The Pakistan Credit Rating Agency Limited

Rating Report

IMM REIT Management Company Limited

Report Contents

1. Rating Analysis
2. Financial Information
3. Rating Scale
4. Regulatory and Supplementary Disclosure

Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
06-Nov-2026	RM 3	-	Stable	Maintain	-
06-Nov-2025	RM 3	-	Stable	Maintain	-
20-Dec-2024	RM 3	-	Stable	Maintain	-
20-Dec-2023	RM 3	-	Stable	Initial	-

Rating Rationale and Key Rating Drivers

The assigned rating for IMM REIT Management Company Limited (“RMC” or the “Company”) reflects the presence of an experienced management team and sponsors with diversified industrial experience. IMM RMC is owned by i) Mascon Private Limited, ii) Mr. Sheraz Jehangir Monnoo, and iii) Mr. Khizar Ayub Izhar. Mascon Pvt. Ltd. aims to make a mark in the Real Estate Sector, supported by Master Group’s vast experience across industries. Monnoo Group owns various Textile units, Agricultural Farms, and research units catering to various agricultural products. The Izhar Group of Industries, operating in the Real Estate, Construction, and Technology sectors, is a leading construction entity in Pakistan with a track record of executing numerous significant projects. The Board comprises six experienced professionals, led by Mr. Rumman Arshad Dar (CEO). The RMC’s first scheme, the “IMM Project One Development REIT Scheme,” has a fund size of PKR 7.0bln, which management reports as fully arranged, with financial close achieved. Contributions comprise Mr. Mazhar Salman Iqbal (50%) and Master Group, Mr. Sheraz Jehangir Monnoo, and Mr. Khizar Ayub Izhar (16.67% each). Units have been issued to the sponsor investors. Through “IMM Project One (Pvt) Ltd” (the Special Purpose Vehicle, SPV), the scheme is developing Dream Gardens Phase-II, a master-planned community near Bosan Road, Multan, sold on instalment-based plans. The project envisions 819 acres across two phases (444 acres in Phase I). Of this, 141 acres have received approval, while a revised master plan for 276 acres is expected to be submitted to the Multan Development Authority around November 2026; approval timing remains tentativ. Groundbreaking took place in March 2026; earthwork is near completion and the on-site marketing office is operational. Customers pay through quarterly instalments over four to four-and-a-half years, with a shorter revised plan expected. The dedicated SPV structure enhances transparency and delineates responsibilities. Among other pipeline projects, Imperium Hospitality (PKR 1.9bln), a high-rise building project, has submitted its Information Memorandum and completed valuation and key documentation, but awaits approval before funds can be received, the RMC expects to earn a management fee of approximately 1% upon registration of REIT scheme with SECP. For the data centre project (PKR 4.9bln), land payments of ~PKR 700mln have been made with the balance payable over seven years, while the construction procurement are in process, and groundbreaking is tentatively planned for November 2026, subject to approvals. These updates remain management-reported and subject to final documentation. The RMC maintained a sound equity base of PKR 52.5mln as of June’26, providing a reasonable financial cushion to support its ongoing operations and future business expansion.

The assigned rating reflects RMC’s current stage of development, with a structured but evolving approach to project selection and risk management. Future performance will depend on the timely execution of planned projects.

Disclosure

Name of Rated Entity	IMM REIT Management Company Limited
Type of Relationship	Solicited
Purpose of the Rating	REIT Manager Rating Rating
Applicable Criteria	Assessment Framework | REIT Manager Rating(Oct-25),Methodology | Rating Modifiers(Apr-26)
Related Research	Sector Study | Real Estate(May-26)
Rating Analysts	Muhammad Umer Munir | umer.munir@pacra.com | +92-42-35869504

The Pakistan Credit Rating Agency Limited

Profile

Background IMM REIT Management Company Limited ("IMM RMC" or the "Company") was incorporated on 9th May 2022 as a public limited company under the Companies Act, 2017. The RMC was licensed on 13th July 2022 by SECP to carry out REIT Management Services as an NBFC. The RMC has launched two REIT schemes, first is "IMM Project One Development REIT Scheme," and second is "Indus DC REIT scheme".

Market Share As of Dec'25, ~38 RMCs (REIT Management Companies) are licensed by the SECP, with total assets amounting to PKR~16.1bln (~0.2% of NBFIs' total assets) (Jun'25: ~32 RMCs with PKR~15.0bln in assets or ~0.3% of NBFIs' total assets). As per SECP's register of licensed entities as of Aug 31, 2026, ~41 REIT management licences are held, including IMM RMC. IMM RMC has launched a developmental REIT Fund with a fund size set at PKR 7bln.

Fund Mix IMM RMC has launched its inaugural **IMM Project One Development REIT Scheme**, with a fully injected fund size of PKR 7.0bln. Groundbreaking took place in March 2026, while a major portion of the land has been booked. In addition, IMM RMC is progressing with the **Indus DC REIT Scheme**, focused on a data centre project with an indicative investment structure of PKR 4.9bln, supported by progress in land acquisition, regulatory approvals, project documentation, and construction planning.

Ownership

Ownership Structure Mascon Private Limited, one of the group Companies at Master Group of industries, serves as the principal shareholder 50% of IMM RMC. The remaining ownership is shared equally between Mr. Sheraz Jehangir Monnoo 25% and Mr. Khizar Ayub Izhar 25%, reflecting the participation of three distinct sponsors in the RMC's ownership structure.

Stability IMM RMC ownership structure is considered to be stable as the RMC is majorly owned by Master Group, Monnoo Group and Izhar Group.

Business Acumen The Master Group, operating through its flagship entity, brings over five decades of business experience. Similarly, Izhar Group of Industries has developed a strong presence across the Real Estate, Construction, and Technology sectors, supported by an established track record of executing major construction projects across Pakistan and the Monnoo Group is a well-established, privately held conglomerate with a diversified presence across industrial and agricultural sectors, tracing its origins back to 1950.

Financial Strength The financial strength of the sponsors remains strong due to their diversified investment portfolios.

Governance

Board Structure The Board of IMM REIT Management Company Limited consists of six members, representing a blend of executive, non-executive, and independent directors with diverse professional backgrounds in business management, finance, and academia. Mr. Shahzad Malik serves as the Board's Chairperson.

Members' Profile The six-member Board comprises representatives of Master Group, Jehangir Group, and Izhar Group, including Chairman Mr. Shahzad Malik and CEO Mr. Rumman Arshad Dar. It also includes two Independent Directors, Mr. Zubair Anjum, a seasoned corporate professional, and Ms. Zehra Waheed, Associate Dean at LUMS holding a PhD in Facilities Management. The Board brings diverse expertise in finance, energy, real estate development, telecommunications, and academia.

Board Effectiveness The Board holds overall responsibility for establishing and overseeing the RMC's risk management framework. To support effective governance and oversight, four Board-level committees have been constituted, namely, the Audit Committee, Human Resource and Remuneration Committee.

Transparency M/s Aamir Salman Rizwan, Chartered Accountants, serve as the RMC's external auditors and hold a satisfactory QCR rating. The Company also maintains an in-house internal audit function, which operates independently and reports directly to the Audit Committee.

Management

Organizational Structure IMM RMC operates through a multi-tier functional structure comprising Finance, Risk Management & Compliance, IT, Investments, Property Management, Administration, and Internal Audit departments. The respective department heads, except for Internal Audit, report directly to the CEO, while the Head of Internal Audit maintains an independent reporting line to the Audit Committee.

Management Team The RMC's management team comprises qualified professionals with substantial industry experience. Mr. Rumman Arshad Dar, CEO, brings over 22 years of experience across investments, project development, operational management, policy formulation, and management consultancy. Mr. Shahzad Hanif, CFO, is an FCA with over 20 years of professional experience, while Mr. Khalid Usman, Company Secretary, is a FCA with 16 years of experience.

Management Effectiveness The management is effectively engaged with stakeholders to ensure regulatory approval of the project.

Oversight Of Third-Party Service Providers The management team's extensive real estate experience enables it to oversee key operational functions internally, minimizing reliance on external service providers.

Control Environment The RMC has established a Risk Management & Compliance department. The department ensures compliance with all applicable statutory regulations and internal investment guidelines.

Investment Risk And Portfolio Management

Investment Risk Management The RMC has an Investment Committee responsible for evaluating investment opportunities in accordance with the guidelines outlined in the Information Memorandum (IM). Investment risks are managed through regular monitoring of project milestones, adherence to established policies.

Investment Decision Making As per international best practices, IMM RMC has experienced independent professionals to oversee and approve investment decisions as per the investment criteria mentioned in the Information Memorandum.

Investment Research & Analysis The Investments and Property Management department is responsible for monitoring the real estate value, market position, and changes in the economic and regulatory environment that may impact the operations and performance of the IMM RMC. The role is being managed by Mr. Ahmad Ilyas who brings 10 years of experience with him.

Customer Relationship

Investor Services IMM REIT Management Company Limited manages investors' relationships using specifically developed software, which provides a centralized platform for facilitating and monitoring sales and marketing activities.

Investor Reporting The investor's reporting mechanism is in the process of establishment.

Distribution & Sales Network The RMC operates through its head office in Lahore, while the on-site marketing office for Dream Gardens Phase-II, Multan, is operational. The project is being promoted through a nationwide marketing campaign across print, television and outdoor media, supported by brand ambassador Mr. Waqar Younas. Plots are offered to buyers on an instalment-based payment plan.

Investment Performance

REIT Funds Under Management IMM RMC launched its first REIT scheme, IMM Project One Development REIT Scheme, in March 2026 for Dream Gardens Phase-II, Multan, spanning 819 acres, with earthwork nearing completion and revised MDA approvals of remaining Phase I land is pending.

Performance IMM RMC reported a net loss of PKR 15.40mln in FY26 (FY25: PKR 13.26mln), as higher administrative expenses outweighed revenue growth and declining other income; reported equity stood at PKR 2.89mln, increasing to PKR 52.59mln including PKR 50mln in share deposit money.

Financial Sustainability The RMC remains debt-free, financed through equity and operating liabilities, which increased to PKR 13.89mln (FY25: PKR 6.99mln). Liquidity strengthened, with cash balances rising to PKR 47.59mln and the current ratio improving to 4.65x, while PKR 50mln received as share deposit money during FY26 reflects continued shareholder support.

The Pakistan Credit Rating Agency Limited					*PKR mln*
	IMM REIT Management Company Limited	Jun-26	Jun-25	Jun-24	Jun-23
	Public Limited	12M	12M	12M	12M
		Audited	Audited	Audited	Audited
A	**BALANCE SHEET**				
1	Earning Assets	51.04	20.79	35.22	44.65
2	Non-Earning Assets	10.83	4.74	0.40	0.35
3	**Total Assets**	61.86	25.53	35.61	45.01
4	Total Borrowing	-	-	-	-
5	Other Liabilities	13.89	7.11	4.08	1.40
6	**Total Liabilities**	13.89	7.11	4.08	1.40
7	**Shareholders' Equity**	52.59	18.29	31.55	43.60
B	**INCOME STATEMENT**				
1	Investment Income	23.44	9	7.57	6.87
2	Operating Expenses	(36.64)	(20)	(18.17)	(11.51)
3	**Net Investment Income**	(13.20)	(12)	(10.60)	(4.63)
4	Other Income	-	-	-	-
5	Total Income	(13.20)	(12)	(10.60)	(4.63)
6	Other Expenses	-	-	-	-
7	Total Finance Cost	(0.86)	(1)	(0.37)	(0.09)
8	**Profit Or (Loss) Before Taxation**	(14.06)	(12)	(10.97)	(4.73)
9	Taxation	(1.65)	(1)	(1.09)	(0.82)
10	**Profit After Tax**	(15.71)	(13)	(12.05)	(5.55)
C	**RATIO ANALYSIS**				
1	**Investment Performance**				
i.	Investment Income / Average AUMs	N/A	N/A	N/A	N/A
ii.	ROE	-44.3%	-52.6%	(0.32)	(0.13)
iii.	ROA	-35.9%	-42.9%	(0.30)	(0.12)
2	**Financial Sustainability**				
i. Coverages					
	a. Total Borrowing / EBITDA	N/A	N/A	N/A	N/A
	b. EBITDA / Finance Cost	N/A	N/A	N/A	N/A
ii. Capitalization					
	a. Total Borrowing / (Total Borrowing + Shareholc	0.0%	0.0%	-	-

REIT Manager Rating Scale

An independent opinion on a REIT Manager's Quality of investment and operations management.

Scale	Long-Term Rating
RM1	Very high quality of investment and operations management.
RM2++ **RM2+** **RM2**	High quality of investment and operations management.
RM3++ **RM3+** **RM3**	Good quality of investment and operations management.
RM4++ **RM4+** **RM4**	Adequate quality of investment and operations management.
RM5	Weak quality of investment and operations management.

Rating Modifiers | Rating Actions

Outlook (Stable, Positive, Negative, Developing)
Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business / financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

Rating Watch
Alerts to the possibility of a rating change subsequent to, or in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within the foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany the rating outlook of the respective opinion.

Suspension
It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn
A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults., or/and e) PACRA finds it impractical to surveil the opinion due to lack of requisite information.

Harmonization
A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening. Rating actions may include "maintain", "upgrade", or "downgrade".

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Regulatory and Supplementary Disclosure
(Credit Rating Companies Regulations,2016)

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(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) **Conflict of Interest**
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ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term “family members” shall include only those family members who are dependent on the analyst and members of the rating committee

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(4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)
(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

Conduct of Business
(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)
(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).
(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)
(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)
(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

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(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA´s opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity
(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers’ associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)
(14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)
(15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)
(16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst’s area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)
(17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

Monitoring and review
(18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 17-(a)
(19) PACRA reviews all the outstanding ratings periodically, on annual basis; Provided that public dissemination of annual review and, in an instance of change in rating will be made; | Chapter III | 17-(b)
(20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 17-(c)
(21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument;| Chapter III | 17-(d)
Probability of Default
(22) PACRA´s Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e., probability). PACRA´s transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA´s Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past; | Chapter III | 14-3(f)(vii)
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