistan	Imad Zahid Nagi	CFO	+92-21-37130227	<a href="mailto:Imad.Nagi@tplfunds.com">Imad.Nagi@tplfunds.com</a>
SPVs	National Management and Consultancy Services Private Limited	20th Floor, Sky Tower – East Wing, Dolmen City, Block 4, Clifton, Karachi, Pakistan	Imad Zahid Nagi	CFO	+92-21-37130227	<a href="mailto:Imad.Nagi@tplfunds.com">Imad.Nagi@tplfunds.com</a>
	HKC Private Limited	20th Floor, Sky Tower – East Wing, Dolmen City, Block 4, Clifton, Karachi, Pakistan	Imad Zahid Nagi	CFO	+92-21-37130227	<a href="mailto:Imad.Nagi@tplfunds.com">Imad.Nagi@tplfunds.com</a>
	TPL Technology Zone Phase – 1 (Private) Limited	20th Floor, Sky Tower – East Wing, Dolmen City, Block 4, Clifton, Karachi, Pakistan	Imad Zahid Nagi	CFO	+92-21-37130227	<a href="mailto:Imad.Nagi@tplfunds.com">Imad.Nagi@tplfunds.com</a>
Bankers and Financial Institutions of the REIT Scheme	Bank Al Habib Limited	Islamic Banking Shahrah-e-Faisal	Muhammad Zeeshan Malik	Relationship Manager	+92-21-34392411	<a href="mailto:zeeshan.mallick@bankalhabib.com">zeeshan.mallick@bankalhabib.com</a>
	National Bank of Pakistan	Corporate Branch, Chapal Plaza, Karachi.	Tariq Mahmood	Relationship Manager	+92-21-99217101	<a href="mailto:tariqmahmood@nbp.com.pk">tariqmahmood@nbp.com.pk</a>
Anchor Investors	Habib Bank Limited	24th Floor, HBL Tower, Plot No. G-4, KDA Scheme 5, Block 7 Clifton, Karachi, Pakistan	Usman Hameed	Head Investment Banking	+92-21-111-111-425	<a href="mailto:complaints@hbl.intnet.mu">complaints@hbl.intnet.mu</a>
	National Bank of Pakistan	NBP, Head Office, I.I Chundrigar Road, Karachi	Kamran Shoukat	Manager Operations	+92-21-99220100	<a href="mailto:complaint@nbp.com.pk">complaint@nbp.com.pk</a>

	The Bank of Punjab	4th Floor, 6C, Khayaban-e-Shahbaz, Phase VI, DHA, Karachi.	Mateen Farooq	Head Debt Capital Market, Syndications, & Equity Advisory	+92-21-111-200-100	<a href="mailto:complaints@bop.com.pk">complaints@bop.com.pk</a>
	Bank al Habib Limited	4 <sup>th</sup> Floor, Mackinnon Building, I.I Chundrigar Road, Karachi	Syed Muhammad Imad Riaz	GM & Head of Investment Banking	+92-21-111-786-110	<a href="mailto:info@bankalhabib.com">info@bankalhabib.com</a>
	Bank Al Falah Limited	B.A Building, I.I Chundrigar Road, Karachi	Farooq Ahmed Khan	Group Head Corporate, Investment Banking & International Business	+92-21-111-777-786	<a href="mailto:contactus@bankalfalah.com">contactus@bankalfalah.com</a>
	Askari Bank Limited	4 <sup>th</sup> Floor, Askari Bank, Block 9 Clifton, Karachi	Abdul Rauf	Head of Capital Market Operations	+92-21-111-000-787	<a href="mailto:support@askaribank.com.pk">support@askaribank.com.pk</a>
	Habib Metropolitan Bank Limited	Ground Floor, Spencer Building, I.I Chundrigar Road, Karachi	Muhammad Imran Khan	Head Equity	+92-21-111-141-414	<a href="mailto:info@habibmetro.com">info@habibmetro.com</a>
	Soneri Bank Limited	CIBG, 10th Floor, PNSC building	Fahad Imtiaz	Team Leader	+92-21-111-567-890	<a href="mailto:info@soneribank.com">info@soneribank.com</a>
	Auditor	KPMG Taseer Hadi & Co. Chartered Accountants	Sheikh Sultan Trust Buildings, Ground, No 2 Beaumont Rd, Civil Lines, Karachi, Karachi City, Sindh 75530	Maaz Ahmed	Assistant Manager	<a href="mailto:MaazAhmed3@Kpmg.Com">MaazAhmed3@Kpmg.Com</a>

Valuer	Savills Pakistan (Private) Limited	Suite 1A, Level 1, Harbour House 37-A, Lalazar Avenue Beach Hotel Road, Off M.T. Khan Road Karachi.	Naeem Sheikh	National Manager	+92-21-37130227	<a href="mailto:Naeem.Sheikh@Savills.pk">Naeem.Sheikh@Savills.pk</a>
Development Advisor	TPL Developments (Private) Limited	20th Floor, Sky Tower – East Wing, Dolmen City, Block 4, Clifton, Karachi, Pakistan	Syed Muhammad	CFO	+92-21-35612550-2	<a href="mailto:syed.muhammad@tpldevelopments.com">syed.muhammad@tpldevelopments.com</a>
MEP Consultants	S. Mehboob & Co.	Suit # 4, 4th Floor, Deen Arcade, Service Ln, Block 8 Clifton, Karachi	Khursheed Qureshi	GM Contracts	0300-2423540	<a href="mailto:khursheed.q@smehboob.com">khursheed.q@smehboob.com</a>
Structural Consultants	Mushtaq & Bilal	304, Noor Estate Building, Sh. Faisal Landmarks Noor Estate, Umar Colony, Karachi	Saadat Malik	Structural Engineer	0312-2287908	<a href="mailto:saadatmalik.mandb@gmail.com">saadatmalik.mandb@gmail.com</a>
Architect and Interior Design	ARCOP (Private) Limited	6C, Sunset Commercial Street No. 4 Phase IV, DHA, Karachi	Rashid Khoso	Project Architect	0345-2096920	<a href="mailto:rashid@arcopassociates.com">rashid@arcopassociates.com</a>
Civil Contractor	Total Construction (Private) Limited	First Floor, Plot 47-C Lane 13, D.H.A Phase 6 Bukhari Commercial Area Phase 6 Defence Housing Authority, Karachi	Syed Saeed Ali	GM Construction	0304-6669055	<a href="mailto:saeed@totalconstruction.com.pk">saeed@totalconstruction.com.pk</a>
Trustee	Digital Custodian Company Limited	4-F Pardesi House, Old Queens Road, Karachi	Naeem ur Rahman	Chief Business Officer	+92-21-32419770	<a href="mailto:naeem.rahman@digitalcustodian.co">naeem.rahman@digitalcustodian.co</a>
Underwriter to the Offer	Next Capital Limited	2 <sup>nd</sup> Floor Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi	Mohammad Omair	CFO	+92-21-111 639 825	<a href="mailto:mohammad.omair@nextcapital.com.pk">mohammad.omair@nextcapital.com.pk</a>
	Dawood Equities Limited	17th floor, Saima trade Tower-A, I.I Chundrigar Road, Karachi - 74000.	Aziz Habib	CEO	+92-21-32271881	<a href="mailto:info@dawoodequities.com">info@dawoodequities.com</a>

Banker to the Offer	Habib Bank Limited	HBL Tower, Plot No. G-4, KDA Scheme 5, Block 7 Clifton, Karachi	Bilal Nasib	Team Leader	0309-2523337	<a href="mailto:Muhammad.nasib@hbl.com">Muhammad.nasib@hbl.com</a>
Unit/Share Registrar	Digital Custodian Company Limited	4-F Pardesi House, Old Queens Road, Karachi	Naeem ur Rahman	Chief Business Officer	+92-21-32419770	<a href="mailto:naeem.rahman@digitalcustodian.co">naeem.rahman@digitalcustodian.co</a>
Legal Advisor of the REIT Scheme	Haidermota & Co.	Plot No 101, 4th Floor, Lane No 1, D.H.A. Phase 8 Zulfiqar & Al Murtaza Commercial Area Phase 8 Defence Housing Authority, Karachi	Zahra Abid	Partner	+92-21-111-52000 +92-21-35879097	<a href="mailto:zahra.abid@hmco.com.pk">zahra.abid@hmco.com.pk</a>
Regulatory Authorities	Securities and Exchange Commission of Pakistan	NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad	Sajjad Ali	Head of Department – Primary Market Approvals and Development Department	051-9195165	<a href="mailto:sajjad.ali@secp.gov.pk">sajjad.ali@secp.gov.pk</a>
	Pakistan Stock Exchange Limited	Stock Exchange Building, Stock Exchange Road, Karachi	Syed Ahmad Abbas	Chief Listing Officer	+92-21-111-00-11-22	<a href="mailto:ahmad.abbas@psx.com.pk">ahmad.abbas@psx.com.pk</a>
REIT Accountant	Grant Thornton Anjum Rahman	1st and 3rd Floor, Modern Motors House, Beaumont Road, Karachi	Muhammad Faisal	Assistant Manager	+92-21-3567295-56	<a href="mailto:mfaisal@gtpak.com">mfaisal@gtpak.com</a>
Consultant to the Issue / Lead Manager	Next Capital Limited	2nd Floor Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi, Pakistan	Ammad Ilyas	Senior Analyst	+92-21-35222207	<a href="mailto:ammad.ilyas@nextcapital.com.pk">ammad.ilyas@nextcapital.com.pk</a>
Ballotter	Digital Custodian Company Limited	4-F Pardesi House, Old Queens Road, Karachi	Naeem ur Rahman	Chief Business Officer	+92-21-32419770	<a href="mailto:naeem.rahman@digitalcustodian.co">naeem.rahman@digitalcustodian.co</a>

## 15. MATERIAL CONTRACTS

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### 15.1 DETAILS OF MATERIAL CONTRACTS

Following are the material contracts with regards to the business of TPL REIT Fund I, Project SPVs and TPL RMC:

Contract Name	Date	Party to the Contract	Particulars
<b>Trust Deed</b>	December 10, 2021	TPL RMC & Digital Custodian Company Limited (DCCL)	Primary constitutive document of TPL REIT Fund I as required under REIT Regulations
<b>Management Agreement</b>	May 16, 2022	TPL RMC & TPL REIT Fund I	Management of TPL REIT Fund I by TPL RMC
<b>SPV Management Services Agreement</b>	May 20, 2022	TPL RMC & HKC (Pvt) Limited	Management of Project SPV by TPL RMC
<b>SPV Management Services Agreement</b>	May 20, 2022	TPL RMC & National Management and Consultancy Services (Pvt) Limited	Management of Project SPV by TPL RMC
<b>SPV Management Services Agreement</b>	May 20, 2022	TPL RMC & TPL Technology Zone Phase I (Pvt) Limited	Management of Project SPV by TPL RMC
<b>Development Advisor Agreement</b>	March 1, 2023	TPL Developments (Pvt) Limited & TPL Technology Zone Phase I (Pvt) Limited	Development advisory services in relation to Technology Park
<b>Development Advisor Agreement</b>	January 2, 2023	TPL Developments (Pvt) Limited & HKC (Pvt) Limited	Development advisory services in relation to One Hoshang
<b>Development Advisor Agreement</b>	July 1, 2022	TPL Developments (Pvt) Limited & National Management and Consultancy Services (Pvt) Limited	Development advisory services in relation to Mangrove
<b>REIT Accountant Agreement</b>	July 1, 2022	DCCL & Grant Thornton Anjum Rahman Chartered Accountants	Provision of services as REIT Accountant for TPL REIT Fund I as required by REIT Regulations

<b>Shariah Advisor Agreement</b>	August 27, 2021	TPL RMC & Al-Hilal Shariah Advisors (Pvt.) Limited	Agreement entered into to ensure Shariah compliance of TPL REIT Fund I
<b>Agreement with Valuer(s)</b>	June 14, 2022	TPL RMC & Savills Pakistan (Pvt) Limited	Provision of valuation services in respect of real estate assets of TPL REIT Fund I
<b>Engagement Letter</b>	October 13, 2022	TPL RMC & KPMG Taseer Hadi & Co.	Audit of TPL REIT Fund I and each Project SPVs
<b>Registrar/Transfer Agent</b>	March 18, 2022	TPL RMC & Digital Custodian Company Limited	Provision of Registrar/ Transfer Agent for units of TPL REIT Fund I

## **15.2 DETAILS OF LONG-TERM FINANCING FACILITIES**

HKC (Private) Limited, the SPV undertaking the One Hoshang project, has obtained Term Finance Facility from Bank Alfalah Limited with the following details:

- ✓ Limit: PKR 775 mn
- ✓ First Tranche of PKR 400 mn drawn down (dated June 23, 2022)
- ✓ Second tranche: PKR 375 mn drawn down (dated: March 27, 2023)
- ✓ Tenor: 3 years including grace period of 18 months commencing from June 23, 2024 and concluding on June 23, 2025
- ✓ Repayment: Semi-annual basis after grace period
- ✓ Markup: Quarterly basis
- ✓ Purpose: To fund construction of One Hoshang project
- ✓ Security: Equitable Mortgage of Property of One Hoshang land asset

## **15.3 INSPECTION OF DOCUMENTS AND CONTRACTS**

Copies of the Memorandum and Articles of Association, the Audited Financial Statements, trust deed, the Auditor's Certificates, Information Memorandum and copies of the agreements and material contracts referred to in this Offering Document may be inspected during usual business hours on any working day at the registered office of the REIT Management Company from the date of publication of this Offering Document until the closing of the subscription list.

## **15.4 MEMORANDUM OF ASSOCIATION**

The Memorandum of Association, inter alia, contains the objects for which the REIT Management Company was incorporated and the business which the REIT Management Company is authorized to undertake.

A copy of the Memorandum of Association is annexed to this Offering Document and with every issue of the Offering Document except the one that is released in newspapers as advertisement.

## **15.5 FINANCIAL YEAR OF THE REIT SCHEME AND THE RMC**

The financial year of the REIT Scheme commences on July 1 and ends on June 30.

The financial year of the REIT Management Company commences on July 1 and ends on June 30.

## **15.6 INVESTMENT POLICY**

### **Investment Objective**

TPL REIT seeks to achieve regular and stable distributions and long-term growth in NAV for its Unit Holders through investing in a diversified portfolio of "opportunity" and "sustainable" real estate assets in Pakistan.

The funds raised shall be invested primarily in the acquisition of project SPVs that hold real estate development projects, acquire land for real estate development and hold income-producing real estate assets. TPL REIT will invest in REIT Projects through separate project SPVs that will be controlled and at least 75% owned by TPL REIT.

### **Investment Criteria**

The investment criteria of TPL REIT shall be as described in section 3.4 of this Offering Document.

## ESG Criteria

In recent years, greater emphasis has been laid on investment criterion based ESG principles. These principles consider how an investment performs from environmental, social, sustainability and governance perspective and have increasingly become a tool for conscious investors to screen potential investments.

The ESG considerations will be imperative to the investment criteria of TPL REIT in order for it to become more focused on reducing emissions, improving projects' sustainability and providing greater stability to its investors and occupants. All real estate investments undertaken by TPL REIT are set to follow the best sustainability and environment principles and shall achieve at least one of the prominent green building certifications such as EDGE, LEED, BREEAM or WELL for all its real estate development projects.

These certifications shall help the management of TPL RMC in implementing management practices to prioritize building efficiency, decrease operational costs, ensuring increased productivity and increase asset value over time for its investors and further adds to the comfort and well-being of the assets' end users.

The measures considered for 'Green Building Initiatives' by TPL REIT are:

- **Leadership in Energy and Environmental Design Certification (LEED)** – it includes a set of rating systems for the design, construction, operation and maintenance of green buildings, homes, and neighborhoods, which aims to help building owners and operators be environmentally responsible and use resources efficiently.
- **Building Research Establishment Environmental Assessment Method Certification (BREEAM)** – it assesses an asset's environmental, social and economic sustainability performance, using standards developed by the Building Research Establishment.
- **Excellence in Design for Greater Efficiencies Certification (EDGE)** – It is a universal standard and a certification system for residential and commercial structures. It brings speed, market intelligence and an investment focus to the next generation of green building certification. A measurable and credible solution to prove the business case for building green and unlock financial investment.
- **WELL Building Certification** – It assesses human health and wellbeing performance in buildings, using standards developed by the WELL Building Institute.

Given the nature of the development projects, TPL REIT shall consistently align its investment strategy with the "three pillars" of ESG, albeit to varying degrees. The applicable ESG considerations and metrics shall change depending on the nature of the project (e.g. a new development versus retrofit) and the stage of the project (e.g. design versus construction versus operation and maintenance).

## Implementation of ESG Criteria by TPL REIT and its benefits

The following are the salient features of ESG criteria targeted by TPL REIT for all its real estate investments and developments, aligned with the UN Sustainable Development Goals (SDGs).

### ***Energy efficiency***

Energy efficiency shall be one of the most prominent features of all real estate developments by TPL REIT. From small measures like sealing air ducts to preventing air leakages to larger initiatives like using renewable resources for heating and cooling systems, every aspect of the building is sensitive to the environment and therefore, top energy-saving techniques shall be incorporated in real estate developments by TPL REIT. These techniques may range from green buildings including installation of solar panels, energy-efficient lights and timer-adjusted lights.

### ***Water preservation***

TPL RMC will give top priority to water efficiency right for its real estate developments. Few of the sustainable initiatives that shall be taken to conserve water include installation of low-flow water fixtures that require only half the amount of water consumption and ample rainwater harvesting. Another important feature of TPL REIT's development projects will be the use of alternative water sources for irrigation and sanitation.

### ***High-quality indoor environment***

TPL RMC shall ensure that its development projects are designed with ample amounts of natural light, panoramic views, improved thermal conditions, ergonomic features and superior air quality. In addition, the real estate projects will be sealed from the toxins of polluted air, keeping moisture at bay which, in turn, will reduce the possibility of mould or mildew. The occupants residing in green projects of TPL REIT will experience a marked improvement in their health, stress levels and overall quality of life.

The real estate developments by TPL REIT shall be characterized as sustainable from their inception. The construction and design team of TPL REIT will keep existing fauna and flora in mind, with eco-friendly raw materials. Few of the top sustainable materials that shall be used in green projects of TPL REIT include recycled metal, recycled stone, certified third-party forest wood, bamboo and straw, to name a few. The construction consultants hired by TPL RMC shall not use building materials that may contain harmful volatile organic compounds (VOCs) or plastic by-products which have been known to release toxic fumes and carcinogens into the atmosphere.

### ***Efficient waste management***

The waste materials generated during the development of TPL REIT's real estate projects shall be recycled into new materials or composted for reuse where possible. Even the wastewater that is conventionally directed to sewage plants shall be treated onsite to reduce the projects' carbon footprint in the atmosphere. Moreover, the concept of sustainability by TPL REIT will not be restricted to the construction phase alone. Even after occupation, TPL REIT's projects shall offer efficient waste management systems with the segregation of wet and dry waste to further reduce the negative impact on the environment.

### ***Healthy living***

TPL REIT's real estate developments will set the benchmark of sustainability by nurturing the flora and fauna around its projects. This means that these developments will feature fresh open spaces and lush landscapes that promote a healthy lifestyle. Furthermore, the amenities and facilities provided by real estate developments of TPL REIT will be nature-centric with scenic jogging trails, thriving gardens and green parks that captivate and teleport their occupants to a pollution and contamination free environment.

### ***Reduced Operational Cost and Maintenance: Traditional vs. Green***

One of the greatest benefits of TPL REIT's real estate developments would be lower maintenance costs featuring specially engineered design elements that will help reduce energy and water bills for its occupants. These efficient structures shall cause cost savings for corporate and residential owners. Although the expense required to build such structures may be initially higher than traditional non-green forms of architecture, the cost over the long term is recovered exponentially.

### **Investment Structure**

TPL REIT shall invest in REIT Projects through separate project SPVs in accordance with the following requirements and conditions.

- (a) each project SPV will be at least seventy five percent (75%) owned and controlled by TPL REIT in accordance with the Constitutive Documents and any shareholders agreement or similar

agreement regulating the affairs and governance of the SPV which shall contain all such provisions as are required under the REIT Regulations to protect the interest of TPL REIT and the Unit Holders;

- (b) each project SPV shall appoint the same Auditor and adopt the same accounting principles and policies as that of TPL REIT;
- (c) at least eighty percent (80%) of all assets of the project SPVs are or will be used/engaged for the purposes of implementing the REIT Projects;
- (d) each project SPV shall enter into a SPV Management Services Agreement with TPL RMC;
- (e) each project SPV shall not engage in more than one REIT Project, provided that the project SPV may acquire additional real estate for the purposes of and in connection with the same project in accordance with the Constitutive Documents and REIT Regulations;
- (f) each project SPV shall be Shariah compliant;
- (g) all assets (and associated liabilities) related to the REIT Project shall vest and be held in the name of a specific project SPV; and
- (h) all other requirements of the Constitutive Documents and REIT Regulations.

### **Investment Process**

TPL RMC will devote considerable resources to analyze the investment opportunities in the real estate sector based on a comprehensive assessment process. The objective of the investment process is to ensure that all new REIT Projects are aligned with TPL REIT's vision of building sustainable communities while seeking to maximize returns for Unitholders.

The following is an overview of certain key aspects of the investment process that TPL RMC shall utilize when engaging in the acquisition of development real estate assets, land for development, yielding real estate assets and undervalued real estate assets in Pakistan.

### **Opportunity Identification**

TPL RMC shall identify real estate investment opportunities with lucrative returns for TPL REIT and its Unit Holders. It shall only shortlist properties that meet the investment criteria as outlined in section 3.4 and that are best aligned with the overall vision of TPL REIT, with an emphasis on sustainability. TPL RMC shall seek to rely on its professional relationships within the real estate industry to generate and maintain deal flow with trusted counterparts.

### **Market Assessment**

TPL RMC shall conduct extensive research into the local market, its demographics and property neighborhood. It shall evaluate the best use of the real estate assets, alongside associated risks and merits including but not limited to environmental sustainability and engineering matters.

### **Preliminary Review**

The preliminary review of each shortlisted real estate asset shall broadly cover the following aspects.

- (a) Assess highest and best use of the real estate asset
- (b) Determination of target market / customers
- (c) Financial feasibility based on micro and macro-economic analyses
- (d) Investment analysis

- (e) Property inspection
- (f) Verification of title documents and its clearance
- (g) KYC of the seller
- (h) Identification of risks involved
- (i) Market comparability analysis
- (j) Environmental suitability assessment

The aforementioned list is not exhaustive and the preliminary review may include other aspects as deemed appropriate by TPL RMC from time to time. Upon satisfactory preliminary review, TPL RMC shall obtain in-principal approval from the Investment Committee and the Shariah Advisor.

#### **Due Diligence**

Pursuant to obtaining in-principal approval from the Investment Committee and the Shariah Advisor, TPL RMC shall conduct an intensive due diligence on the shortlisted asset, aiming to comprehensively understand the vital factors of the asset and seller's obligations to mitigate any associated financial, commercial, taxation and legal concerns. The due diligence process shall broadly cover the following aspects.

**Asset Due Diligence** – Conduct physical inspection of the property, TPL RMC may involve sub-advisers to inspect the property and carry out environmental suitability assessment to understand past uses of the property, in addition to collecting evidence of any possible contaminants.

**Property Valuation** – Engage independent third-party valuer(s) to carry out property valuation.

**Financial Due Diligence** – Conduct feasibility study and return analysis based on the highest and best use of the asset to determine its potential value in comparison with comparable assets. Additionally, TPL RMC shall also prepare scenario analysis to stress test anticipated performance of the shortlisted asset under best and adverse conditions. It shall also conduct investment-specific tax and regulatory compliance analysis.

**Legal Due Diligence** – TPL RMC shall engage a legal expert to carry out legal due diligence on the proposed transaction. The legal expert shall review the asset documents to ensure clean title and that there are no undisclosed liens or claims over the asset. It shall also ensure the capacity and authority of seller to enter into the transaction, coupled with any restrictions on the transfer of the shortlisted asset. The legal expert will also ensure the compliance with regulatory requirements and verify the NOCs previously obtained by the seller for the shortlisted asset.

**Commercial Due Diligence** – Assess the key terms for negotiation with the seller and structure the proposed transaction to best suit the investment objective of TPL REIT and maximize the overall return for its Unit Holders.

#### **Investment Proposal and Firm Approval**

Pursuant to satisfactory due diligence and prior to negotiating the deal terms with the seller, TPL RMC shall prepare an 'Investment Memorandum' to obtain firm approval from the Investment Committee and the Shariah Advisor. The memorandum shall summarize the investment opportunity, including due diligence results, an assessment of potential upside and downside expectations, associated risks and merits, investment budgeting, the overall portfolio diversification impacts and an analysis of the proposed investment's compliance with the investment criteria of TPL REIT as identified in section 3.4. For the avoidance of doubt, TPL RMC will not move forward with an investment if it does not satisfy the aforementioned criteria.

**Negotiation and Finalization of Deal Terms**

TPL RMC shall prepare an indicative term sheet to propose the buying terms to the seller and negotiate the terms on arm's length basis, while ensuring the transaction terms are most suitable to the beneficial interest of TPL REIT and its Unit Holders. It shall also incorporate all potential costs associated with the purchase in order to avoid any financial uncertainties. Once terms are negotiated, TPL RMC shall engage legal counsel to draft purchase agreements and any other transaction documents required.

**Notification of Proposed Investment**

TPL RMC shall with regards to the acquisition of the new asset, update its financial projections, its impact on aggregate portfolio composition and other disclosure required under the REIT Regulations.

TPL REIT shall invest in additional REIT Projects and acquire additional Real Estate in accordance with the Constitutive Documents and REIT Regulations. Additional Real Estate can be added to TPL REIT without approval of the Unit Holders.

**Transaction Close**

Prior to the close of any acquisition transaction of a real estate asset with a seller, TPL RMC shall obtain all necessary approvals and requisite NOCs from the relevant regulatory authorities. Additionally, it shall consult with legal counsel throughout in structuring and executing the investment to ensure compliance with applicable tax and regulatory requirements.

**Utilization of Surplus Funds**

Any surplus funds beyond the investments in real estate assets shall broadly be invested in Shariah compliant liquid assets approved by the Investment Committee and Shariah Advisor of TPL RMC, and in accordance with the Investment Policy of TPL REIT. The underlying liquid assets shall comprise of Government Securities, Money Market Funds, deposits with banks having at least a AA long term rating, and any other investments permitted under the REIT Regulations. Additionally, TPL RMC may engage a licensed investment advisor (independent of TPL RMC) to advice on the investment of any surplus funds on a non-discretionary basis.

**Changes to the Investment Policy**

Material changes to the investment objective and Investment Policy of TPL REIT as set out above may only be made in accordance with provisions of the Trust Deed and REIT Regulations.

## **16. APPLICATION AND ALLOTMENT INSTRUCTIONS**

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### **16.1 ELIGIBLE INVESTORS**

1. Pakistani citizens resident in or outside Pakistan or persons holding dual nationalities including a Pakistani nationality;
2. Foreign nationals whether living in or outside Pakistan;
3. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
4. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts, (subject to the terms of the Trust Deed and existing regulations); and
5. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

**APPLICATION MUST BE MADE ON SECP's APPROVED APPLICATION FORM OR A LEGIBLE PHOTOCOPY THEREOF ON A PAPER OF A4 SIZE WEIGHING AT LEAST 62 GM**

#### **Copies of Offer for Sale Document**

Copies of this Offer for Sale Document and Applications Forms can be obtained from members of PSX, the Banker to the Offer and its branches, the Consultant to the Issue and registered office of the RMC. The Offering Document and the Application Form can also be downloaded from the following websites:

<https://www.nextcapital.com.pk/>, <https://tplfunds.com/>, [www.psx.com.pk](http://www.psx.com.pk) and [www.cdceipo.com](http://www.cdceipo.com).

**Units against the successful and accepted applications shall be credited in the Book Entry Form only into the Applicants CDS Account mentioned in the Application. The applicants, therefore, must provide detail of their CDS Account (investors Account or Sub-Account) in the Subscription Form. Investors who do not have CDS account may visit [www.cdcpkistan.com](http://www.cdcpkistan.com) for information and details. For further guidance and queries regarding opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com).**

**NAMES(S) AND ADDRESS(ES) MUST BE WRITTEN IN FULL BLOCK LETTERS, IN ENGLISH AND SHOULD NOT BE ABBREVIATED**

**ALL APPLICATIONS MUST BEAR THE NAME AND SIGNATURE CORRESPONDING WITH THE ONE RECORDED WITH THE APPLICANT'S BANKER. IN CASE OF DIFFERENCE OF SIGNATURE WITH THE BANK AND COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) OR THE NATIONAL IDENTITY CARD FOR OVERSEAS PAKISTANI (NICOP) OR PASSPORT, BOTH THE SIGNATURES SHOULD BE AFFIXED ON THE APPLICATION FORM.**

### **16.2 OPENING AND CLOSING OF THE SUBSCRIPTION LIST**

The subscription list will open at the commencement of banking hours on **May 02, 2024 and will close on May 03, 2024** at the close of banking hours. Please note that online applications can be submitted 24 hours during the subscription period which will close at **12:00 midnight on May 03, 2024**.

### **16.3 E-IPO SYSTEM**

The following systems are available for e-IPO:

#### **PSX's E-IPO System (PES)**

In order to facilitate investors, the Pakistan Stock Exchange Limited ("PSX") has developed an e-IPO System ("PES") through which applications for subscription of securities offered to the General Public can be made electronically.

PES has been made available in this Offer and can be accessed through the web link (<https://eipo.psx.com.pk>). Payment of subscription money can be made through 1LINK's and NIFT's member banks available for PES.

For making application though PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year. Registration is free of cost and can be done by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

Similarly, an e-IPO application can be filed by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

For further guidance and queries regarding PES, investors may contact PSX at phone number: 111-001-122, or contact at phone (021)-35274401-10 and email: [itss@psx.com.pk](mailto:itss@psx.com.pk). Investors who are registered with PES can submit their applications through the web link <https://eipo.psx.com.pk> 24 hours a day during the subscription period which will close at **midnight on May 03, 2024**.

#### **Centralized e-IPO Systems**

CES can be accessed through the web link, [www.cdceipo.com](http://www.cdceipo.com). Payment of subscription money can be made through 1LINK's member banks available for CES.

For making application though CES, investors must be registered with CES. Registration with CES is one-time activity, free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all around the year.

Sub-account holder(s) can request their respective TREC Holders, who are Participants in Central Depository System (CDS), to make electronic subscription of securities on their behalf by authorizing their respective Participant(s) in CES. Consequently, authorized Participants can electronically subscribe on behalf of their sub-account holder(s) in securities offered and will also be able to make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s).

To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. The securities will be credited directly in Investors' sub-account. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's Facilitation Account and investor can contact CDC for credit of securities in its respective account.

Investors who do not have CDS account can visit [www.cdcPakistan.com](http://www.cdcPakistan.com) for information regarding opening CDS account.

#### **16.4 APPLICATIONS MADE BY INDIVIDUAL INVESTORS**

In case of individual investors, a photocopy of CNIC (in case of Resident Pakistanis) / NICOP or Passport (in case of Non-Resident Pakistanis) as the case may be, should be enclosed and the number of CNIC / NICOP / Passport should be written against the name of the applicant.

Original CNIC / NICOP / Passport, along with one attested photocopy, must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested photocopy will, after verification, be retained by the bank branch along with the application.

## 16.5 APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

Applications made by companies, corporate bodies, mutual funds, provident / pension / gratuity funds / trusts and other legal entities must be accompanied by an attested photocopy of their Memorandum and Articles of Association or equivalent instrument / document. Where applications are made by virtue of Power of Attorney, the same should also be submitted along with the application.

Photocopies of the documents mentioned above must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested copies, will after verification, be retained by the bank branch along with the application.

## 16.6 ADDITIONAL INSTRUCTIONS FOR INVESTORS

1. Only one application will be accepted against each account, however, in case of joint account, one application may be submitted in the name of each joint account holder.
2. Joint application in the name of more than two persons will not be accepted. In case of joint application each applicant must sign the application, form and submit attested copies of their CNICs / NICOP / Passport. The Unit certificates will be dispatched to the person whose name appears first on the application form while in case of CDS, it will be credited to the CDS account mentioned on the face of the form and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit or return. Please note that joint application will be considered as a single application for the purpose of allotment of units.
3. Subscription money must be paid by check drawn on applicant's own bank account or pay order to the Banker to the Offer in favor of account: "**Offer for Sale of TPL REIT Fund I**" and crossed "A/C PAYEE ONLY".
4. For the applications made through pay order, it would be permissible for Banker to the Offer to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay order individually for each application.
5. The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of units.
6. Applications are not to be made by minors and / or persons of unsound mind.
7. Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the Application Form.
8. Applicants should retain the bottom portion of their Application Forms as provisional acknowledgement of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of units for which the application has been made.
9. Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
10. Banker to the Offer is prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Banker to the Offer.
11. It would be permissible for the Banker to the Offer to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque or pay order. Applicants should, therefore, not fail to give their bank account numbers.
12. Submission of false and fictitious applications is prohibited, and such applications' money may be forfeited under section 87(8) of the Securities Act, 2015.

## **16.7 ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS**

In case of foreign investors who are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation and operations and line of business. A copy of Memorandum of Association or an equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the application. Copies of these documents can be attested by the bank manager in the country of applicant's residence.

Foreign / Non- resident investors should follow payment instructions given in Section 16.8 of this Offer for Sale Document.

## **16.8 FACILITIES AVAILABLE TO NON-RESIDENT PAKISTANI AND FOREIGN INVESTORS**

Entities are permitted under paragraph 6 (with specific reference to sub para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue units on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistani national resident outside Pakistan, (II) A person who holds dual nationality including Pakistani nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the issue price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan.

Non-residents who wish to subscribe Units out of the Offer may contact the Banker to the Offer for taking instructions regarding payment of subscription money against Units offered to general public. Name of Banker to the Offer for retail portion is available on page 1 and Section 16.16 of this Offer for Sale Document.

The Units issued/transferred to non-resident shareholders shall be intimated by the company to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of issue/transfer.

Non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual do not require SBP's approval to invest in the Units being offered in terms of this Offer for Sale Document. Furthermore, under paragraph 7 (vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of dividends, net of applicable taxes and proceeds on sale of listed units (i.e. divestment proceeds) not exceeding the market value less brokerage/commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the application by the non-residents.

## **16.9 CODE OF OCCUPATION OF INVESTORS/APPLICANTS**

<b>Code</b>	<b>Occupation</b>	<b>Code</b>	<b>Occupation</b>
01	Business	06	Professional
02	Business Executive	07	Student
03	Service	08	Agriculturist
04	Housewife	09	Industrialist
05	Household	10	Other

### 16.10 NATIONALITY CODE

Code	Occupation
001	U.S.A
002	U.K
003	U.A.E
004	K.S.A
005	Oman
006	Bangladesh
007	China
008	Bahrain
009	Other

### 16.11 MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF UNITS

The basis and conditions of transfer of units to the General Public shall be as follows:

1. Application for units must be made for 500 units or in multiple of 500 units only. Applications which are neither for 500 units nor for multiples of 500 units shall be rejected.
2. The minimum amount of application for subscription of 500 units is the 'Offer Price x 500 units'
3. Application for units below the minimum amount shall not be entertained
4. **SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.**
5. If the units offered to the General Public are sufficient to accommodate all applications, all applications shall be accommodated
6. If the units applied for by the General Public are in excess of the units allocated to them, the distribution shall be made by computer balloting, in the presence of the representative(s) of PSX in the following manner:
  - ✓ If all applications for 500 units can be accommodated, then all such applications shall be accommodated first. If all applications for 500 units cannot be accommodated, then balloting will be conducted among applications for 500 units only
  - ✓ If all applications for 500 units have been accommodated and units are still available for allotment, then all applications for 1,000 units shall be accommodated. If all applications for 1,000 units cannot be accommodated, then balloting will be conducted among applications for 1,000 units only.
  - ✓ If all applications for 500 units and 1,000 units have been accommodated and units are still available for allotment, then all applications for 1,500 units shall be accommodated. If all applications for 1,500 units cannot be accommodated, then balloting will be conducted among applications for 1,500 units only.
  - ✓ If all applications for 500 units, 1,000 units and 1,500 units have been accommodated and units are still available for allotment, then all applications for 2,000 units shall be accommodated. If all applications for 2,000 units cannot be accommodated, then balloting will be conducted among applications for 2,000 units only.
  - ✓ After the allotment in the above-mentioned manner, the balance units, if any, shall be allotted in the following manner:
    - After allotment of the above, the balance units, if any, shall be allotted on pro rata basis to the applicants who applied for more than 2,000 units.
7. If the Offer is over-subscribed in terms of amount only, then allotment of units shall be made in the following manner:
  - ✓ First preference will be given to the applicants who applied for 500 units;

- ✓ Next preference will be given to the applicants who applied for 1,000 units;
  - ✓ Next preference will be given to the applicants who applied for 1,500 units;
  - ✓ Next preference will be given to the applicants who applied for 2,000 units; and then
  - ✓ After allotment of the above, the balance units, if any, shall be allotted on pro rata basis to the applicants who applied for more than 2,000 units.
8. Allotment of units will be subject to scrutiny of applications for subscription of units.

Applications which do not meet the above requirements, or application which are incomplete, will be rejected.

#### **16.12 BASIS OF ALLOTMENT OF UNITS FOR GENERAL PUBLIC**

The basis and conditions of transfer of units to the General Public shall be as follows:

1. The minimum value of application will be calculated as ‘Offer x Price 500 units’. Application for amount below the minimum value shall not be entertained.
2. Application for units must be made for 500 units or in multiple of 500 units only. Applications which are neither for 500 units nor for multiples of 500 units shall be rejected.
3. Allotment / Transfer of units to successful applicants shall be made in accordance with the allotment criteria / instructions disclosed in the Offer for Sale Document.
4. Allotment of units shall be subject to scrutiny of applications in accordance with the criteria disclosed in the Offer for Sale Document and / or the instructions by the Securities & Exchange Commission of Pakistan.
5. Applications which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the Application Form.
6. The RMC will credit units in the CDS Accounts of the successful applicants.

#### **16.13 REFUND/UNBLOCKING OF SUBSCRIPTION MONEY TO UNSUCCESSFUL APPLICANTS**

As per the regulation 11(4) of the PO Regulations, within ten (10) working days of the close of public subscription period the Units shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

As per sub-section (2) of Section 68 of the Companies Act, if refund as required under sub-section (1) of Section 68 of the Companies Act is not made within the time specified hereinabove, the directors of the RMC shall be jointly and severally liable to repay that money with surcharge at the rate of two percent (2%) for every month or part thereof from the expiration of the fifteenth day and, in addition, shall be liable to a penalty of level 3 on the standard scale as defined in Section 479 of the Companies Act. Provided that the directors of the RMC shall not be liable if it proves that the default in making the refund was not on their own account and was not due to any misconduct or negligence on their part.

#### **16.14 CREDIT OF UNITS**

Within ten (10) working days of the closing of public subscription period, the units shall be allotted, and credited against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/refunded, as required under regulation 11(4) of the PO Regulations. Units will be credited only in the book-entry form and will be credited into the respective CDS Accounts of the successful applicants. Therefore, the applicants must provide their CDS Account Number in the Units Subscription Application. If the RMC defaults in complying with the above requirements, it shall pay PSX a penalty of PKR 5,000 per day for every day during which the default continues. PSX may also notify the fact of such default and name of the RMC by notice and also by publication in its ready-board quotation of the Stock Exchange. Name of the RMC will also be notified to the TRE Certificate Holders of the PSX and placed on the web site of the PSX.

### **16.15 TRANSFER OF UNITS**

The units shall be transferred in accordance with the provisions of PSX Regulations and the CDCPL Regulations.

### **16.16 LIST OF THE BANKER TO THE OFFER**

Code	Name
01	Habib Bank Limited

### **16.17 INTEREST OF UNITHOLDERS**

None of the subscribers of the issued Units of the REIT Scheme have any special or other interest in the property or profits of the Scheme other than as Unit holders of the Units in the capital of the REIT Scheme.

### **16.18 ELIGIBILITY FOR DIVIDEND**

The Units being offered shall rank pari-passu with the existing Units in all matters, including the right to such bonus or right issue and dividend as may be declared by the REIT Scheme subsequent to the Offer of such Units.

### **16.19 DEDUCTION OF ZAKAT**

Income distribution will be subject to deduction of Zakat at source, pursuant to the provisions of Zakat and Ushr Ordinance, 1980 (XVIII of 1980) as may be applicable from time to time except where the Ordinance does not apply to any unitholder or where such unitholder is otherwise exempt or has claimed exemption from payment / deduction of Zakat in terms of and as provided in that Ordinance.

### **16.20 CAPITAL GAINS TAX**

S. No.	Holding Period	Rate of Tax for Tax year 2023 and onwards	
		Investors appearing in ATL	Investors not appearing in ATL
1	Where the holding period does not exceed one year	15.0%	30.0%
2	Where the holding period exceeds one year but does not exceed two years	12.5%	25.0%
3	Where the holding period exceeds two years but does not exceed three years	10.0%	20.0%
4	Where the holding period exceeds three years but does not exceed four years	7.5%	15.0%
5	Where the holding period exceeds four years but does not exceed five years	5.0%	10.0%
6	Where the holding period exceeds five years but does not exceed six years	2.5%	5.0%
7	Where the holding period exceeds six years	0.0%	0.0%

**16.21 WITHHOLDING TAX ON DIVIDENDS**

Dividend distribution to unitholders will be subject to withholding tax under section 150 of the Income Tax Ordinance, 2001 as specified in Part III Division I of the First Schedule of the said ordinance or any time-to-time amendments therein. In terms of the provision of Section 8 of the said ordinance, said deduction at source, shall be deemed to be a full and final liability in respect of such profits in the case of persons only. The applicable withholding tax rate on dividends is 15% for filers and 30% for non-filers.

**16.22 SALES TAX**

General Sales Tax is applicable as per Sales Tax Act, 1990 on supplies and services. Sales tax is applicable on services as per Punjab Sales Tax on Services Act, 2012 by Punjab Revenue Authority. Sales tax is applicable on services as per Sindh Sales Tax on Services Act, 2011 by Sindh Revenue Board.

**16.23 SALES TAX ON SALE / PURCHASE OF UNITS**

Under the Constitution of Pakistan and Articles 49 of the 7th NFC Award, the Government of Sindh, Government of Punjab, Government of Khyber Pakhtunkhwa and Government of Baluchistan have promulgated the Sindh Sales Tax on Services Act, 2011, Punjab Sales Tax on Services Act, 2012, Khyber Pakhtunkhwa Sales Tax on services through Khyber Pakhtunkhwa Finance Act, 2013 and the Baluchistan Sales Tax on services Act, 2015 respectively. The Sindh Revenue Board, the Punjab Revenue Authority, and the Khyber Pakhtunkhwa Revenue Authority and the Baluchistan Revenue Authority administer and regulate the levy and collection of the Sindh Sales Tax (“SST”), Punjab Sales Tax (“PST”), Khyber Pakhtunkhwa Sales Tax (“KST”) and Baluchistan Sales Tax (“BST”) respectively on the taxable services provided or rendered in Sindh, Punjab or Khyber Pakhtunkhwa provinces respectively.

The value of taxable services for the purpose of levy of sales tax is the gross commission charged from clients in respect of purchase or sale of units in a Stock Exchange. The above-mentioned Acts levy a sales tax on Brokerage at the rate of 13% in Sindh, 16% in Punjab and in Baluchistan and Khyber Pakhtunkhwa the rate is 15%. Sales tax charged under the aforementioned Acts is withheld at source under statutory requirements.

**17. SIGNATORIES TO THE OFFER FOR SALE DOCUMENT**

## SIGNATORIES TO THE OFFFER FOR SALE DOCUMENT



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ALI JAMEEL  
Non-Executive Director



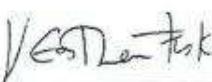
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IMRAN HUSSAIN  
Independent Director



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OSMAN ASGHAR KHAN  
Non-Executive Director



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VANESSA EASTHAM FISK  
Independent Director



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ADNAN AFAQ  
Independent Director



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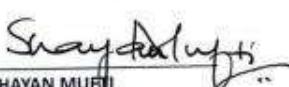
ABDUL WAHAB AL HALABI  
Independent Director



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ALI ASGHER  
Executive Director / Chief Executive Officer

Signed by the above in presence of witnesses:



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SHAYAN MUFLI  
Company Secretary



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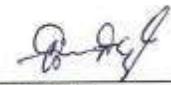
IMAD ZAHID NAGI  
Chief Financial Officer

Dated: January 31, 2024



**18. SIGNATORIES OF THE REIT MANAGEMENT COMPANY**

## SIGNATORIES TO THE REIT MANAGEMENT COMPANY



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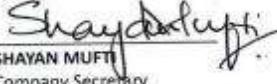
ALI ASGHER  
Chief Executive Officer



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IMAD ZAHID NAGI  
Chief Financial Officer

Signed by the above in presence of witnesses:



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SHAYAN MUFTI  
Company Secretary



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Hasnain Wasim Ursani  
Manager Legal and Compliance

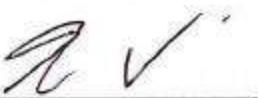
Dated: January 31, 2024



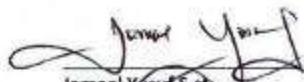
## 19. SIGNATORIES OF OFFEROR

### 19.1 TPL PROPERTIES LIMITED

#### SIGNATORIES OF THE OFFEROR – TPL Properties Limited



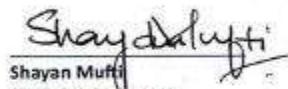
Mohammad Ali Jameel  
Chief Executive Officer



Jameel Yusuf S. Ali  
Chairman



Adnan Quaid Johor Khandwala  
Chief Financial Officer



Shayan Muttu  
Company Secretary

Signed by the above in presence of witnesses:



Hasnain Wasim Ursani  
Manager Legal and Compliance



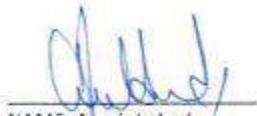
Qazi Wajahat Ali  
Assistant Manager Legal and Compliance

Dated: January 31, 2024

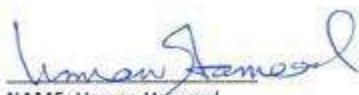


## 19.2 HABIB BANK LIMITED

## SIGNATORIES OF THE OFFEROR (TPL REIT FUND 1 LISTING) – HABIB BANK LIMITED

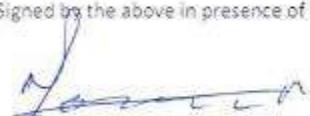


NAME: Aamir Irshad  
Designation: Head Corporate, Commercial and Investment Banking



NAME: Usman Hameed  
Designation: Head Investment Banking

Signed by the above in presence of witnesses:



Name: Syed Moosa Raza  
Designation: Unit Head - Advisory & ECM



Name: Shameer Alam Zaidi  
Designation: Analyst - Advisory & ECM

Dated: FEBRUARY 2<sup>nd</sup>, 2024

## 19.3 NATIONAL BANK OF PAKISTAN

## SIGNATORIES OF THE OFFEROR – NATIONAL BANK OF PAKISTAN

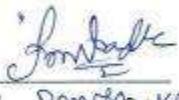


**KAMRAN SHOUKAT**  
Manager Operations  
National Bank Of Pakistan  
Corporate Br, Chapal Plaza, KHI  
CNIC:42301-7493985-3



**Muhammad Haroon Kaleem**  
Executive Manager, Credit  
National Bank Of Pakistan  
Corporate Branch  
Chapal Plaza, Korangi  
CNIC: 42301-116001-1

Signed by the above in presence of witnesses:



Name **Daud Khan**  
Designation NBP H.O.



Name **Haroon (Signature)**  
Designation NBP

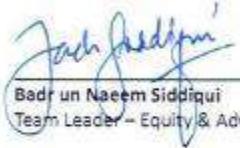
Dated: February 15, 2024

## 19.4 THE BANK OF PUNJAB

## SIGNATORIES OF THE OFFEROR – THE BANK OF PUNJAB



Mateen Farooq  
Head DCMS & EA



Badr un Naeem Siddiqui  
Team Leader – Equity & Advisory

Signed by the above in presence of witnesses:



Name: Md. Naeem Arbab Arifin  
Designation: Senior Associate - DCMS

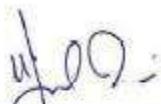


Name: Ghafur Shahid  
Designation: Senior Associate - DCMS

Dated: February 15, 2024

## 19.5 BANK AL HABIB LIMITED

## SIGNATORIES OF OFFEROR BANK AL HABIB LIMITED

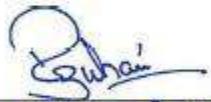


Syed Mohammad Imad Riaz  
GM & Head of Investment Banking



Mr. Mohammad Taqi Lakhani  
GM & Company Secretary

Signed by the above in presence of witnesses:



Name Muhammad Zulqarnain Aslam  
Designation Unit Head



Name Intesam Isa  
Designation Senior Associate

Dated: February 7, 2024

**19.6 BANK ALFALAH LIMITED**

## SIGNATORIES OF THE OFFEROR – BANK ALFALAH LIMITED

NAME: Pervez Shahbaz Khan  
Designation: Group Head Treasury & Financial Markets



NAME: Farooq Ahmed Khan  
Designation: Group Head Corporate, Investment Banking & International Business

Signed by the above in presence of witnesses:

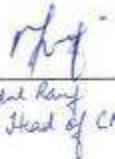
Name FAHAD RAYE  
Designation Unit Head - Capital Markets

Name Waqas Hussain  
Designation Unit Head - Private Investment

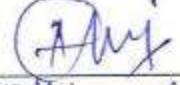
Dated: February 09, 2024

## 19.7 ASKARI BANK LIMITED

## SIGNATORIES OF THE OFFEROR – ASKARI BANK LIMITED

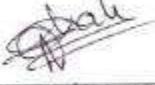


NAME: Abdul Rauf  
Designation: Head of CM Ops



NAME: Muhammad Akhlaq Agha  
Designation: Unit Head- Project Finance.

Signed by the above in presence of witnesses:



Name: Noor Shah  
Designation: Senior Associate

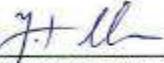


Name: Oazi Hadi Bux Onasi  
Designation: Senior Associate

Dated: 13<sup>th</sup> FEBRUARY, 2024

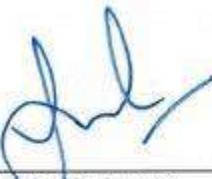
## 19.8 HABIB METROPOLITAN BANK LIMITED

## SIGNATORIES OF THE OFFEROR – Habib Metropolitan Bank Limited



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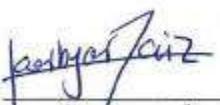
NAME: Muhammad Imran Khan  
Designation: Head Equity



---

NAME: Hafiz Faraz Ali  
Designation: Head Investment Banking

Signed by the above in presence of witnesses:



---

Name: HAERBAZAR FAIZ  
Designation: Sp. Associate



---

Name: Md Zain ul Hassan  
Designation: Manager Investment Banking

Dated: February 15, 2024

## 19.9 SONERI BANK LIMITED

## SIGNATORIES OF THE OFFEROR – SONERI BANK LIMITED

  
NAME **FAHAD IMTIAZ**  
Designation Team Leader - CIBG  
Soneri Bank Limited  
P.A. # 2532

  
NAME **MUHAMMAD ASIF**  
PA # 2541  
Designation AVP/Credit Manager  
Soneri Bank Limited  
Kabria Complex-III Branch

Signed by the above in presence of witnesses:

  
Name **Ali Raza**  
Designation RM-CIBG

  
Name **SOHAİL PARDHANVI**  
Designation BM

Dated: February 15, 2024

## 20. MEMORANDUM OF ASSOCIATION OF REIT MANAGEMENT COMPANY

THE COMPANIES ACT, 2017

(Public Company Limited by Shares)

MEMORANDUM OF ASSOCIATION

OF

TPL REIT MANAGEMENT COMPANY LIMITED

1. The name of the Company is "TPL REIT Management Company Limited" (the "Company").
2. The Registered Office of the Company will be situated in Sindh.
3.
  - (i) The principle line of business of the Company shall be to carry on all or any business permitted to be carried out by a "REIT management company" including but not limited to providing "REIT Management Services" in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (as amended, replaced or supplemented from time to time) and all rules, regulations etc. framed pursuant to the same or generally applicable to a "REIT management company" under the applicable laws.
  - (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the Company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.
  - (iii) Unless permitted otherwise under sub-clause (i) above, nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Insurance Business, Modaraba management company, Stock Brokerage business, forex, , managing agency, business of providing the services of security guards or any other business restricted under any law for the time being in force or as may be specified by the Commission.
  - (iv) It is hereby undertaken that, unless permitted otherwise under sub-clause (i) above, the Company shall not:
    - (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
    - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business; and
    - (c) engage in any of the permissible business unless the requisite approval, permission, consent or license is obtained from competent authority as may be required under any law for the time being in force.
4. The liability of the members of the Company is limited.
5. The Authorized Capital of the Company is PKR 1,000,000,000/- (Pak Rupees One Billion only) divided into 100,000,000 (Hundred Million) ordinary shares of PKR 10/- (Pak Rupees Ten only) each with rights and privileges attaching thereto as are or may be provided by the Articles of Association of the Company for the time being. The Company shall have power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes.

We, the several persons whose names and addresses are subscribed hereto are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

1. The capital of the Company increased from Rs. 200,000,000 to Rs. 500,000,000 by the special resolution passed in the Extra Ordinary General Meeting held on March 19, 2021.
2. The capital of the Company increased from Rs. 500,000,000 to Rs. 1,000,000,000 by the special resolution passed in the Annual General Meeting held on September 29, 2022.

*Company Secretary*  
Certified true copy

Name and surname	CNIC	Father's/ Husband's Name in full	Nationality	Occupation	Residential Address	Number of shares taken by each subscriber	Signatur es
Mohammad Ali Jameel	42301-2108221-5	Jameel Yusuf Ahmed	Pakistani	Private Job	House no. 79, street no. 3, off khayaban-e-seher, phase vi, karachi	1 (one) ordinary share of PKR 10 (Ten) each	
Ali Asgher	42301-3575842-3	Tahir Ali	Pakistani	Private Job	Flat No. 404, MI Tower, Plot No. Jm-107, Mirza Khalil Baig Road, Parsi Colony, Karachi	1 (one) ordinary share of PKR 10 (Ten) each	
Naseer Ali Khan	42201-0807015-3	Sajid Ali Khan	Pakistani	Private Job	44 K, Block VI, Pechs, Karachi	1 (one) ordinary share of PKR 10 (Ten) each	
Air Marshal (Retd.) Mirza Zafar Hussain	38302-1096464-3	Mirza Muhammad Hussain	Pakistani	Private Job	M-102/3, Khayaban-E-Saadi, Phase VII, Dha Karachi	1 (one) ordinary share of PKR 10 (Ten) each	
Imran Husain	42000-0509042-5	Muzafar Husain	Pakistani	Private Job	House. No. 10-1/1 E Street, Phase 5, Dha	1 (one) ordinary share of PKR 10 (Ten) each	
Mohammad Riaz	90405-0157545-5	Salihuddin Khan	Pakistani	Private Job	House# 76, Street# 1, F6/3, Islamabad	1 (one) ordinary share of PKR 10 (Ten) each	
Fewad Anwar	42301-4922551-7	Anwar Hajj Karim	Pakistani	Private Job	79/I 9th Street, Khayaban-E-Seher, Dha Phase VI, Karachi	1 (one) ordinary share of PKR 10 (Ten) each	
TPL Properties Limited through (Muhammad Ali Jameel)	42301-2408221-5	Jameel Yusuf Ahmed	Pakistani	Private Job	12th Floor, Centrepoint Building, Off Shaheed-e-Millat Expressway, Near KPT Interchange, Karachi	9993 ( Nine Thousand nine hundred ninety three ) Ordinary shares of PKR 10/- (Ten) each	
					Total Number of Shares to be Taken	10,000 (Ten Thousand) ordinary shares of Rs. 10/- each (Pak Rupees Ten each)	

Dated: April 2, 2018

THIS IS DIGITAL CERTIFIED COPY AND NEEDS NO STAMP/SIGNATURE. CTC ISSUED DATE : 19-12-2022 (VALIDITY 01 MONTH)

*Shaykh*  
Company Secretary  
Certified true copy

## 21. GENERAL SUBSCRIPTION FORM

SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS AN OFFENCE UNDER SECTION 87(7) OF THE SECURITIES ACT, 2015 AND SUCH APPLICATIONS' MONEY MAY BE FOREPRIETED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015

مذکور اس پر جعلی اپلیکیشن کرنے کی کارروائی کا قانونی مرتباً 87(7) کی طبقہ 2015 کے مطابق کوئی کامیاب نہیں۔ اس کی وجہ سے اپلیکیشن کرنے والوں کی پانچ سو گز 87(8) کی طبقہ 2015 کے مطابق کوئی کامیاب نہیں۔

INVESTMENT IN SECURITIES IS A HIGHLY RISKY BUSINESS. INVESTORS ARE, THEREFORE, ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THE OFFER FOR SALE DOCUMENT ESPECIALLY THE RISK FACTORS BEFORE MAKING ANY INVESTMENT DECISION.



## TPL REIT FUND I (MANAGED BY TPL REIT MANAGEMENT COMPANY LIMITED)

## APPLICATION FOR SUBSCRIPTION OF UNITS

As per Section 72 of Companies Act, 2017, the Units shall be credited in book-entry form only. Therefore, Units of TPL REIT Fund I shall only be transferred in scripless form in the CDS of CDCPL. (Refer to instruction No.3 on the reverse hereof)

The Directors

TPL REIT Management Company Limited

20th Floor, Sky Tower – East Wing  
Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi

CDC PARTICIPANT / ACCOUNT HOLDER ID	SUB ACCOUNT NUMBER	HOUSE A/C NO.
OR		
CDC INVESTOR ACCOUNT SERVICES ID	CDC INVESTOR ACCOUNT NO.	Do you want to avail CDC's facility of IPO FACILITATION ACCOUNT

Yes      No

SUBSCRIPTION DATE  
From May 02, 2024 to May 03, 2024 during banking hours

For Brokers

Broker's Stamp & Code

PSX Code

For Banks

Banker's Stamp

For Banks

Bank Code Branch Code

Application Serial No.

1) I/We apply for the following number of Units at Offer Price for the value indicated below:

No. of Units Applied For

Amount Payable in PKR

Cheque / Demand Draft / Pay Order No.

2) I/We agree to accept the same or any smaller number of Units that may be allotted to me/us upon the terms as stated in the OFSD. I/We authorize you to credit the Units to me/us pursuant to this application and if no Units or a smaller number of Units are allotted to me/us you are hereby authorized to return to me/us by cheque or other means my/our application money for the amount of Units not credited to me/us.

For Pakistanis  
Resident 01  
Non-resident 02

3) DECLARATION

I/We declare that: i) I am/we are national(s) of \_\_\_\_\_; ii) I am/we are not minor(s); iii) I/We have not made nor have I/we instructed any other person(s)/institution(s) to make any other application(s) in my/our name(s), or in the name of any other person on my/our behalf or in any fictitious name; iv) I/We agree to abide by the instructions provided with this application and in case of any information given herein being incorrect I/we understand that I/we shall not be entitled to the allotment of Units if successful rather the application money shall be liable to confiscation if this declaration proves to be incorrect at any time.

Yours faithfully,

Signature(s)

a)

b)

4) ALL DETAILS MUST BE WRITTEN IN

B I L O C I K - I L E T T T E R I S IN THE SPACES PROVIDED, LEGIBLY IN BLACK PEN

a) Name in FULL (as per CNIC)	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Co. Please Tick	<input type="checkbox"/> Father's/Husband's Name (as per CNIC)	<input type="checkbox"/> Identity Number (CNIC/Passport/ Registration No.)	<input type="checkbox"/> Identity Number (NTN*)	<input type="checkbox"/> Full Address including Email Address	<input type="checkbox"/> Phone No. including Mobile No.	<input type="checkbox"/> International Bank Account Number (IBAN)	<input type="checkbox"/> Bank Name	<input type="checkbox"/> Branch Name & Address	<input type="checkbox"/> Occupation Code	<input type="checkbox"/> Muslim	<input type="checkbox"/> Non Muslim
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Additional Information - For Non-Resident Pakistanis and Foreign Investors Only

<input type="checkbox"/> Place of Issue of Passport	<input type="checkbox"/> Corporate Business Letter enclosed	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Nationality Code	<input type="checkbox"/> Date of Issue of Passport (DD-MM-YYYY)	<input type="checkbox"/> Country of Residence	<input type="checkbox"/> — <input type="checkbox"/> — <input type="checkbox"/> — <input type="checkbox"/> —
---	---	--	---	---	---	---

5) FOR JOINT HOLDER, IF ANY

<input type="checkbox"/> b) Name in Full (as per CNIC)	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Co. Please Tick	<input type="checkbox"/> Identity Number (CNIC/Passport/ Registration No.)
--	--	--

<input type="checkbox"/> 6) DIVIDEND MANDATE (MANDATORY): Mark tick (*) in the appropriate boxes Yes ( ) No ( )	<input type="checkbox"/> In order to enable the Company to credit the cash dividend declared, if any, by the REIT Scheme, in Unit Holder's bank account, instead through dividend warrants, please fill in the following boxes:
<input type="checkbox"/> Title of Account	
<input type="checkbox"/> International Bank Account Number (IBAN)	
<input type="checkbox"/> Bank Name	<input type="checkbox"/> Branch Name and Address
<input type="checkbox"/> Signature of the Applicant as per the Bank account	

7) It is certified that the above-mentioned applicant(s) is/are maintaining account number as mentioned above at this bank branch and applicant's particulars and signature(s) are correct and verified as per the bank's record and their CNIC/Passport. It is further certified that only one application has been made in the name of the above account holder through this branch. We also confirm that the original CNIC/Passport has been seen by us.

Note: In case the subscription money is paid through a bank other than the Bankers to the Issue (through pay order or bank draft), this certification shall be provided by the manager of the bank where the applicant maintains his/her bank account.

Bank's Authorized Signatory  
Bank's Rubber Stamp

SPECIMEN SIGNATURE(S) OF THE APPLICANT											
NAME OF THE APPLICANT IN BLOCK LETTERS (AS PER CNIC)											
SPECIMEN SIGNATURE(S)											
a)											
b)											

Bankers to the Issue's Provisional acknowledgement of application for Units of TPL REIT Fund I											
Received from Mr/Ms/Mrs. _____ application for _____ units.											
Name of Bank	Branch Code	Application Serial No.	Date of Receipt								
Signature of Authorized Representative & Rubber Stamp of Receiving Bank											

IMPORTANT: (i) This slip must be retained by the Applicant (ii) Please read instructions provided with this application

## OFFER FOR SALE DOCUMENT | TPL REIT FUND I



### APPLICATION AND ALLOTMENT INSTRUCTIONS

#### ELIGIBLE INVESTORS INCLUDE

- a. Pakistani citizens resident in or outside Pakistan or Persons holding dual nationalities including Pakistani nationality;
- b. Foreign Nationals whether living in or outside Pakistan;
- c. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
- d. Mutual Funds, Provident/pension/gratuity funds/trusts, (subject to the terms of the Trust Deed and existing regulations); and
- e. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

#### COPIES OF THE OFFER FOR SALE DOCUMENT

Copies of the Offer for Sale Document and application form can be obtained from the registered office of the Lead Manager and the Banker to the Issue and their branches and the corporate office of TPL REIT Management Company Limited. The Offer for Sale Document and the Application Form can also be downloaded from the websites: [www.psx.com.pk](http://www.psx.com.pk), <http://nextcapital.com.pk/>, <https://tpifunds.com/> and <http://cdceipo.com>

**The applicants are required to complete the relevant sections of the application in order to get the Units in scrip-less form.** In accordance with provisions of the Central Depositories Act, 1997 and the CDC Regulations, credit of such Units is allowed ONLY in the applicant's own CDC Account OR in CDC's IPO Facilitation Account. (IPO Facilitation Account is an Investor Account opened by CDC under its Regulations for the purpose of crediting and holding of Securities on behalf of individual Pakistani investors who have subscribed to such Securities offered by an Issuer/Offeror).

**NAMES(S) AND ADDRESSES MUST BE WRITTEN IN FULL BLOCK LETTERS, IN ENGLISH AND SHOULD NOT BE ABBREVIATED.**

**ALL APPLICATIONS MUST BEAR THE NAME AND SIGNATURE CORRESPONDING WITH THAT RECORDED WITH THE APPLICANT'S BANKER. IN CASE OF DIFFERENCE OF SIGNATURE WITH THE BANK AND COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) OR NATIONAL IDENTITY CARD FOR OVERSEAS PAKISTANIS (NICOP) OR PASSPORT, BOTH THE SIGNATURES SHOULD BE AFFIXED ON THE APPLICATION FORM.**

#### APPLICATIONS MADE BY INDIVIDUAL INVESTORS

In case of individual investors, a photocopy of the CNIC (in case of resident Pakistani) / NICOP or Passport (in case of non-resident Pakistani) as the case may be, should be enclosed and the number of CNIC/ NICOP / Passport should be written against the name of the applicant.

Original CNIC/NICOP/Passport, along with a photocopy, must be produced for verification to the Banker to the Issue and the applicant's banker (if different from the Banker to the Issue) at the time of presenting an application. The photocopy will, after verification, be retained by the branch along with the application.

#### APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

Applications made by companies, corporate bodies, mutual funds, provident / pension/gratuity funds/trusts, and other legal entities must be accompanied by a photocopy of their memorandum and articles of association or equivalent instrument/document. Where applications are made by virtue of power of attorney, the same should also be submitted along with the application.

Photocopies of the documents mentioned in 7(i) must be produced for verification to the Banker to the Issue and the applicant's banker (if different from the Banker to the Issue) at the time of presenting the application. The attested copies, will after verification, be retained by the bank branch along with the application.

#### ADDITIONAL INSTRUCTIONS FOR INVESTORS

Only one application will be accepted against each applicant, however, in the case of joint account, one application may be submitted in the name of each joint account holder.

Joint application in the name of more than two persons will not be accepted. In case of joint application, each applicant must sign the application form and submit attested copies of their CNICs/NICOPs/Passport. The Units will be credited to the CDS account mentioned on the face of the form OR in CDC's IPO Facilitation Account and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit or return. Please note that a joint application will be considered as a single application for the purpose of allotment of securities.

Subscription money must be paid by cheque drawn on applicant's own bank account or pay order/bank draft payable to the Banker to the Issue in favor of A/C "Offer for Sale of TPL REIT Fund I" and crossed "A/C PAYEE ONLY".

For the application made through pay order/bank draft, it would be permissible for a Banker to the Issue to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay order/bank draft individually for each application.

The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of securities.

Applications are not to be made by minors and/or persons of unsound mind.

Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.

Applicants should retain the bottom portion of their application forms as a provisional acknowledgment of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of Units for which the application has been made.

Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.

Bankers to the Issue are prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Banker to the Issue. It would be permissible for a Banker to the Issue to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque, pay order, or bank draft. Applicants should, therefore, not fail to give their bank account numbers.

Submission of false and fictitious applications is prohibited, and such applications' money may be forfeited under section 87(8) of the Securities Act, 2015.

**عوام میں سکرپٹس کی پابندی کے تحت جنہیں کے علاوہ کچھ اپنے تحریکیں ہیں جو اپنے 87 کی شعبہ 2015 کے علاوہ کچھ اپنے تحریکیں ہیں جو اپنے 87 کے تصریحات کے علاوہ کچھ اپنے تحریکیں ہیں۔**

#### ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS

In case of foreign investors who are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation, and operations and line of business. A copy of memorandum of association or an equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the application. Copies of these documents can be attested by the bank manager in the country of applicant's residence.

Foreign / Non-resident applicants should follow payment instructions given in Section 16.8 of the Offer for Sale Document.

#### BASIS OF ALLOTMENT

The basis and conditions of transfer of Units to the General Public shall be as follows:

The minimum value of application for subscription is Offer Price x 500 Units. Application for amount below the minimum value shall not be entertained.

Application for Units must be made for 500 Units or in multiple thereof only. Applications which are neither for 500 Units nor for multiple thereof, shall be rejected.

Allotment/transfer of Units to successful applicants shall be made in accordance with the allotment criteria/instructions disclosed in the Offer for Sale Document.

Allotment of Units shall be subject to the scrutiny of applications in accordance with the criteria disclosed in the OFSD and/or the instructions by the Securities & Exchange Commission of Pakistan.

Applications which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the application form.

The RMC will credit the respective CDS accounts of the successful applicants.

#### CODE OF BANKER TO THE ISSUE

Code No.	Name of Banks
01	Habib Bank Limited

#### CODE OF OCCUPATIONS

Code No.	Occupation	Code No.	Occupation
01	Business	06	Professional
02	Business Executive	07	Student
03	Service	08	Agriculturist
04	Housewife	09	Industrialist
05	Household	10	Others

#### PUBLIC SUBSCRIPTION THROUGH e-IPO

e-IPO is submission of application for subscription of securities electronically through the internet, Automated Teller Machines (ATM), and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOS:

##### (i) Centralized e-IPO System (CES):

The Central Depository Company of Pakistan Limited (CDC) has developed a Centralized e-IPO System (CES) through which applications for subscription of securities offered to the general public can be made electronically. CES has been made available in this SPO and can be accessed through the web link [www.cdceipo.com](http://cdceipo.com). Payment of subscription money can be made through 1LINK's member banks available for CES, a list of which is available on the above website.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and a self-registration process by filling the CES registration form, which is available 24/7 all around the year. Investors who have a valid Computerized National Identity Card (CNIC), a bank account with any of the commercial bank, email address, mobile phone number, and CDS Account (Investor Account or sub-Account) OR CDC's IPO Facilitation Account may register themselves with CES. Investors who do not have CDS account may visit [www.cdcPakistan.com](http://cdcpakistan.com) for information and details. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com).

##### (ii) PSX's E-IPO System (PES):

In order to facilitate investors, the Pakistan Stock Exchange Limited ("PSX") has developed an e-IPO System ("PES") through which applications for subscription of securities offered to the General Public can be made electronically.

PES has been made available in this Offer and can be accessed through the web link (<https://eipo.psx.com.pk>). Payment of subscription money can be made through 1LINK's and NIFT's member banks available for PES. For further guidance and queries regarding PES, investors may contact PSX at phone number: 111-001-122, or contact at phone (021)-35274401-10 and email: [pes@psx.com.pk](mailto:pes@psx.com.pk). Investors who are registered with PES can submit their applications through the web link <https://eipo.psx.com.pk> 24 hours a day during the subscription period which will close at **midnight on May 03, 2024**.

#### NATIONALITY CODE

Code	Name of Country	Code	Name of Country
001	U.S.A	004	K.S.A
002	U.K	005	Oman
003	U.A.E	006	Bangladesh

For further queries you may contact:

TPL REIT Management Company Limited: Mr. Ali Asgher, +92 21 37130227, [ali.asgher@tpifunds.com](mailto:ali.asgher@tpifunds.com); | Next Capital Limited: Mr. Syed Qamber Ali, +92 213 5222207, [qamber.ali@nextcapital.com.pk](mailto:qamber.ali@nextcapital.com.pk);

## 22. GENERAL INFORMATION

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Following information/documents can be accessed from the investor relations section of website of TPL RMC, i.e. <https://tplfunds.com/investor-relations/>

1. Information Memorandum of the REIT Scheme
2. Valuation Report of the REIT Assets
3. Trust Deed
4. Audited Financial Statement of the REIT Scheme, SPVs and RMC
5. NOCs / Approvals
6. Indicative construction schedule of the projects

**23. APPENDIX 1 (CERTIFICATE OF INCORPORATION OF RMC)**