

SINOLINK REIT MANAGEMENT COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED  
DECEMBER 31, 2024

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINOLINK RIET MANAGEMENT COMPANY LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the annexed financial statements of SinoLink RIET Management Company Limited (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the Period then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2024 and of the Profit, the changes in equity and its cash flows for the Period then ended.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw our attention to Note 2.3 to the financial statements, which describe that these financial statements have been prepared voluntarily for submission to the concerned departments in connection with the listing of the "Image Riet Scheme" and are therefore not suitable for any other purpose. These financial statements are not general purpose financial statements of the company.

We further draw attention to Note 2.4 to the financial statements, which describe that these financial statements are prepared for the period covering six months ended on December 31, 2024. Since the audited comparative figures are available for the Period ended December 31, 2024, the same have been disclosed as comparatives and balances in statement of profit or loss and other comprehensive income, statement of cash flows, statement of changes in Equity and notes to the financial statements are not comparable.

Our opinion is not modified in respect of the above matters.

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

Management is responsible for the other information. The other information comprises the information in the annual report but does not include the financial statements and the audit report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast



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

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

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

#### **Report on Other Legal and Regulatory Requirements**

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the Period were for the purpose of the Company's business; and
- (d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

  
Chartered Accountants

UDIN: AR2024101296CgfwA8z9

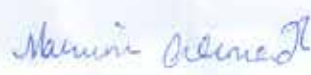
Dated: 05 MAR 2025

Place: Karachi

**SINOLINK REIT MANAGEMENT COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024**

		December 31, 2024	June 30, 2024
	Note	RUPEES	
<b>SHARE CAPITAL &amp; RESERVE</b>			
<b>AUTHORISED SHARE CAPITAL</b>			
25,000,000 Ordinary Shares of Rs 10/- each		250,000,000	250,000,000
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>			
5,000,000 (JUNE 30, 2024 :5,000,000) Ordinary Shares of Rs 10/- each		50,000,000	50,000,000
Accumulated Profit		5,851,600	4,567,424
		55,851,600	54,567,424
<b>CURRENT LIABILITIES</b>			
Accrued and Other payables		175,000	100,000
Provision for tax	10	555,156	1,141,636
		730,156	1,241,636
		56,581,756	55,809,060
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Diminishing Musharika finance Facility to associated Company	5	40,000,000	40,000,000
<b>CURRENT ASSETS</b>			
Short term Loan to Associated Company	6	3,880,780	3,940,938
Interest Recivable on loan to associated Company		1,966,027	1,966,027
Rental Reciveable on diminishing Musharika facility of Associated Company	7	10,625,753	8,609,315
Advances and Deposit		-	10,000
Cash and Bank Balances	8	109,196	1,282,780
		16,581,756	15,809,060
		56,581,756	55,809,060

NOTE: The annexed notes form an integral part of these accounts.

  
Chief Executive

  
Director

**SINOLINK REIT MANAGEMENT COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	December 31, 2024	June 30, 2024
	(Rupees)	
Profit/(Loss) after Taxation	1,284,176	3,186,624
Item that will not be reclassified to profit or loss		
Other comprehensive Income		
Total Comprehensive Income for the Year	1,284,176	3,186,624

The annexed notes form an integral part of these financial statements.

*Muhammad Ahmed*  
Chief Executive

*Asad Ahmed*  
Director

**SINOLINK REIT MANAGEMENT COMPANY LIMITED**

**STATEMENT OF PROFIT OR LOSS**

**FOR THE PERIOD ENDED DECEMBER 31, 2024**

		December 31, 2024	June 30, 2024
	Note	RUPEES	
Income		-	-
Administrative Expenses		(176,905)	(232,135)
		<u>(176,905)</u>	<u>(232,135)</u>
Other income	9	2,016,438	4,169,315
Financial charges		(201)	(505)
Profit/(Loss) Before tax		<u>1,839,332</u>	<u>3,936,675</u>
Levies	10	(555,156)	(1,141,636)
		<u>1,284,176</u>	<u>2,795,039</u>
Taxation - net	11	-	391,585
Profit/(Loss) for the year		<u><u>1,284,176</u></u>	<u><u>3,186,624</u></u>
Earning per Share - Basic		0.26	0.64

NOTE: The annexed notes form an integral part of these accounts.

*Mamini Ahmed*  
Chief Executive

*Asad Ahmad*  
Director

**SINOLINK REIT MANAGEMENT COMPANY LIMITED**

**STATEMENT OF CASH FLOW STATEMENT  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

	December 31, 2024	June 30, 2024
Note	RUPEES	
Profit for the year	1,839,332	3,936,675
<b>Changes in working capital</b>		
Increase / (Decrease) in Current Liabilities		
Accrued and other payables	75,000	(25,000)
(Increase) / Decrease in Assets		
Loan to Associated Undertaking	60,158	(3,940,938)
Advance and Deposits	10,000	-
Rental Receivable on diminishing Musharika facility of Associated Company	(2,016,438)	(4,009,315)
	(1,871,280)	(7,975,253)
<b>Net cash generated from operating activities</b>	(31,948)	(4,038,578)
Taxes Paid	(1,141,636)	(723,931)
	(1,173,584)	(4,762,509)
<b>Cash flow from financing activities</b>		
Recovery of diminishing Musharika to related Party	-	6,000,000
<b>Net(Decrease)/Increase in cash equivalent</b>	(1,173,584)	1,237,491
<b>Cash &amp; cash equivalent at the beginning of the year</b>	1,282,780	45,289
<b>Cash &amp; cash equivalent at the end of the year</b>	109,196	1,282,780

*Harun Ahmed*  
CHIEF EXECUTIVE

*Asad Ali*  
DIRECTOR



**SINOLINK REIT MANAGEMENT COMPANY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	Issued Subscribed & Paid up Capital	Accumulated Profit/(Loss)	Total
	Rupees		
Balance as on June 30, 2023	50,000,000	1,380,800	51,380,800
Profit/(Loss) for the year		3,186,624	3,186,624
Balance as on June 30, 2024	50,000,000	4,567,424	54,567,424
Profit for the Period		1,284,176	1,284,176
Balance at December 31, 2024	50,000,000	5,851,600	55,851,600

*Maurice A. Jones*  
**CHIEF EXECUTIVE**

*Asad Ahmed*  
**DIRECTOR**

**SINOLINK REIT MANAGEMENT COMPANY LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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**1 Status and Nature of the company**

Sinolink REIT Management Company Limited (the Company) was incorporated in Pakistan on December 10, 2021 as unlisted Public Company. The Principal line of business of the company shall be to carry on all or any business permitted to be carried out by a "REIT Management Services" in accordance with the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (as amended, replaced or supplemented from time to time) and all rules, regulation etc. framed pursuant to the same or generally applicable to a "REIT management company" under the applicable laws.

The company obtained license from SECP valid for three years from February 7, 2022 and shall be renewable after three years as specified in the Rules, as non banking Finance company (NBFC) under non Banking Finance Companies (Establishment and Regulations) Rules, 2003 (as amended, replaced or supplemented from time to time) and all rules by Securities and Exchange Commission of Pakistan and launch Real Estate Investment Trust (REIT) under Real Estate Investment Trust Regulations, 2015.

The principle activities of the Company is to form, launch and manage Real Estate Investment Trust (REITs) under RIET Regulations, 2015 amended as REIT Regulation 2022 on November 28, 2022.

The Management of the company authorised by SECP vide their letter no SCB/PRDD/REIT/IR/ 2022/ 109 dated June 10, 2022 issued interms of Regulation 3C of RIET Regulations to Constitute Trust under the name of Image REIT the Company has signed a Trust Deed and registered under the name of Image REIT vide registration No. KAR/ST/045/2022 dated July 1, 2022 by the REIT Management Company (Sinolink REIT Management Company Limited)

Further The Company has registered Image REIT Scheme with SECP has been and the approval given by the SECP vide their letter no. SCB/PRDD/REIT/IR/ 2022/154 dated March 7, 2022.

The Company has also appointed Shariah Adviser for the **Image REIT** as instructed by the SECP on April 28, 2023.

The geographical location and address of the Company business unit is as under:

The registered office of the company is located at A/33; Central Commercial Area, Block 7/8, Main Sharah-e-Faisal, KCHSU, Karachi.

**1.1 Summary of significant events and transactions in the current reporting period**

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period in the relevant notes to the financial Statements.

**2 Statement of compliance**

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These financial statements do not include all the information and disclosures required in a full set of financial statement and should be read in conjunction with the annual audited financial statements of the company for the year ended June 30 2024.
- 2.3 These financial Statements for the period from July 1, 2024 to December 31, 2024 have been prepared voluntarily for the concerned departments in connection with the listing of the Scheme of "Image Riets" and are therefore not suitable for any other purpose. These financial statements are not general purpose Financial Statements of the scheme.
- 2.4 These financial statements are prepared for the period covering six months ended on December 31, 2024, since the audited comparative figures are available for the year ended June 30, 2024, the same has been disclosed as comparatives and balances in statement of profit or loss and other comprehensive income, statement of cash flows, statement of changes in Equity and notes to the financial statements are not comparable.

### 3 **Basis of Measurement**

The financial statements have primarily been prepared on the historical cost basis, unless an accounting policy herein states otherwise. The financial statements, except for the cash flow statement, have been prepared under the accrual basis of accounting.

The Preparation of these financial statements in conformity with the Approved Accounting standards require the management exercise the judgment and process Applying the Company's Policies and use of Certain accounting Estimates. The areas involving higher degree of judgments critical Accounting estimates and significant assumptions are disclosed in note 3.1.

#### 3.1 **Material accounting judgments and Estimates**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting Policies. Estimates and judgments are continually evaluated and are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements.

##### 3.1.1. **Income Taxes**

Instances where the company's view differs from the view taken by the income tax departments at the assessment stage and where the company considers that its view on items of material nature is in accordance with the law, the amounts are shown as contingent liabilities. Furthermore, the company may be able to avail the benefit of the payment of turnover tax, provided sufficient taxable profits are available in the next five years when this credit can be utilized. Significant management judgment is required to determine the amount of Deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

##### 3.1.2 **Provision for ECL**

Receivables are assessed on a regular basis and if there is any doubt about recoverability of these receivables, provision for doubtful debts is made as per Company policy.



### 3.1.3. Impairment

The carrying amounts of the company's assets are reviewed at each Statement of Financial Position date to determine whether there is an indication of impairment loss. If such indication exists the recoverable amounts of assets is estimated. Impairment is recognized wherever the carrying amounts of the assets exceeds its recoverable amounts. Impairment losses are charged to Statement of Profit or loss.

### 3.1.4. Contingencies

A contingent liability is disclosed when the Company has possible obligation as a result of past events, existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amounts of the obligation cannot be measured with sufficient reliability.

## 4. MATERIAL ACCOUNTING POLICIES

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

	December 31, 2024	June 30, 2024
	RUPEES	
5 <b>Diminishing Musharika finance Facility to associated Company</b>	40,000,000	40,000,000
Facility disclosed in note 7 below transferred to Islamic mode of financing to related Party as per the Agreement dated July 1, 2022 the amount of Rs. 46 million paid to Sino Link Properties (Private) Limited as diminishing Musharika Facility tenure of Financing from July 1, 2022 to June 30, 2026 for 4 year with a balloon payment due on June 30, 2026 with rental @ 10% payable at end of each year.		
6 <b>Short term Loan to associated Company</b>	3,880,780	3,940,938
The company have given loan to associated Company Carrying Mark up @ 10% per annum.		
7 <b>Rental Receivable on diminishing Musharika facility of Associated Company</b>		
Opening balance	8,609,315	4,600,000
Accrued during the Period	2,016,438	4,169,315
Received during the Period	-	(160,000)
	10,625,753	8,609,315
Rental charge @ 10% per annum as per the agreement.		
8 <b>Cash and Bank Balances</b>		
Cash in hand	101,601	1,254,642
Cash at Bank	7,595	28,138
	109,196	1,282,780
8.1 The Company operates two bank Accounts one in shariah Compliant bank and other is Conventional.		
9 <b>Other Income</b>		
Rental charge on diminishing Musharika Loan from Associated Company	2,016,438	4,169,315
	2,016,438	4,169,315



		December 31, 2024	June 30, 2024
10	<b>LEVIES</b>		
	Current for the period	(555,156)	(1,141,636)
		<u>(555,156)</u>	<u>(1,141,636)</u>
11	<b>TAXATION</b>		
	Prior year	--	391,585
	Deferred tax	11.1 --	--
		<u>--</u>	<u>391,585</u>

11.1 No transaction/ timing differences available in the company during the period therefore the Deferred tax not applicable.

		December 31, 2024	June 30, 2024
		<b>(Rupees)</b>	
12	<b>Related Parties Transaction</b>		
	Associated Company (related Parties by virtue of common directorship)		
	Sinolink Properties (Pvt) Ltd		
	Loan to Associated Company	3,880,780	3,940,938
	Diminishing Musharika finance Facility to associated Company	40,000,000	40,000,000
	Rental charge on diminishing Musharika Loan from Associated Company	2,016,438	4,169,315
	Loan returned/ Paid to Related Party	60,158	

#### 13 Contingencies and Commitments

There has been no change in status of contingencies and commitments reported in the financial statements for the year ended June 30, 2024.

#### 14 Fair value of financial instruments

The company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statement for the year ended June 30, 2024. There is no change in the nature and corresponding's hierarchies

#### 15 Date of Authorization for Issue

These financial statements have been authorized for issue on 05 MAR 2025 by the Board of Directors of the Company.

#### 16 Functional and Presentation Currency

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All financial information presented in Pak Rupees has been rounded off to nearest rupee.

  
Chief Executive

  
Director