

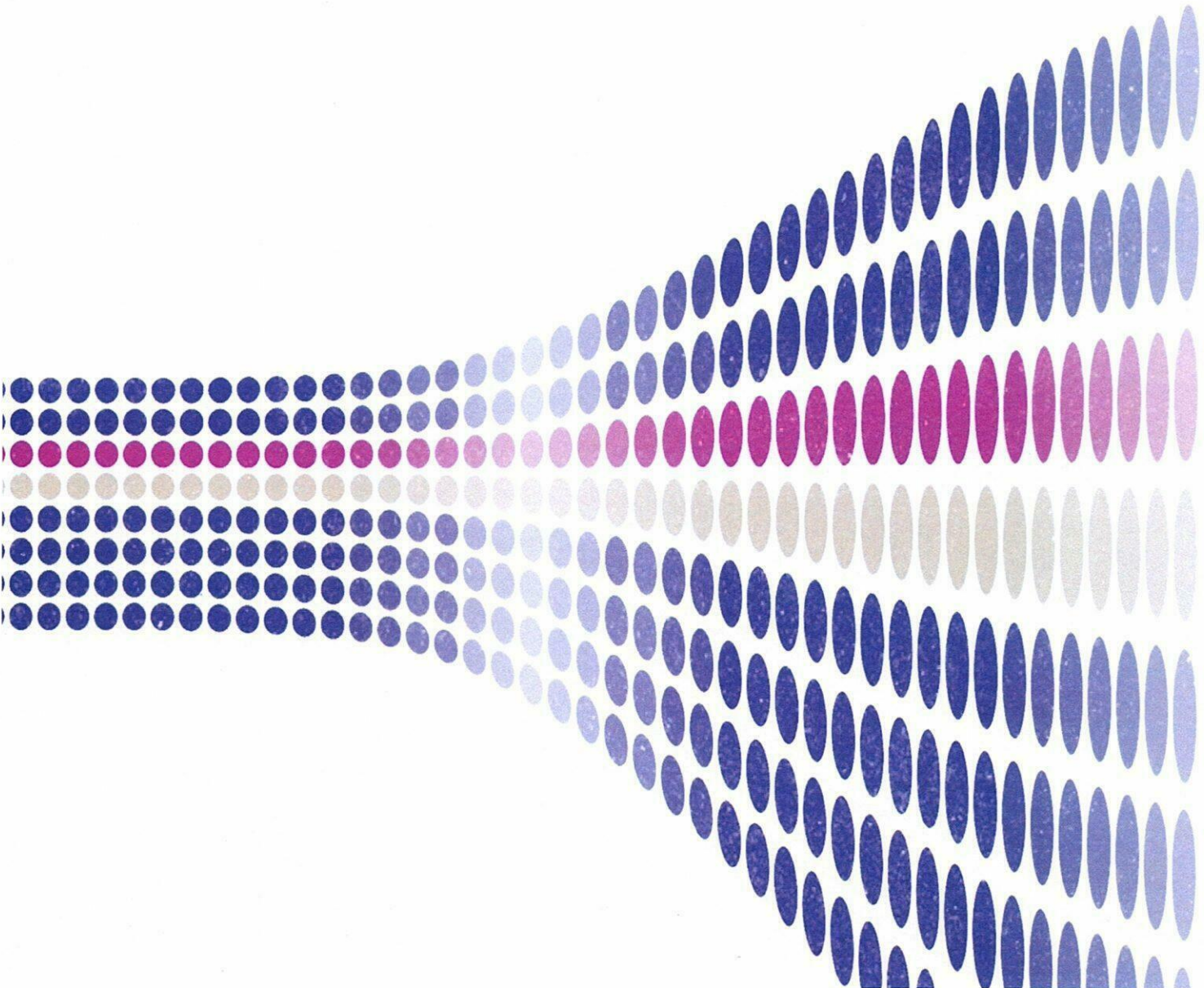


Grant Thornton Anjum Rahman
Chartered Accountants



JS RENTAL REIT FUND

Annual Financial Statements and
Independent Auditor's Report
For the year ended June 30, 2025



JS RENTAL REIT FUND

**Annual Financial Statements and Independent Auditor's Report
For the year ended June 30, 2025**

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- 1. Independent Auditor's Report**
- 2. Annual Financial Statements**

**Grant Thornton Anjum
Rahman**

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INDEPENDENT AUDITOR'S REPORT

To the unit holders of JS Rental REIT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **JS Rental REIT** (the Scheme), which comprises of Statement of assets and liabilities as at June 30, 2025, income statement, statement of comprehensive income, statement of changes in unit holder's fund, cash flow statement for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or 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 of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the approved accounting and reporting standards as applicable in Pakistan, and the REIT regulation 2022, 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 Scheme'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 Scheme or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Scheme'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 auditing standards 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 Scheme'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 Scheme'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 Scheme 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.

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

Report on Other Legal and Regulatory Requirements

Further, we report that the Scheme's financial statements have been prepared in accordance with the relevant provisions of Real Estate Investment Trust Regulation, 2022 and are in agreement with the books of account and returns.

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


Chartered Accountants

Karachi

Date: October 27, 2025

UDIN: AR202510154DIM9rl0wH

JS RENTAL REIT FUND
Annual Financial Statements
For the year ended June 30, 2025



**JS RENTAL REIT
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2025**


	Note	June 30, 2025	June 30, 2024
---Rupees---			
Assets			
Non-current asset			
Investment property	6	2,254,736,935	2,253,636,935
Deferred formation cost	7	3,868,874	5,800,457
Total non-current assets		2,258,605,809	2,259,437,392
Current assets			
Bank balances	8	4,925,008	26,730,078
Rent receivables	9	45,726,005	-
Prepayments and other receivables	10	700,428	573,530
Total current assets		51,351,441	27,303,608
Total assets		2,309,957,250	2,286,741,000
UNIT HOLDERS' FUND AND LIABILITIES			
Unit holders' fund			
REPRESENTED BY:			
Issued, subscribed and paid up units (202,491,838 units)	11	2,167,098,813	2,167,098,813
Unappropriated profit		65,647,104	68,033,391
Total unit holders' fund		2,232,745,917	2,235,132,204
Current liabilities			
Payable to JS Investments Limited- REIT Management Company	12	60,604,105	28,231,372
Payable to Digital Custodian Company Limited - Trustee	13	105,613	45,696
Annual fee payable to the Securities and Exchange Commission of Pakistan	14	2,238,083	754,473
Dividend payable		-	14,535,558
Unearned Rental Income	15	-	2,711,411
Accrued expenses and other liabilities	16	14,263,532	5,330,286
Total Current liabilities		77,211,333	51,608,796
Contingencies and commitments	17	-	-
Total unit holders' fund and liabilities		2,309,957,250	2,286,741,000
Net assets value per unit		11.03	11.04

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

CPAL

For JS Investments Limited
(Management Company)


Chief Financial Officer


Chief Executive Officer


Director

**JS RENTAL REIT
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	Note	June 30, 2025	June 30, 2024
		---Rupees---	
Revenue			
Rental income		64,318,538	60,982,033
Profit on Bank deposit		1,040,954	2,010,489
Total income		65,359,492	62,992,522
Expenses			
Remuneration of the JS investments Limited	12.1	7,287,813	7,338,557
Sindh sales tax on REIT Management Company's remuneration	12.2	1,093,173	954,013
Remuneration of the Trustee	13.1	1,119,041	377,236
Sindh sales tax on Trustee remuneration	13.2	167,857	49,042
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	14.1	2,238,083	754,474
Auditors' remuneration	18	491,184	261,360
Mutual fund rating fee		646,477	655,902
Printing and Stationery		84,867	-
Maintenance charges		49,189,773	-
Property valuation expenses		255,000	345,001
Amortization of deferred formation costs		1,931,583	1,931,722
Property Tax		729,596	208,456
Insurance charges		1,942,717	-
Bank Charges		1,638	960
Total expenses		67,178,802	12,876,723
Profit before change in fair value of investment property		(1,819,310)	50,115,799
Unrealized gain on remeasurement of fair value of investment property		-	-
Net income for the year before tax		(1,819,310)	50,115,799
Taxation	19	-	-
Net income for the year after tax		(1,819,310)	50,115,799

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

QTA

**For JS Investments Limited
(Management Company)**

[Signature]

Chief Financial Officer

[Signature]

Chief Executive Officer

[Signature]

Director

**JS RENTAL REIT
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025	June 30, 2024
----Rupees----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before tax	(1,819,310)	50,115,799
Adjustments for:		
Profit on bank deposit	(1,040,954)	(2,010,489)
	<u>(2,860,264)</u>	<u>48,105,310</u>
(Increase) / decrease in assets		
Expenditure against investment property	-	(24,516,935)
Investment property	(1,100,000)	-
Formation cost	1,931,583	1,931,722
Prepayments and other receivables	(126,898)	(35,658)
Rent receivables	(45,726,005)	5,291,640
	<u>(45,021,320)</u>	<u>(17,329,231)</u>
Increase in liabilities		
Payable to JS Investments Limited- REIT Management Company	32,372,733	17,268,339
Remuneration payable to Trustee	59,917	14,674
Annual fee payable to SECP	1,483,610	83,194
Dividend payable	(14,535,558)	5,984,173
Unearned rental income	(2,711,411)	2,711,411
Accrued expenses and other liabilities	8,933,246	4,810,186
	<u>25,602,537</u>	<u>30,871,977</u>
Net cash (used in) / generated from operating activities	<u>(22,279,047)</u>	<u>61,648,056</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Profit received on balances with banks and investments	1,040,954	2,010,489
Net cash generated from investing activities	<u>1,040,954</u>	<u>2,010,489</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid during the year	(566,977)	(48,083,296)
Net cash used in financing activities	<u>(566,977)</u>	<u>(48,083,296)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(21,805,070)</u>	<u>15,575,249</u>
Cash and cash equivalents at beginning of the year	26,730,078	11,154,829
Cash and cash equivalents at end of the year	<u>4,925,008</u>	<u>26,730,078</u>

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

9782.

For JS Investments Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer



Director

**JS RENTAL REIT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025	June 30, 2024
	---Rupees---	
Net income for the year after tax	(1,819,310)	50,115,799
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u><u>(1,819,310)</u></u>	<u><u>50,115,799</u></u>

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

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For JS Investments Limited
(Management Company)

Vulpe

Chief Financial Officer

Sauvai

Chief Executive Officer

Wenit

Director

JS RENTAL REIT
STATEMENT OF CHANGES IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025			June 30, 2024		
	Issued, subscribed and paid up units	Unappropriated profit	Total Unit holder's fund	Issued, subscribed and paid up units	Unappropriated profit	Total Unit holder's fund
	-----Rupees-----			-----Rupees-----		
Balance as at beginning of the year	2,167,098,813	68,033,391	2,235,132,204	657,798,813	66,000,888	723,799,701
Units issued during the year	-	-	-	1,509,300,000	-	1,509,300,000
Total comprehensive income						
Profit for the year	-	(1,819,310)	(1,819,310)	-	50,115,799	50,115,799
Other comprehensive income	-	-	-	-	-	-
	-	(1,819,310)	(1,819,310)	-	50,115,799	50,115,799
Transactions with owners recorded directly in equity						
Interim distribution @ Rs. 0.18 per unit	-	-	-	-	(11,840,378)	(11,840,378)
Interim distribution @ Rs. 0.33 per unit	-	-	-	-	(21,707,361)	(21,707,361)
Interim distribution @ Rs. 0.18 per unit	-	-	-	-	(14,535,557)	(14,535,557)
Interim distribution @ Rs. 0.0028 per unit	-	(566,977)	(566,977)	-	-	-
Balance as at year end	2,167,098,813	65,647,104	2,232,745,917	2,167,098,813	68,033,391	2,235,132,204

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

ATM

For JS Investments Limited
(Management Company)

Chak

Chief Financial Officer

Atul

Chief Executive Officer

Abhinav

Director

JS RENTAL REIT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 JS Rental REIT (Scheme) was established under Trust Deed, dated January 07, 2022 and The Sindh Trust Act, 2020 executed between JS Investment Limited (JSIL), as the REIT Management Company (RMC) and Digital Custodian Company Limited (DCCL), as the Trustee; and is governed under the Real Estate Investment Trust Regulations, 2015 (REIT Regulations, 2015), promulgated and amended from time to time by the Securities & Exchange Commission of Pakistan (SECP).
- 1.2 The Trust Deed of the Scheme was registered on January 07, 2022 whereas approval of the registration of the REIT Scheme has been granted by the SECP on May 20, 2022. The Scheme is a Perpetual, Closed-end, Rental REIT. The registered office of the REIT Management Company is situated at 19th Floor, The Centre, Plot No.28 SB-5, Abdullah Haroon Road, Saddar, Karachi. All of the activities undertaken by the Scheme are from the period from June 29, 2022 including but not limited to deposits and placements with banks, rental income.
- 1.3 The Objective of the Scheme is to Invest in REIT projects directly or through the Special Purpose Vehicles (SPVs) to generate income/returns for unit holders.
- 1.4 The Management Company of the Scheme has been licensed to act as a REIT Management Company under the NBFC Rules through a certificate of registration issued by the SECP.
- 1.5 Title to the assets of the Scheme is held in the name of Digital Custodian Company Limited as Trustee of the Scheme.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has maintained REIT Manager Rating of RM3 with a positive outlook on January 8, 2025 to JS Investments Limited. PACRA has also maintained rating of A+(rr) to the Scheme with a positive outlook on January 3, 2025.
- 1.7 There are no significant event or transactions during the year.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 and part VIIIA of the repealed Companies
- The Real Estate Investment Trust Regulations 2022 (the REIT Regulations); and

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

2.2 Basis of measurement

These financial statement have been prepared under the historical cost convention, except investment property which is stated at fair value. The figures have been rounded off to the nearest rupees.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in the Scheme operates. These financial statements are presented in Pakistani Rupees which is the Scheme's functional and presentation currency.

3 CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future year.

The areas involving a degree of judgment or complexity, or areas where estimates and assumption are significant to the financial statements relate to:

- Investment Property (note 5.1)
- Impairment of financial assets (note 5.2.5)
- Provisions and contingencies (note 5.4 and 16)

4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING

4.1 Standards, amendments and interpretations to the published standards that may be relevant to the Fund and adopted in the Fund

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

4.1 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Scheme

In addition certain new standards, amendments and interpretations to approved accounting standards are not yet effective. The Scheme is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Scheme.

4.2 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain new standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

5 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the periods presented in these financial statements.

5.1 Investment Property

Investment property is the property which is held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in other comprehensive income.

The Scheme determines the fair value of its investment property every year through an independent qualified valuer fulfilling the minimum criteria stated by the REIT Regulations, 2022.

Subsequent costs are included in the carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the Scheme and the cost of the item can be measured reliably.

Maintenance and normal repairs are charged to profit and loss statement in the year in which they are incurred.

5.2 Financial Instruments

5.2.1 Recognition and initial measurement

Rent receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Scheme becomes a party to the contractual provisions of the

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

5.2.2 Classification and subsequent measurement

Financial assets

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

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

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Scheme may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Scheme may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

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

JS RENTAL REIT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

- how the performance of the portfolio is evaluated and reported to the Scheme's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

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

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

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

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

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

Financial assets- Subsequent measurement and gains and losses

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

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

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

5.2.3 Derecognition

Financial assets

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

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

Financial liabilities

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

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

5.2.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Scheme currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

5.2.5 Impairment on financial assets

The Scheme recognises loss allowances for Expected Credit Losses (ECLs) on:

- financial assets measured at amortised cost;
- debt instruments measured at FVOCI, if any; and
- contract assets, if any.

The Scheme measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

JS RENTAL REIT
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- debt securities that are determined to have low credit risk at the reporting date, if any; and
- other debt securities and bank balances, if any for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Scheme considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Scheme's historical experience and informed credit assessment, that includes inducing forward-looking information.

The Scheme assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past

The Scheme considers a financial asset to be in default when:

- the customer is unlikely to pay its balance to the Scheme in full, without recourse by the Scheme to actions such as realizing security (if any is held); or
- the financial asset is past due for more than 180 days.

The Scheme considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-months ECLs are the portion of ECLs that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Scheme is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Scheme expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit impaired financial assets

At each reporting date, the Scheme assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being past due for more than the agreed term;
- the restructuring of a loan or advance by the Scheme on terms that the Scheme would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the Balance Sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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Write-off

The gross carrying amount of a financial asset is written off when the Scheme has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Scheme makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Scheme expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Scheme's procedures for recovery of amounts due.

5.3 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the profit and loss statement, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5.4 Provisions

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

5.5 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value with original maturities of three months or less.

5.6 Revenue recognition

- Rental income from investment property is recognised as revenue on a straight line basis over the non-cancellable period of the lease, unless another systematic basis is more representative of the time pattern in which use / benefit derived from the investment property is diminished.

- Return on bank balances and are recognized on a time proportionate basis using the effective interest method.

5.7 Expenses

All expenses chargeable to the Scheme including remuneration of Management Company, Trustee and annual fee of SECP are recognised in the income statement on an accrual basis.

5.8 Taxation

The income of the Scheme is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Scheme intends to distribute such income by the year end in order to avail this tax exemption. Accordingly, no provision has been made for current and deferred taxation in these financial statements.

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

5.9 Dividend distribution

Dividend distribution to the Scheme's unitholders and appropriation to reserve is recognised in these financial statements as a liability in the period in which these dividend are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, they are disclosed in the notes to the financial statements.

5.10 Net asset value per unit

The net asset value (NAV) per unit disclosed in balance sheet is calculated by dividing the net assets of the Scheme by the number of units in issue at the year end.

		June 30, 2025	June 30, 2024
	Note	----Rupees----	
6 INVESTMENT PROPERTY			
Building on leasehold land	6.1	2,253,636,935	2,253,636,935
Capital work in progress	6.2	1,100,000	-
		<u>2,254,736,935</u>	<u>2,253,636,935</u>
6.1 Building On Leasehold Land			
Carrying amount		2,253,636,935	719,820,000
Addition during the year		-	1,509,300,000
Expenses on addition during the year		-	24,516,935
		<u>2,253,636,935</u>	<u>2,253,636,935</u>
Unrealized gain on remeasurement of fair value of investment property		-	-
	6.1.1	<u>2,253,636,935</u>	<u>2,253,636,935</u>

6.1.1 This represents building on leasehold land named "The Center" comprising of 9th, 10th, 11th, 12th, 13th, 19th and 20th floor (11,610 square feet each) in Plot No. SB-5 situated on the corner of Abdullah Haroon Road, Karachi.

6.2 This pertains to advance to contractor for interior design and upgradation on 13th floor of the building.

6.3 The investment property has been valued by Oceanic Surveyors (Private) Limited (the Valuer) during the year. The Valuer used all prescribed approaches to value the investment property as per the clause 7 (a) of Schedule VI to the REIT Regulations, 2022. The valuations are summarised below:

	June 30, 2025	June 30, 2024
	----Rupees----	
Market comparable method / Cost approach	<u>2,253,636,935</u>	<u>2,253,636,935</u>

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

6.4 Rental income earned from investment property for the year ended June 30, 2025 amounted to Rs. 64.32 million (For the year ended June 30, 2024 : Rs. 60.98 million).

		June 30, 2025	June 30, 2024
	Note	---Rupees---	
7 DEFERRED FORMATION COST			
Preliminary Expenses and formation costs	7.1	5,800,457	7,732,179
Less: amortization during the period		<u>(1,931,583)</u>	<u>(1,931,722)</u>
		<u>3,868,874</u>	<u>5,800,457</u>

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7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Scheme and are being amortised over a period of five years commencing from June 29, 2022 as per the requirements set out in the Trust Deed of the Scheme.

		June 30, 2025	June 30, 2024
8 BANK BALANCES	Note	---Rupees---	
Profit and loss sharing (PLS) accounts			
JS Bank Limited - Related Party		4,913,815	26,720,078
Bank Alfalah Limited		11,193	10,000
	8.1	<u>4,925,008</u>	<u>26,730,078</u>

8.1 This represents balance maintained with JS Bank Limited (related party) and Bank Alfalah Limited. The profit rate of JS Bank Limited is 9% (June 30, 2024: 20.50%) per annum and Bank Alfalah is 8.75% (June 2024: 20.50%) per annum.

		June 30, 2025	June 30, 2024
9 RENT RECEIVABLES		---Rupees---	
Rent Receivable from			
-JS Investments Limited.		23,628,010	-
-Jahangir Siddiqui & Co. Ltd.		19,033,595	-
-Energy Infrastructure Holding (Private) Limited.		3,064,400	-
		<u>45,726,005</u>	<u>-</u>

		June 30, 2025	June 30, 2024
10 PREPAYMENTS AND OTHER RECEIVABLES			
Advance tax		54,386	54,386
Rating Fee		646,042	519,144
		<u>700,428</u>	<u>573,530</u>

	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
11 ISSUED, SUBSCRIBED AND PAID UP UNITS	---Numbers---		---Rupees---	
Ordinary units of Rs. 10				
paid in cash	<u>202,491,838</u>	<u>202,491,838</u>	<u>2,167,098,813</u>	<u>2,167,098,813</u>

		June 30, 2025	June 30, 2024
12 PAYABLE TO JS INVESTMENTS LIMITED- REIT MANAGEMENT COMPANY			
Remuneration payable to the management company	12.1	1,809,951	602,599
Sindh sales tax on management remuneration	12.2	271,493	78,338
Formation costs payable		3,000,000	3,000,000
Payable against purchase of property and other payable		55,394,294	24,506,935
Initial account opening deposit payable		10,000	10,000
Printing charges payable		118,367	33,500
		<u>60,604,105</u>	<u>28,231,372</u>

12.1 During the period, the Management Company has charged its remuneration at the rate of 1% (June 30, 2024: 1%) on net assets, subject to floor and capping of 2% per annum of the average annual net assets. The remuneration is payable to the Management Company monthly in arrears.

12.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 15% (June 30, 2024: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011 updated through Finance Act, 2024.

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		June 30, 2025	June 30, 2024
13 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE	Note	---Rupees---	
Remuneration payable to the Trustees	13.1	91,837	40,439
Sindh sales tax payable on Trustee's remuneration	13.2	13,776	5,257
		<u>105,613</u>	<u>45,696</u>
13.1	During the period, the Trustee has charged its remuneration at the rate of 0.05% (June 30, 2024: 0.05%) per annum of the average annual net assets.		
13.2	Sindh sales tax at the rate of 15% (June 30, 2024: 13%) is charged on Trustee remuneration.		
14 ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	June 30, 2025	June 30, 2024
		---Rupees---	
Annual fee payable to the Securities and Exchange Commission	14.1	2,238,083	754,473
14.1	Under the REIT Regulations 2022, the SECP fee has been charged at the rate of 0.1% (June 30, 2024: 0.1%) per annum of the average annual net assets.		
15 UNEARNED RENTAL INCOME	Note	June 30, 2025	June 30, 2024
		----Rupees----	
Rent Received in Advance			
-Jahangir Siddiqui & Co. Limited		-	2,335,410
-Energy Infrastructure Holding (Private) Limited		-	376,001
	15.1	<u>-</u>	<u>2,711,411</u>
15.1	This represents rental received in advance.		
16 ACCRUED EXPENSES AND OTHER LIABILITIES		June 30, 2025	June 30, 2024
		----Rupees----	
Audit fee payable		313,632	183,600
Payable against security deposit		4,801,686	4,801,686
Property valuation fee payable		300,000	345,000
Payable against CAM charges on investment property		8,346,624	-
Payable against water and sewerage		501,590	-
		<u>14,263,532</u>	<u>5,330,286</u>
17 CONTINGENCIES AND COMMITMENTS	The Scheme has no contingencies or commitments outstanding as at June 30, 2025 and June 30, 2024.		

**JS RENTAL REIT
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		June 30, 2025	June 30, 2024
18	AUDITORS' REMUNERATION		
		---Rupees---	
	Audit fee	264,000	220,000
	Half yearly fee	84,000	-
	Out of pocket expense	106,800	22,000
		454,800	242,000
	Sales Tax on fee	36,384	19,360
	Total	<u>491,184</u>	<u>261,360</u>

19 TAXATION

The Scheme is exempt from taxation under clause 99 of the Part I of the 2nd Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income as reduced by the realized and unrealised capital gain for the year is distributed amongst the Scheme's unit holders. Since the management intends to distribute the income earned by the Scheme during the year to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements.

The Scheme is exempt from provisions of section 113 (Minimum Tax) under the clauses IIA of Part IV of the second schedule of the Income Tax Ordinance, 2001.

		June 30, 2025	June 30, 2024
20	NUMBER OF UNITS IN ISSUE		
		---Rupees---	
	Opening units	202,491,838	-
	Issued during the year / period	-	65,779,881
	Issued during the year / period	-	136,711,957
	Redemption during the year / period	-	-
	Total outstanding units - closing	<u>202,491,838</u>	<u>202,491,838</u>

21 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Scheme, Digital Custodian Company Limited (DCCL) being the Trustee of the Scheme, JS Bank Limited (JSBL) being the Holding Company of JSIL (Holding 84.56% shares of JS Investment Limited), Jahangir Siddiqui and Co. Limited (JSCL) (Holding 71.20% shares of JS Bank Ltd.) being the Holding Company of JSBL, BankIslami Pakistan Limited (BIPL) (75.12% shares held by JS Bank) being the fellow subsidiary, JS Global Capital Limited (JSGCL) (92.90% shares held by JS Bank) being the fellow subsidiary of JSBL, and other associated companies of JSBL, JSIL and its subsidiaries, Key Management Personnel of the above entities and other Schemes being managed by JSIL and includes entities holding 10% or more in the units of the Scheme as at June 30, 2025. It also includes staff retirement benefit Schemes of the above related parties / connected persons.

21.1 Details of transaction with related parties other than those disclosed elsewhere in these financial statements are as

		June 30, 2025	June 30, 2024
		---Rupees---	
	JS Investments Limited - REIT Management Company		
	Remuneration to the Management Company	7,287,813	7,338,557
	Sindh sales tax on remuneration of the Management Company	1,093,173	954,013
	Security deposit received	-	2,342,292
	Rental Income	31,374,899	29,748,166
	Printing Charges	84,867	-

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	June 30, 2025	June 30, 2024
	---Rupees---	
Digital Custodian Company Limited - Trustee		
Remuneration of the Trustee	1,119,041	377,236
Sindh sales tax on Trustee remuneration	167,857	49,042
JS Lands Private Limited		
(Common Substantial Shareholder)		
Issue of units: Nil units (2024 :134,758,929 units)	-	1,509,300,000
Refund of Capital units: Nil units (2024: 1,953,028) units	-	-
Dividend paid	566,977	48,083,296
Jahangir Siddiqui & Co. Limited		
(Ultimate Parent Company - JSIL)		
Security deposit received	-	2,118,276
Rental Income	28,375,239	26,902,631
Energy Infrastructure Holding (Private) Limited		
(Fully owned by JSCL)		
Security deposit received	-	341,118
Rental Income	4,568,400	4,331,236
JS Bank Limited		
(Parent Company of JSIL)		
Interest income on bank balances	1,039,127	2,010,489

21.2 Details of outstanding balances with related parties other than those disclosed elsewhere in these financial statements are as follows:

	June 30, 2025	June 30, 2024
	---Rupees---	
JS Investments Limited - REIT Management Company		
Remuneration payable to the Management Company	1,809,951	602,599
Sindh sales tax payable on remuneration of the Management Company	271,493	78,338
Formation costs payable	3,000,000	3,000,000
Payable against purchase of property and other payable	55,394,294	24,506,935
Security deposits	2,342,292	2,342,292
Initial account opening deposit payable	10,000	10,000
Printing charges Payable	118,367	33,500
Rent Receivable	23,628,010	-
Digital Custodian Company Limited - Trustee		
Remuneration payable to the Trustees	91,837	40,439
Sindh sales tax payable on Trustee's remuneration	13,776	5,257
Energy Infrastructure Holding (Pvt) Limited		
(Other related party)		
Rent Receivable	3,064,400	-
Unearned Rent	-	376,001
Security deposits	341,118	341,118

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	June 30, 2025	June 30, 2024
	---Rupees---	
Jahangir Siddiqui & Co. Limited (Ultimate Parent Company - JSIL)		
Rent Receivable	19,033,595	-
Unearned Rent	-	2,335,410
Security deposits	2,118,276	2,118,276
JS Lands Private Limited (Common Substantial Shareholder)		
Units held: 202,491,838 (2024: 202,491,838)	2,232,745,917	2,235,509,894
Dividend Payable	-	14,535,558
JS Bank Limited (Parent Company of JSIL)		
Bank Balance	4,913,815	26,720,078

22 INTERIM DISTRIBUTION

The Scheme makes distribution on every accounting period in the form of cash dividend, if any, available for distribution at the end of the accounting period as per clause 5.4 of information memorandum of the JS Rental REIT. During the period, the Management Company on behalf of the Scheme, has distributed the total profit earned during the period amounting to Rs 0.57 million (2024: 48.08 million) as dividend after deducting applicable taxes.

23 FINANCIAL INSTRUMENTS - BY CATEGORY

30-Jun-25			
Particulars	At amortised cost	At fair value through profit or loss	Total
-----Rupees-----			
Financial assets			
Bank balances	4,925,008	-	4,925,008
Rent receivables	45,726,005	-	45,726,005
	50,651,013	-	50,651,013
-----Rupees-----			
30-Jun-25			
Particulars	At amortised cost	At fair value through profit or loss	Total
Financial liabilities			
Payable to JS Investments Limited REIT Management Company	60,604,105	-	60,604,105
Payable to Digital Custodian Company Limited - Trustee	105,613	-	105,613
Accrued expenses and other liabilities	14,263,532	-	14,263,532
	74,973,250	-	74,973,250

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30-Jun-24			
Particulars	At amortised cost	At fair value through profit or loss	Total
-----Rupees-----			
Financial assets			
Bank balances	26,730,078	-	26,730,078
	26,730,078	-	26,730,078
Financial liabilities			
Payable to JS Investments Limited			
REIT Management Company	28,231,372	-	28,231,372
Payable to Digital Custodian Company Limited - Trustee	45,696	-	45,696
Dividend payable	14,535,558	-	14,535,558
Accrued expenses and other liabilities	5,330,286	-	5,330,286
	48,142,912	-	48,142,912

24 FINANCIAL RISK MANAGEMENT

The Scheme's activities are exposed to a variety of financial risks, market risk, credit risk and liquidity risk.

24.1 Risk management framework

The Scheme manages these risk through monitoring and controlling activities which are primarily set up to be performed based on limits established in the Scheme's constitutive documents and REIT Regulation, 2022 and directives issued by the SECP. The Board of Directors of RMC supervises the overall risk management approach within the Scheme.

The audit committee oversees how management monitors compliance with the Scheme's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Scheme. The audit committee is assisted in its oversight role by the internal audit. The Internal audit undertakes regular reviews of risk management controls and procedures and the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Scheme's Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Scheme's investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Scheme's Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets within prescribed time limits.

24.2 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages the market risk by monitoring exposure on marketable securities by following internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by SECP.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

24.2.1 Currency risk

Currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate due to changes in foreign exchange rates. It arises where receivables and payable exist due to transactions in foreign currency. The Scheme is not exposed to currency risk as of reporting date. There are no foreign currency denominated financial instruments held by the Scheme.

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24.2.2 Profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Scheme is mainly exposed to interest rate risk on balances held with banks.

a) Sensitivity analysis for variable rate instruments

Presently, the Scheme does not hold any variable rate instrument except for balances in profit and loss sharing accounts amounting Rs. 4.93 million (2024:26.72 million) million which carry profit at rates ranging to 9% (2024: 20.50%).

Cash flow sensitivity analysis for variable-rate instruments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased unit holder Scheme and income statement by Rs. 0.05 million (2024: 0.027 million). The analysis assumes that all other variables remain constant.

None of the Scheme's liabilities are subject to interest rate risk.

b) Sensitivity analysis for fixed rate instruments

Presently, the Scheme does not hold any fixed rate instrument that exposes the Scheme to any material interest rate risk.

Interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

30-Jun-25					
Particulars	Total	--Exposed to interest rate risk--			Not exposed to interest rate risk
		Upto three months	More than three months and upto one	More than one year	
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Bank balances (8.75% - 9.00%)	4,925,008	4,925,008	-	-	-
Rent receivables	45,726,005	-	-	-	45,726,005
	50,651,013	4,925,008	-	-	45,726,005
On-balance sheet financial instruments					
Financial liabilities					
Payable to JS Investments Limited REIT Management Company	60,604,105	-	-	-	60,604,105
Payable to Digital Custodian Company Limited - Trustee	105,613	-	-	-	105,613
Accrued expenses and other liabilities	14,263,532	-	-	-	14,263,532
	74,973,250	-	-	-	74,973,250
On-balance sheet gap (a)	(24,322,237)	4,925,008	-	-	(29,247,245)
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	(24,322,237)	4,925,008	-	-	(29,247,245)
Cumulative interest rate sensitivity gap		(19,397,229)	-	-	

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Particulars	30-Jun-24				
	Total	--Exposed to interest rate risk--			Not exposed to interest rate risk
		Upto three months	More than three months and upto one	More than one year	
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Bank balances (20.50%)	26,730,078	26,730,078	-	-	-
	26,730,078	26,730,078	-	-	-
On-balance sheet financial instruments					
Financial liabilities					
Payable to JS Investments Limited REIT Management Company	28,231,372	-	-	-	28,231,372
Payable to Digital Custodian Company Limited - Trustee	45,696	-	-	-	45,696
Dividend payable	14,535,558	-	-	-	14,535,558
Accrued expenses and other liabilities	5,330,286	-	-	-	5,330,286
	48,142,912	-	-	-	48,142,912
On-balance sheet gap (a)	(21,412,834)	26,730,078	-	-	(48,142,912)
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	(21,412,834)	26,730,078	-	-	(48,142,912)
Cumulative interest rate sensitivity gap		5,317,244	-	-	

24.2.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Scheme is not exposed to any price risk.

24.3 Credit Risk

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

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

	June 30, 2025	June 30, 2024
Financial Asset	----Rupees----	
Rent receivables	45,726,005	-
Bank balances	4,925,008	26,730,078

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the REIT Regulations, 2022. Before making investment decisions, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

-The RMC and property manager monitors tenants' balances on an ongoing basis. Credit evaluations are performed by the property manager before lease agreements are entered into with tenants.

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-Where the investment committee makes an investment decision, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

-Analyses of credit ratings and obtaining adequate collaterals wherever appropriate / relevant.

-The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements of the counter party on a regular basis.

-Cash is held only with reputable banks with high quality external credit enhancements.

The Scheme's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

The Scheme has placed its Schemes (i.e. saving account) with banks having sound credit ratings. The credit quality of Scheme's major balances can be assessed with reference of external credit ratings as follows:

Bank	Rating Agency	Short term rating	Long term rating	Rupees	% of total balance
JS Bank Limited	PACRA	A1+	AA	4,913,815	99.77%
Bank Alfalah Limited	PACRA	A1+	AAA	11,193	0.23%

24.4 Liquidity risk

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

The table below analyses the Scheme's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the maturity date.

30-Jun-25				
Particulars	Total	---Exposed to interest rate risk---		
		Upto three months	More than three months and upto one year	More than one year

----- (Rupees) -----

Financial liabilities

Payable to JS Investments Limited REIT Management Company	60,604,105	60,604,105	-	-
Payable to Digital Custodian Company Limited - Trustee	105,613	105,613	-	-
Accrued expenses and other liabilities	14,263,532	14,263,532	-	-
	74,973,250	-	-	-

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30-Jun-24				
Particulars	Total	---Exposed to interest rate risk---		
		Upto three months	More than three months and upto one year	More than one year
----- (Rupees) -----				
Financial liabilities				
Payable to JS Investments Limited REIT Management Company	28,231,372	28,231,372	-	-
Payable to Digital Custodian Company Limited - Trustee	45,696	45,696	-	-
Dividend payable	14,535,558	14,535,558	-	-
Accrued expenses and other liabilities	5,330,286	5,330,286	-	-
	<u>48,142,912</u>	<u>48,142,912</u>	-	-

25 CAPITAL RISK MANAGEMENT

Management's objective when managing unit holder's Schemes is to safeguard the Scheme's ability to continue as a going concern so that it can continue to provide optimum returns based on income earned and realized gains as per trust deed to its unit holders and to ensure reasonable safety of unit holder's Schemes. The Scheme is not exposed to externally imposed minimum unit holder's maintenance requirement.

The Scheme manages its investment property and other assets by monitoring return on net assets and makes adjustment to it in the light of changes in market conditions. The Scheme also manages its capital using a gearing ratio. However, the Scheme is currently not exposed to any gearing.

26 FAIR VALUE OF FINANCIAL INSTRUMENTS

When measuring the fair value of an asset or a liability, the Scheme uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market date (i.e., unobservable inputs).

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

26.1.1 Fair value hierarchy of the investment property has been disclosed in note 7 to these financial statements.

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements was authorised for issue on 19 AUG 2025 by Board of Directors of the Management Company.

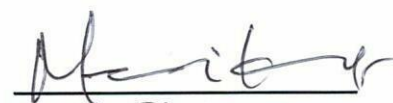
For JS Investments Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer



Director