ADAM SECURITIES LIMITED
(Formerly Adam Securities (Pvt) Limited)
TREC Holder Pakistan Stock Exchange Limited

Adam Securities Limited

(Formerly Adam Securities (Pvt) Ltd.)

Trust, Care & Dedication
20
2002-2023

REP - 048

Date: 03-Sep-2025

IMAGE
REIT I IPO

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About REIT

ABOUT THE COMPANY

- Sinolink REIT Management Co. Limited ("SRMC") was incorporated in Pakistan as a public limited company on December 10, 2021 under the Companies Act, 2017.
- SRMC is managing the real estate development and tapping into the gap in Pakistan's real estate market by launching the Hybrid REIT namely Image REIT with an initial fund size of up to PKR 1,838,430,330/- and an eventual target fund size of up to PKR 2,758,585,000/-, to allow the investors access to a growing market on the cusp of a potential boom in the real estate sector.
- Image REIT is a Shariah-compliant trust formed under REIT Regulations 2022. It follows a hybrid and perpetual investment model, meaning it plans to invest continuously over time in both developmental and rental projects. It will use a Direct Investment Structure, meaning it will not form an SPV but directly own the properties it will invest in.

PRINCIPAL PURPOSE OF THE ISSUE

- The principal purpose of the Issue is to raise funds to complete the construction of the Developmental Component which is located at Plot No. 19 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. The Image REIT Scheme is raising PKR 920,154,670 through the issuance of 92,015,467 units at a Floor price of PKR 10 per unit. These funds are integral to the completion of the Developmental Component, ensuring the timely execution of the project and enhancing its value proposition.

Image REIT ("Image REIT" or "REIT Scheme" or "Hybrid REIT")	
Company Name	IMAGE REIT
Issue size Units (mn)	92.02
Total Outstanding Units (mn)	275.86
Free Float %	33.36%
Face Value	Rs10.00
FLoor Price/Unit	Rs10.00
Maximum Price/Share	Rs14.00
Market Cap @ Rs10/share (bn)	Rs2,758.6
Market Cap @ Rs14/share (mn)	Rs3,862.0
Transaction Size at Floor Price (mn)	Rs920.2
Transaction Size at Maximum Price (mn)	Rs1,288.2

Source: IPO Prospectus, ASL Research

Pre-IPO Unitholding

Holder	Number of Units	%
Mr. Asad Ahmad	141,243,033	76.83%
First Tri-Star Modaraba	42,600,000	23.17%
Total	**183,843,033**	**100.00%**

Source: IPO Prospectus, ASL Research

Post IPO Unitholding

Holder	Number of Units	%
Mr. Asad Ahmad	141,243,033	51.20%
First Tri-Star Modaraba	42,600,000	15.44%
General Public (IPO)	92,015,467	33.36%
Total	**275,858,500**	**150.05%**

Source: IPO Prospectus, ASL Research

Mode of Financing	PKR
Amount to be Raised from IPO	920,154,670
Remaining Project Cost	920,154,670

Source: IPO Prospectus, ASL Research

Image REIT has an Initial asset portfolio consisting of two REIT Components

	1. Asset Portfolio (Rental Component)	2. Asset Portfolio (Development Component
Rental Component	Premium office building on Main Shahrah-e-Faisal, Karachi's prime business hub.	High-End Residential Building and Commercial Shops at Main Tipu Sultan Road, Karachi.
Key Metrics	Land Area: 3240 sq. ft Rentable Area: 15,400 sq. ft. Built Up Area: 22,924 sq. ft. 100% Occupied	Land Area: 4,500 sq. ft. Sellable & Rentable Area: 58,302 sq. ft. Built Up Area: 68,891 sq. ft. Tentative Development Tenor: Around 5 years Tentative Year of Completion: 2028
Location	A/33, Central Commercial Area, Block 7/8, Main Shahrahe-Faisal, Karachi.	Plot No. 19 DMCHS, Block 7/8, Tipu Sultan Road
Date of transfer of Project into the REIT Scheme	23-Jun-23	26-Jun-23
Ownership of REIT Scheme	100%	100%
Planned/Actual number of Units	Basement for car parking Ground floor 1 st floor for cafeteria 5 floors for rental	2-floor Basements for car parking Ground floor + 1st Floor for retail shops Mezzanine for storage and service area 11 residential floors having 2 apartments each 3 bed DD / L & 4 bed DD / L
Current Status	Ready (Already Rented)	The roof of the first floor is ready

Source: IPO Prospectus, ASL Research

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IMAGE REIT - IPO

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REP - 048

Image REIT has an Initial asset portfolio consisting of two REIT Components

.Rental Component

- Rental Component comprises a constructed property located at Plot No. A/33, Central Commercial Area, Block 7/8, Main Shahrah-e-Faisal, Karachi with a complete built-up area of 23,000 square feet; which includes anything moveable & immovable or permanently attached assets to the aforesaid property, such as building, walls, fixtures, improvements, fences, sewers, structures, and utility system, etc. This rental side of REIT is already generating revenue since July, 2023.

Developmental Component

- comprises of commercial land located at Plot No. 19 DMCHS, Block 7/8, Tipu Sultan Road, Karachi envisaged over 4,500 Square Feet; for, construction of commercial as well as residential units on it.
- The Development Component is expected to be completed in 2028. Upon completion of developmental work, it will be converted into Hybrid Component. Ground Floor retail space, mezzanine, first floor retail space, and 18 residential apartments will be sold for generating one-time income for the REIT scheme while remaining 4 residential apartments will be rented out.
- The project will comprise of 2 basements for car parking, ground floor, mezzanine and First floor for retail space plus 11 residential floors having 2 apartments each, one apartment of 4 Bed D/D and one apartment of 3 Bed D/D. Hence, making a total of 11 nos. 4 Bed D/D and 11 nos. 3 Bed D/D apartments. The built-up area would be approx. 68,891 sq. ft.

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Image REIT has an Initial asset portfolio consisting of two REIT Components

- The current status of the developmental component is that foundation + 2 basements + ground floor + 1st floor is already built and finished. The ground and 1st floor is already given on rent to Image Pakistan Limited wherein a retail outlet of Image is functional since March, 2024. .

Tentative Construction Timeline

Years Completed	2024	2025	2026	2027	2028
Break down	10%	13%	44%	75%	100%

Source: IPO Prospectus, ASL Research

Implementation Schedule of Developmental Component

Task	Start date	Completion date	Status
Survey & Soil Testing	August, 2024	August, 2024	Already done
Excavation	August, 2024	August, 2024	Already done
Secant Piling	August, 2024	August, 2024	Already done
Waterproofing	August, 2024	August, 2024	Already done
Stone Laying / Lean	August, 2024	August, 2024	Already done
Foundation Laying	August, 2024	August, 2024	Already done
Retaining Walls	August, 2024	August, 2024	Already done
Roof of Basement 1	August, 2024	September, 2024	Already done
Roof of Basement 2	September, 2024	October, 2024	Already done
Roof of Ground Floor	October, 2024	November, 2024	Already done
Roof of Mezzanine Floor - Retail	November, 2024	December, 2024	Already done
Roof of First Floor - Retail	December, 2024	January, 2024	Already done
Roof of First Floor - Residential	August, 2025	October, 2025	To be commenced
Roof of Second Floor – Residential	October, 2025	January, 2026	To be commenced
Roof of Third Floor – Residential	January, 2026	April, 2026	To be commenced
Roof of Fourth Floor – Residential	April, 2026	July, 2026	To be commenced
Roof of Fifth Floor – Residential	July, 2026	October, 2026	To be commenced
Roof of Sixth Floor – Residential	October, 2026	January, 2027	To be commenced
Roof of Seventh Floor – Residential	January, 2027	April, 2027	To be commenced
Roof of Eighth Floor - Residential	April, 2027	July, 2027	To be commenced
Roof of Ninth Floor – Residential	July, 2027	October, 2027	To be commenced
Roof of Tenth Floor – Residential	October, 2027	January, 2028	To be commenced
Roof of Eleventh Floor - Residential	January, 2028	April, 2028	To be commenced
Completion of Structure	April, 2028	July, 2028	To be commenced
Completion of Finishing Work	July, 2028	October, 2028	To be commenced

Source: IPO Prospectus, ASL Research

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Utilization of raised fund through IPO

Current Building Structure

Particulars	Status	Total Square feet	Total Cost in PKR
Basement 1	Completed	4,207	
Basement 2	Completed	4,207	
Ground Floor (retail space)	Completed	3,310	
Ground Floor (service area)	Completed	1,190	
Mezzanine	Completed	800	
First Floor (retail space)	Completed	3,515	
First Floor (service area)	Completed	985	
Actual Cost Incurred		18,214	**164,828,761**

Source: IPO Prospectus, ASL Research

12,047,033 units valuing PKR 120,470,033 were issued to Mr. Asad Ahmad against the construction cost. The rest PKR. 44,358,431 is financed by internal generation through rental income, making it a total of PKR 164,828,761.

Utilization of raised fund through IPO

Particulars	Total Cost in PKR
Floor Levels	742,538,180
Utilities	65,000,000
Remaining construction cost	**807,538,180**
Marketing Expense	70,000,000
Remaining project cost excluding contingencies	**877,538,180**
Contingencies (~4.86%)	42,616,490
Remaining Project Cost	**920,154,670**

Source: IPO Prospectus, ASL Research

The REIT Scheme plans to fund the remaining project cost of PKR 920,154,670 by issuing 92,015,467 units through Initial Public Offering at a floor price of PKR 10 each.

Project Cost	Cost (PKR)
Total Project Cost	1,543,983,431
Land cost	450,000,000
Land transfer and duties	9,000,000
Project Cost Already Incurred	164,828,761
Basement	76,143,033
Ground Floor (retail space)	29,954,057
Ground Floor (service area)	10,768,981
Mezzanine	7,239,651
First Floor (retail space)	31,809,218
First Floor (Service area)	8,913,821
Remaining Project Cost including Contingencies	**920,154,670**
Total Project Cost Excluding Project Management Fee	1,543,983,431
Project Management Fee (5%)	77,199,172
Total (Project Cost + project management fee)	**1,621,182,603**

Source: IPO Prospectus, ASL Research

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REIT Financials

Rental Component

Name of Tenant	FY24	6MFY25	9MFY25
First Tri Star Modaraba	4,848,000	2,666,400	7,467,960
Image Pakistan Limited	11,996,160	6,597,888	13,465,008
Image Tech Limited	11,996,160	6,597,888	13,465,008
Total	**28,840,320**	**15,862,176**	**34,397,976**

Developmental Component

Name of Tenant	FY24	6MFY25	9MFY25
Image Pakistan Limited	11,996,160	16,500,000	24,750,000
Total	**11,996,160**	**16,500,000**	**24,750,000**

Summary

	FY24	6MFY25	9MFY25
Rental Component	28,840,320	15,862,176	34,397,976
Development Component	11,996,160	16,500,000	24,750,000
Total Rental Revenue	**41,340,320**	**32,362,176**	**59,147,976**

Source: IPO Prospectus, ASL Research

PKR	Audited	Audited	Audited	Un-Audited
Income Statement	**FY2023**	**FY2024**	**6MFY2025**	**9MFY2025***
Revenue	-	41,340,320	32,362,176	59,147,976
Administrative and Operating Expenses	-250,000	-6,601,301	-6,180,481	-17,568,516
Operating Profit	-250,000	34,739,019	26,181,695	41,579,460
Other Income	-	126,249	81,954	95,838
Trustee Fee	-	-226,000	.	-
Unrealized Gain on re-measurement of value of investment property	-	199,944,920	169,900,319	169,900,319
Profit/(Loss) before Taxation	-250,000	234,584,188	196,163,968	211,575,617
Taxation	-	-	.	-
Profit / (Loss) for the period	-250,000	234,584,188	196,163,968	211,575,617

Source: IPO Prospectus, ASL Research

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REIT Financials

Balance Sheet	FY2023	FY2024	6MFY2025	9MFY2025*
Non-Current Assets	1,717,960,000	2,050,995,000	2,252,634,000	2,252,634,000
Current Assets	10,000	30,693,050	1,363,158	21,070,454
Total Assets	1,717,970,000	2,081,688,050	2,253,997,158	2,273,704,454
Unit holder's fund	1,717,710,000	2,072,764,518	2,236,755,956	2,252,167,606
Non-Current Liabilities	-	-	-	-
Current Liabilities	260,000	8,923,532	17,241,202	21,536,848

Source: IPO Prospectus, ASL Research

Revenue & Other Income	FY24A	FY25E	FY26F	FY27F	FY28F
Revenue	41,340,320	85,933,776	460,857,520	398,864,272	1,757,204,599
Cost of Goods Sold	.	-	-47,962,690	-40,723,039	-792,346,900
Gross Profit	**41,340,320**	**85,933,776**	**412,894,830**	**358,141,233**	**964,857,699**
Other Income	126,249	-	52,692,099	119,942,406	155,800,362
Expenses					
OPEX	6,601,301	13,002,939	15,102,909	17,333,936	22,359,015
Marketing Expenses	-	-	-	35,000,000	35,000,000
REIT Listing Expenses	-	-	53,592,334	-	-
RMC Fee	-	-	41,378,775	41,378,775	41,378,775
Trustee Fee	226,000	250,000	275,000	302,500	332,750
Total Expenses	-6,827,301	-13,252,939	-110,349,017	-94,015,211	-99,070,540
Operating Profit	**34,639,268**	**72,680,837**	**355,237,912**	**384,068,429**	**1,021,587,521**
Profit/ (loss) before change in fair value of Investment property (Distributable)	34,639,268	72,680,837	355,237,912	384,068,429	1,021,587,521
Unrealized gain on remeasurement of fair value of investment property (Non Distributable)	199,944,920	169,900,319	130,527,600	143,580,360	449,972,422
Profit/(Loss) before tax	234,584,188	242,581,156	485,765,512	527,648,789	1,471,559,942
Taxation	-	-	-	-	-
Profit/(Loss) after tax	**234,584,188**	**242,581,156**	**485,765,512**	**527,648,789**	**1,471,559,942**

Source: IPO Prospectus, ASL Research

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Analyst Certification & Disclosures

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REP - 048

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Stance Criterion	
Buy	≥15.0%
Sell	≤10.0%
Hold	Between - 10.0% to 15.0%

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