Railway Estate Development & Marketing Company (Pvt) Limited (REDAMCO)

Business Plan
2026-27

1st Floor, Corporate Office, Service Road (South), Sector I-11/1, Islamabad, Pakistan, 44000

REDAMCO

Fostering Rail Estate!

Glossary of Terms:

AMC	Asset Management Company
AGM	Annual General Meeting
BOD	Board of Directors
BOI	Board of Investment
CCoSOE	Cabinet Committee of State-Owned Enterprises
CMU	Central Monitoring Unit
CNIC	Computerized National Identity Card
CPEC	China-Pakistan Economic Corridor
CEO	Chief Executive Officer
DBMS	Database Management System
DBFOT	Design, Built, Finance, Operate, Transfer
DAC	Departmental Account Committee
ERP	Enterprise Resource Planning
GDP	Gross Domestic Product
GM	General Manager
HR	Human Resource
IR	Inception Report
LOI	Letter of Intent
MoR	Ministry of Railway
NTN	National Tax Number
NOC	No-Objection Certificate
OMC	Oil Marketing Company
PBA	Pakistan Banking Association
PESTEL	Political Economical Social Technological Environmental Legal
PRIMACO	Pakistan Real Estate Investment & Management Company
P&L	Profit & Loss
PR	Pakistan Railways
REDAMCO	Railway Estate Development and Marketing Company
REIT	Real Estate Investment Trust
RMC	REIT Management Company
REDS	Real Estate Development Strategy
SWOT	Strength Weakness Opportunities Threats
SBP	State Bank of Pakistan
SOE	State Owned Enterprises
SECP	Securities & Exchange Commission of Pakistan
TAS	Transaction Advisory Services
TA	Transaction Advisors

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Executive Summary

Pakistan Railways, hereinafter referred to as the "PR," holds a substantial land portfolio throughout Pakistan. Recognizing the land potential for Commercial exploitation, a Company was established named Railway Estate Development and Marketing Company (Pvt) Limited (REDAMCO) in March, 2012.

After enactment of State-owned Enterprises (Governance & Operations) Act 2023 (SOE), followed by SOE (Ownership and Management) Policy 2023, REDAMCO adopted its transition plan through Corporate Restructuring in December 2024.

REDAMCO is exploring revenue opportunities in non-tariff and non-core business by utilizing Pakistan Railways Land parcels by leasing/ licensing & concessioning for Long-Term (33 years, extendable for another similar term) and Medium-Term (21 years, extendable for another similar term).

REDAMCO has achieved significant progress in implementing its Corporate and commercialization strategy in FY. 2025-2026, including:

- Corporate restructuring in compliance with the SOE Act, 2023.
- Enhanced coordination with the Ministry of Railways and Central Monitoring Unit.
- Formulation and approval of diverse Business Models by the REDAMCO BoD.
- Marketing including digital platforms, print media and investor meet up.
- Identification/ selection of New Sites for Long and Medium-Term commercialization.
- New Business initiatives/ opportunities including Modern Retail Complex, Billboards and Branding.
- Successful Leasing and concessioning of 25 Medium term Commercial/ Modern Retail Complex and Fuel Stations Sites, during FY 2025-26.
- Establishment of Regional Estate offices at Karachi, Sukkur, Quetta, Multan and Lahore.

Business Idea

Railway Estate Development and Marketing Company (Pvt.) Limited (REDAMCO) has been established to unlock the commercial potential of Pakistan Railways' non-core land assets through leasing, licensing, concessioning, and strategic real estate development initiatives. Operating under the administrative control of the Ministry of Railways (MoR), REDAMCO aims to transform underutilized railway land into sustainable revenue-generating assets while supporting the financial stability and modernization of Pakistan Railways.

REDAMCO's core value proposition lies in converting strategically located railway land parcels across Pakistan into commercially viable projects through medium-term and long-term leasing models, Public Private partnerships, joint ventures, and Real Estate Investment Trust (REIT) opportunities.

Problem and Solution

Pakistan Railways possesses significant land assets that historically remained underutilized for commercial purposes, limiting the organization's ability to generate non-fare revenue and support operational sustainability.

REDAMCO addresses this challenge by professionally managing, leasing, licensing, and concessioning strategically located railway land parcels. The Company also generates revenue through licensing of Branding and exclusive Selling rights. Through structured commercial arrangements, transparent bidding processes, and strategic partnerships, REDAMCO transforms dormant assets into productive investments that contribute to the financial sustainability of the Pakistan Railways.

Industry Analysis

The real estate sector is one of Pakistan's largest and fastest-growing economic sectors, contributing approximately 2% to the national GDP and estimated to have a market value exceeding PKR 5.2 trillion. Market trends indicate increasing demand for commercial real estate, mixed-use developments, Retail, Hospitality and infrastructure-related projects.

REDAMCO is strategically positioned to capitalize on these trends due to the prime locations and nationwide spread of Pakistan Railways' land assets. The Company's access to strategically located urban and semi-urban land parcels provides a strong competitive advantage for commercial development, leasing, and infrastructure partnerships.

Target Market

REDAMCO's target market includes:

- Strategic Joint Venture partners
- Public and Private sector investors
- Real Estate developers and investors
- Commercial Enterprises and Retailers
- Hospitality and Mixed-Use developers
- Advertising and Media Companies
- Oil Marketing Companies (OMC)
- Telecommunications companies

Business Models

REDAMCO generates revenue through Leasing, Licensing & Concessioning of Pakistan Railway Lands through multiple business Models including:

- Revenue Sharing
- Commitment Fee & Rental
- Joint ventures
- REIT-based development projects

Strategic Objectives and KPIs

REDAMCO's strategic objectives for the Business Plan period include:

- Enhancing non-fare revenue generation for Pakistan Railways
- Commercial utilization of identified strategic land parcels
- Expanding leasing and concessioning activities
- Establishing transparent and efficient asset management practices
- Strengthening strategic partnerships and joint ventures
- Improving governance, compliance, and operational efficiency
- Implementing modern marketing and stakeholder engagement strategies

Key Performance Indicators (KPIs)

- Compliance with SOE governance requirements
- Annual Revenue generation targets
- Number of successfully leased/concessioned sites
- Revenue growth percentage
- Stakeholder satisfaction and engagement metrics
- Project implementation timelines
- Operational efficiency and cost management indicators
- Risk Mitigation and Management

Competitive Advantage

REDAMCO's competitive strengths include:

- Access to a vast nationwide Railway land portfolio
- Strategic locations in commercially significant urban centers
- Institutional support from the Ministry of Railways
- Diverse Business & Revenue generation models
- Transparent bidding and commercial allocation processes
- Strong potential for strategic partnerships and REIT development

Go-to-Market Strategy

REDAMCO plans to strengthen its market outreach through:

- Development of a dynamic official website
- Digital marketing and social media campaigns
- V-Logs, Pod Casts & testimonials
- Television and print advertisements
- Road Shows and investor engagement forums
- Referral and partnership programs
- Database Management Systems (DBMS) for customer and investor engagement

The Company also intends to actively engage with private investors, developers, and corporate entities to maximize the commercial utilization of Railway/PR assets.

Governance and Team

REDAMCO operates under governance framework aligned with the SOE Act, 2023 and SOE Policy, 2023. The Company works in coordination with the Ministry of Railways, Board of Directors, and Central Monitoring Unit (CMU) to ensure compliance, transparency, and effective implementation of strategic objectives.

REDAMCO operates under the oversight of its Board of Directors designated by Cabinet Committee of SOEs in December 2024. The Management team comprises experienced professionals in real estate management, finance, marketing, administration, operations, and corporate governance.

Stake Holder Engagement

REDAMCO recognizes the importance of active stakeholder engagement for successful implementation of its business strategy. Key stakeholders include:

- Ministry of Railways
- Pakistan Railways
- Private sector Investors and developers
- Regulatory authorities
- Financial Institutions
- Local Communities
- Employees and Management

The Company aims to maintain transparent communication, collaborative partnerships, and regular stakeholder consultations to ensure long-term sustainability and trust.

Risk Management

REDAMCO has adopted a proactive risk management approach to address operational, financial, regulatory, market, and reputational risks. The Company continuously evaluates:

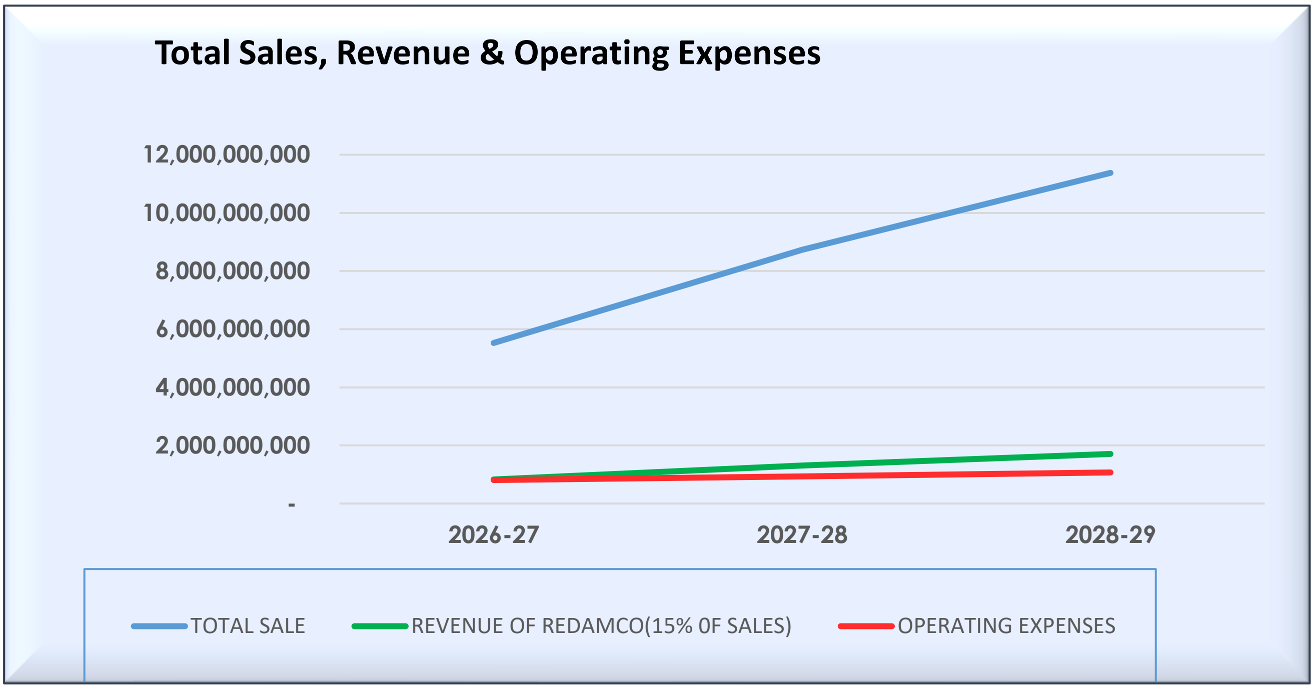
- Regulatory and legal risks
- Market and investment risks
- Operational and project execution risks
- Governance and compliance risks
- Environmental and social risks

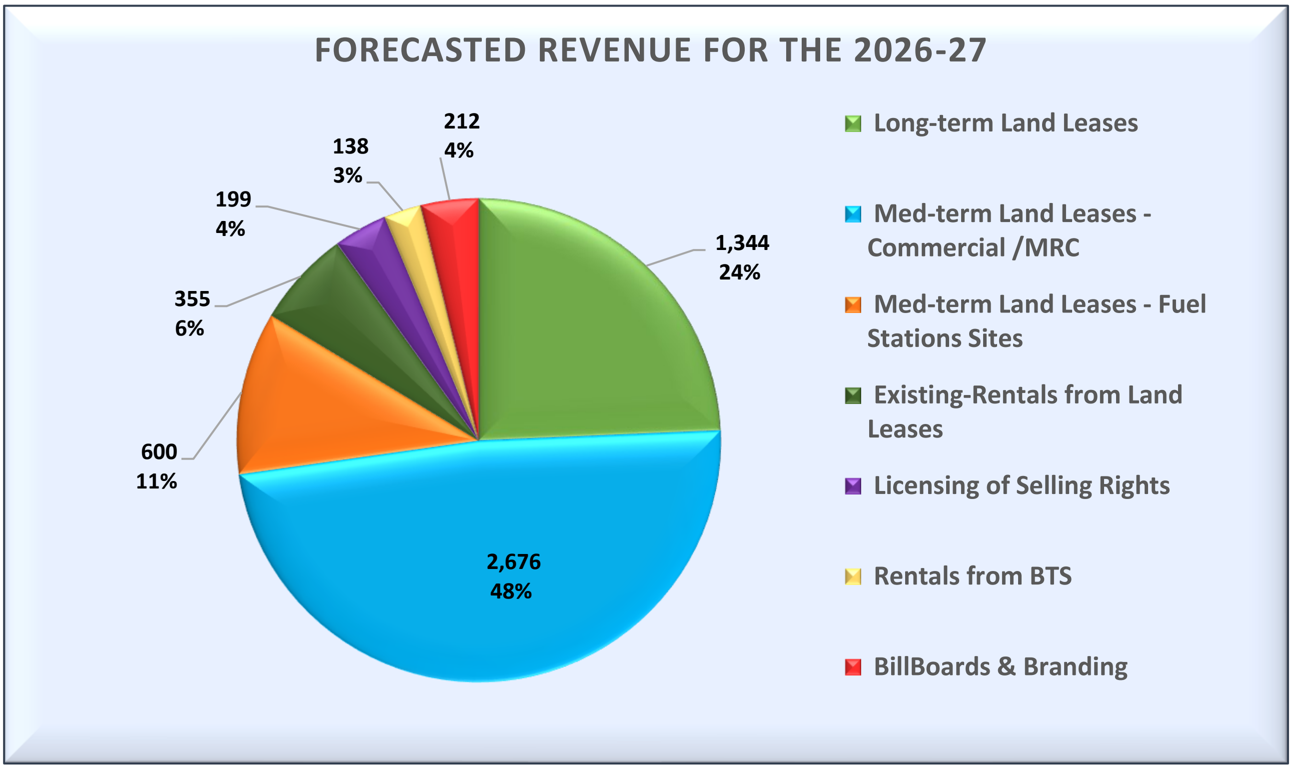
Appropriate mitigation strategies, monitoring systems, and governance controls are being implemented to strengthen organizational resilience and business sustainability.

Financial Planning Overview

The Company retains an operational share of 15% of total Revenue to support administrative, operational, and compliance-related expenses, while transferring 85% of total Revenue to the Ministry of Railways. Key financial highlights include:

- Expected Revenue from Business Plan FY2026-2027 is approx. PKR 5.52 billion.





Implementation /Action Plan

REDAMCO intends to implement its Business Plan 2026-27 through a phased and structured approach that includes:

- Identification and prioritization of commercially viable sites
- Completion of legal and technical due diligence
- Marketing and investor outreach initiatives
- Transparent bidding and concessioning processes
- Stakeholder consultations and approvals
- Execution of commercial agreements and partnerships
- Continuous monitoring and evaluation of project performance

Action Plan is spread over complete year, summary as under

- Transaction of 08 No of Long-Term Sites
- Leasing/ Licensing of 30 Medium-Term Commercial/ Modern Retail Complex Site
- Leasing of 15 No of Fuel Station Sites
- Licensing of 100 Billboard Sites
- Branding & Commercialization of 06 Railway Station
- Identification of new Long & Medim term Commercial/ Fuel Station sites.
- SOE 2023 (Act & policy) Compliance

Monitoring and Evaluation

REDAMCO will establish a robust monitoring and evaluation framework to assess operational and financial performance against approved KPIs and strategic objectives. Periodic reviews will be conducted to ensure:

- Compliance with governance requirements
- Achievement of financial targets
- Timely implementation of projects
- Effective utilization of resources
- Stakeholder satisfaction and accountability

Periodic performance oversight will be conducted by BoD, CMU and Ministry of Railways,

Review and Update

The Business Plan will be reviewed periodically to incorporate changing market conditions, regulatory developments, and organizational priorities. Necessary revisions and updates will be presented to the Board of Directors and relevant authorities for approval.

Approval Process

The Business Plan 2026-27 has been prepared by the management of REDAMCO in compliance with the SOE Act, 2023 and associated governance policies. The plan is subject to review and approval by the competent forums, including the Board of Directors, Ministry of Railways, and other relevant oversight authorities.

Ask and Strategic

REDAMCO seeks continued institutional support, strategic partnerships, investor confidence, and regulatory facilitation to maximize the commercial potential of Pakistan Railways' land assets through Public private Partnership. The successful implementation of this Business Plan will enable REDAMCO to expand revenue streams, strengthen financial sustainability and create long-term value for Pakistan Railways and the Government of Pakistan.

Through strategic commercialization, professional asset management, and transparent governance practices, REDAMCO aims to become a leading public sector real estate and asset management company contributing significantly to the economic and operational sustainability of Pakistan Railways.

1 Company Overview

REDAMCO serves as the catalyst for nationwide commercial growth of Pakistan Railways, bridging the gap between state-owned assets and Private Sector. As a State-Owned Enterprise under the Ministry of Railways, we invite Public Private Partnership on Design, Finance, Build, Operate, Transfer (DFBOT) Model to engage in high-velocity commercial execution through flexible, transparent models like Revenue Sharing, Rental, JVs and REITs. We are committed to converting Pakistan Railways' prime real estate into a dynamic portfolio of Mixed-use projects, Branded Hotels, Retail Outlets, IT Parks, Corporate Offices, 3S Dealerships, Hospitals/ Health Care, Educational Institutes and Food Outlets that deliver higher profitability, sustainable Revenue and Community development.

1.1 Vision

To be the leading Real Estate and Asset Management Company, recognized for innovation and value creation through data-driven insights and professional excellence. We are committed to deliver transparent, sustainable and transformative solutions that set new industry benchmarks. Bridging the strategic Public- Private Partnership, while creating enduring value for Pakistan Railways.

1.2 Mission Statement

Capitalizing on the Valuable Real Estate of Pakistan Railways through Public Private Partnership, while creating Business Opportunities for our Clients/ Partners. Empower Stakeholders, providing Seamless and Transparent Real Estate solutions, while generating sustainable Revenue for Pakistan Railways.

1.3 Core Values

- Ease of doing Business
- Innovative Business Models
- Foster Strategic Partnership
- Transparency of Process
- Integrity and Sound Ethics
- Regulatory and Legal Compliance

2 Company Description

2.1 Background and Legal Structure:

REDAMCO is a private company, limited by shares within the meaning of sub section 2(1)(28) of the Companies Ordinance 1984. The Company is entitled to commence business from the date of its incorporation. The Business of the Company shall include all or any of the objects enumerated in the Memorandum of Association. The business of the Company shall be carried out at such place or places anywhere in Pakistan or elsewhere as the Board may deem proper or advisable from time to time. The authorized share capital of the Company is Rupees One Hundred Thousand only (Rs. 100,000) divided into Ten Thousand (10,000) ordinary shares of Rupees Ten each (Rs.10). The shares shall be under the control of the Board who may, subject to these Articles, allot the same to such persons, on such terms and conditions and at such times, as the Board shall determine on the instructions of the shareholders (Article of Association , 2012) (Memorandum of Association , 2012).

2.2 Regulatory Framework:

Following the promulgation of the State-Owned Enterprises (Governance and Operations) Act, 2023 and the State-Owned Enterprises (Ownership and Management) Policy, 2023, the Federal Government reaffirmed its commitment to retain ownership of strategic and essential SOEs. In accordance with this policy direction, the Cabinet Committee on State-Owned Enterprises (CCoSOE) categorized REDAMCO as a commercial SOE.

In response to this classification and to ensure REDAMCO long-term viability, a Corporate Transformation and Transition Plan was formulated in line with MoR this plan is anchored in a Revenue Generation Agreement designed to secure the financial sustainability and operational independence of REDAMCO. The transformation framework has been formally shared with Pakistan Railways for implementation and execution under the agreed terms.

2.3 Board of Directors:

In line with SOE Act 2023, the Board presently consists of the following Directors:

1. Zahid Latif Khan, Chairman BOD (Independent)
2. Muhammad Ayaz Afzal, Director (Independent)
3. Samina Afsar, Director (Independent)
4. Syed Ali Raza, Director (Independent)
5. Kamran Waseem, Director (Ex-Officio, MoR)
6. Zulfiqar Ali, Director (Ex-Officio, BoI)
7. Shoeb Anwar Kayani, CEO (Independent)

2.4 Location:

REDAMCO's Head Office is situated at 1st Floor, Corporate Office, Service Road (South), Sector I-11/1, Islamabad, Pakistan. 44000.

2.5 Regional Offices:

REDAMCO has a established five Regional Estate Offices situated at following locations:

I. Pakistan Railway H.Q office, Lahore
II. Pakistan Railway Divisional Office Karachi
III. Pakistan Railway Divisional Office Multan
IV. Pakistan Railway Divisional Office Sukkur
V. Pakistan Railway Divisional Office Quetta

3 Industry Analysis

3.1 Overview of Pakistan's Real Estate Industry

Pakistan's real estate sector is one of the country's most significant economic sectors, contributing approximately 2–3% directly to GDP while supporting more than 40 allied Industries through employment generation, infrastructure development, and urban expansion. Major urban centers such as Karachi, Lahore, Islamabad, Multan, and Peshawar continue to witness rising demand for residential, commercial, and mixed-use developments driven by rapid urbanization and population growth. The Commercial Real Estate segment has expanded considerably in recent years, particularly in prime urban locations, with increasing demand for office spaces, retail centers, warehouses, and integrated developments due to the growth of e-commerce, banking, logistics, and retail sectors. High-rise commercial buildings and Mixed-use projects are becoming more common in metropolitan cities as land prices rise, while infrastructure initiatives under the China-Pakistan Economic Corridor have improved connectivity and enhanced the investment potential of secondary cities and industrial zones. Due to macroeconomic conditions, heavy taxation and very high interest-rate during period of 2022–2025, the property transactions dipped as financing costs increased and investor confidence weakened. For FY 2025–26, Pakistan's macro economy has shown continued recovery, with provisional quarterly growth estimates of 3.63% in Q1 and 3.89% in Q2, and the gradual economic recovery, declining inflation, and improving macroeconomic indicators have slightly improved the investor sentiment in the property market.

3.2 Market Structure

The Real Estate Industry in Pakistan primarily consists of the following segments:

3.2.1 Residential Real Estate:

This segment includes housing societies, apartments, villas, and individual residential units. Demand for residential properties continues to rise due to rapid urban migration and increasing housing shortages, particularly in Karachi, Lahore, Islamabad, Rawalpindi, Faisalabad, and Peshawar.

3.2.2 Commercial Real Estate:

Commercial developments include office buildings, shopping malls, retail outlets, hotels, and business centers. The growth of the corporate sector and retail businesses has increased demand for modern commercial spaces in major urban centers.

3.2.3 Mixed-Use Developments:

Integrated projects combining commercial, retail, residential and recreational facilities are becoming increasingly popular due to changing urban lifestyles and efficient land utilization.

3.2.4 Industrial Real Estate:

Industrial properties include warehouses, logistics hubs, factories, and industrial estates.

3.3 Key Growth Drivers

Several factors continue to support the growth of Pakistan's real estate sector:

3.3.1 Rapid Urbanization:

Pakistan's urban population is expanding rapidly as people migrate from rural areas to cities in search of employment and improved living standards.

3.3.2 Population Growth and Housing Demand:

Pakistan faces a significant housing shortage, creating sustained demand for affordable and mid-income housing projects.

3.3.3 Overseas Remittances:

Overseas Pakistanis remain a major source of investment in the property market, considering real estate a secure long-term investment avenue.

3.3.4 Infrastructure Development:

Large-scale infrastructure projects, including road networks, metro systems, special economic zones, and China-Pakistan Economic Corridor (CPEC) initiatives, continue to enhance property values and development opportunities.

3.3.5 Investment Potential:

Real estate is traditionally viewed as a stable investment sector in Pakistan due to long-term capital appreciation and rental income potential.

3.4 Major Challenges for Real Estate Industry

- Overall Economic conditions, High Inflation
- High construction and financing costs
- Higher Taxation Regime
- Regulatory inefficiencies

3.5 Conclusion

Despite its significant contribution to economic growth, employment generation, and infrastructure development, the real estate sector continues to face numerous challenges. Addressing issues such as Tax Regime, Financing constraints, regulatory inefficiencies and weak urban planning is essential for ensuring sustainable growth and attracting long-term investment in the sector.

4 Target Market Analysis:

REDAMCO operates as the Commercial Real Estate arm of Pakistan Railways, focusing on leasing and development of railway-owned land through Public-Private Partnerships (PPPs) and Joint Ventures. Its target market primarily includes institutional investors, private developers, commercial operators, and service-oriented businesses seeking high-visibility locations across Pakistan. Primary Target Market Includes following:

4.1 Real Estate Developers

The core target market of REDAMCO consists of Local and International Real Estate Developers interested in large-scale commercial and mixed-use projects. These developers seek Long-Term Lease opportunities on Prime Railway Land located in major urban centers. Targeted projects include:

- Mixed-use developments
- Shopping Malls and Retail Outlets
- Corporate Office Towers
- IT Parks

4.2 Commercial & Retail Business

REDAMCO targets businesses requiring high-footfall commercial locations near railway stations and urban Centre's. This segment includes:

- National and International Retail Chains
- International and National Food Chains
- Fuel stations and EV charging operators
- 3S Dealerships
- Convenience Stores and Service Outlets

4.3 Hospitality & Tourism Sector

The hospitality industry is another important target segment. Pakistan's growing domestic tourism and intercity travel demand create opportunities for:

- Branded and Budget hotels
- Theme/ Amusement Parks

4.4 Public-Private Partnership (PPP) Investors

A significant portion of REDAMCO's market includes PPP-focused investors seeking infrastructure-backed Real Estate opportunities. Through Design-Finance-Build-Operate-Transfer (DFBOT), Joint Ventures, and concession agreements, REDAMCO offers lower land acquisition risks and legally secure lease arrangements under Pakistan Railway Property & Land Rules 2023

5 Competitor Analysis:

The Real Estate and Land Development sector in Pakistan is significantly influenced by a few key public-sector entities that control large land banks, regulate urban development, and generate long-term revenue through leasing, auctions, and asset management. Among these, Cantonment Boards, and other key Development Authorities (CDA, DHA, LDA, FDA, SBCA, KPDA etc.) and PRIMACO play distinct but overlapping roles, each with different mandates, governance structures, and market influence:

Comparative Analysis Table

Feature	REDAMCO	PRIMACO	CBD	CDA
Ownership	Ministry of Railways	EOBI (Federal)	Ministry of Defense	Federal Govt
Core Asset Base	Railway land nationwide	Pension fund Real Estate	Cantonment Military land	Islamabad City land
Business Model	Revenue Sharing, Rental & JV	Rental + development	Auctions + Leasing	Auctions + Leasing
Development Scope	Mixed-Use Commercial, Malls, Hotels	Commercial + Housing	Commercial	Commercial + Housing
Market Position	Emerging Real Estate Company	Institutional Investor/developer	Premium regulated zones	Top-tier urban developer
Lease Period	66 Years	99 Years	99 Year	99 Years.

Long Term leasing remains Key challenge for REDAMCO, due to lease duration, i.e. 33 years extendable for another similar Term (total 66 years), while the major competitors have Long Term lease for 99 years.

6 Products and Services:

Land and Properties

REDAMCO seeks to generate substantial revenue by leveraging certain lands through leasing its' land via Long-Term and Medium-Term Leasing.

6.1 Long-term Leasing:

REDAMCO has so far identified 20 Prime Properties across Pakistan for Long-Term Lease, (33 years extendable to another term of similar years) for Mix-Use Development; Branded Hotels, shopping malls and Corporate Office Tower on Revenue Sharing Model for higher and long-term Revenue growth. This strategic approach is set to yield significant long-term benefits for PR and positioning REDAMCO as a major player in the Real Estate Sector.

S.No	Location	Area (Kanal)	Purpose	Expected Revenue (PKR)*	
				Cost of land (PKR in Mn) Approx	Year 2026 –27 (PKR in Mn)
1.	Mardan, Station Yard on Nowshera – Mardan Road	16.9	Mixed Use Commercial	1,081	209
2.	Lahore, Mughalpura Property on Wheatman Road	85	Mixed Use Commercial	2,415	362
3.	Karachi, Bungalow No 171 & 172 at Adam Road	17.6	Mixed Use Commercial	1,070	161
4.	Karachi, Bungalow No 90, Hoshang Road Karachi	06	Mixed Use Commercial	371	56
5.	Sukkur, Power House, on Military Road	22.14	Mixed Use Commercial	418	63
6.	Lahore, Walton Academy Property on Walton Road	17	Mixed Use Commercial	651	98
7	Faisalabad, New Rest House Bungalow on Tariqabad Road	22	Mixed Use Commercial	1,765	265
8.	Rawalpindi, Bungalow No 82, Stephenson Road	24.11	Mixed Use Commercial	873	131
9.	Karachi, Bungalow No 16-D, Zia Uddin Road	29.28	Mixed Use Commercial	2,214	
10.	Karachi, Plot on Bundar Railway Station	17.01	Mixed Use Commercial	1,286	
11.	Karachi, Railway Ground on I.I Chundrigarh Road	56	Mixed Use Commercial	4,236	
12.	Karachi, Gillani Station Yard on University Road, (Plot A)	30.60	Mixed Use Commercial	2,314	
13.	Quetta, Rest House, on Zarghoon, Road	9.7	Mixed Use Commercial	611	

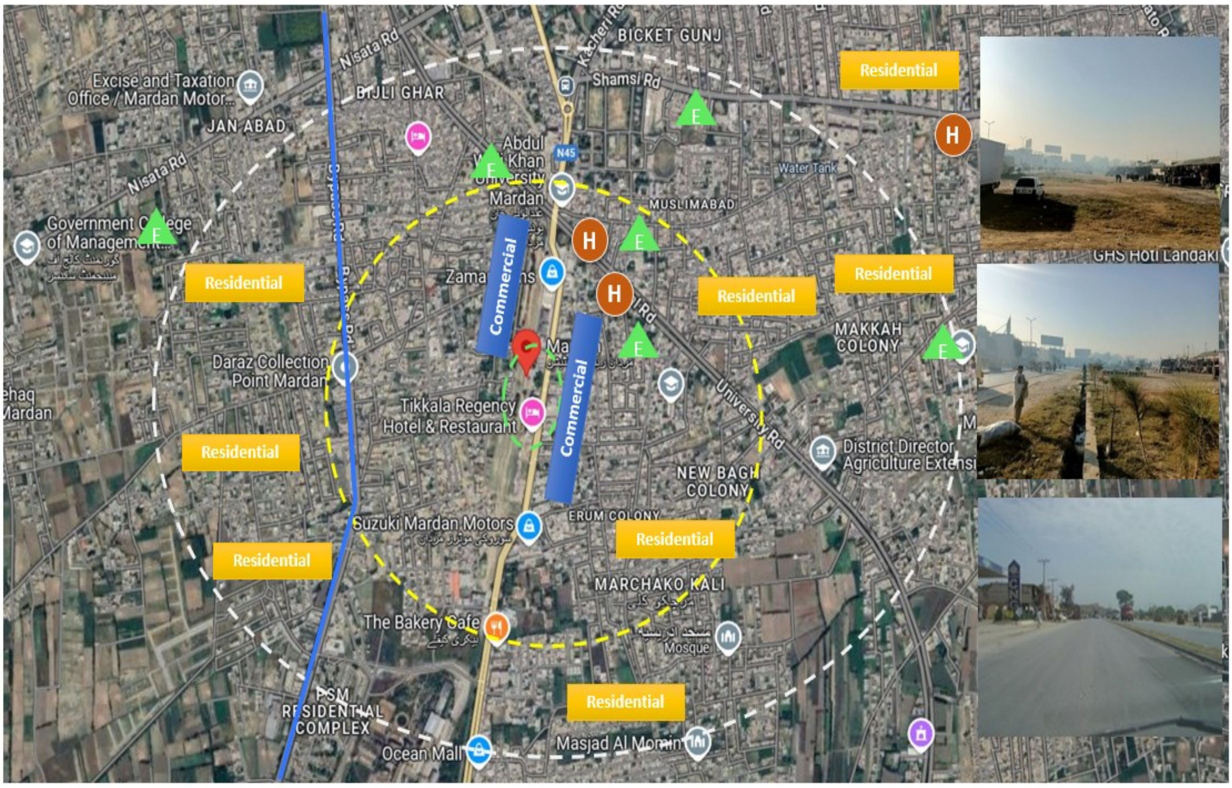
14.	Multan, Bungalow No 5,7,9 & 11, 11&A on Keswar- Gardezi Road	71.53	Mixed Use Commercial	6,668	
15.	Lahore, Guard Running Room, on Empress Road	14	Mixed Use Commercial	559	
16.	Lahore, Gari Shahu Colony, Allama Iqbal Road	54	Mixed Use Commercial	2,157	
17.	Gujranwala, Plot on N-5 Reservation Office	20	Mixed Use Commercial	1,260	
18.	Rawalpindi, Sadar Colony Plot A	58.81	Mixed Use Commercial	6,518	
19.	Rawalpindi, Sadar Colony Plot B	95	Mixed Use Commercial	10,529	
20.	Peshawar, Sadar Colony	53	Mixed Use Commercial	6,622	

*** Expected Revenue is based on 15-25% of cost of Land upfront payment**

6.2 Mardan, Station Yard on Nowshera – Mardan Road

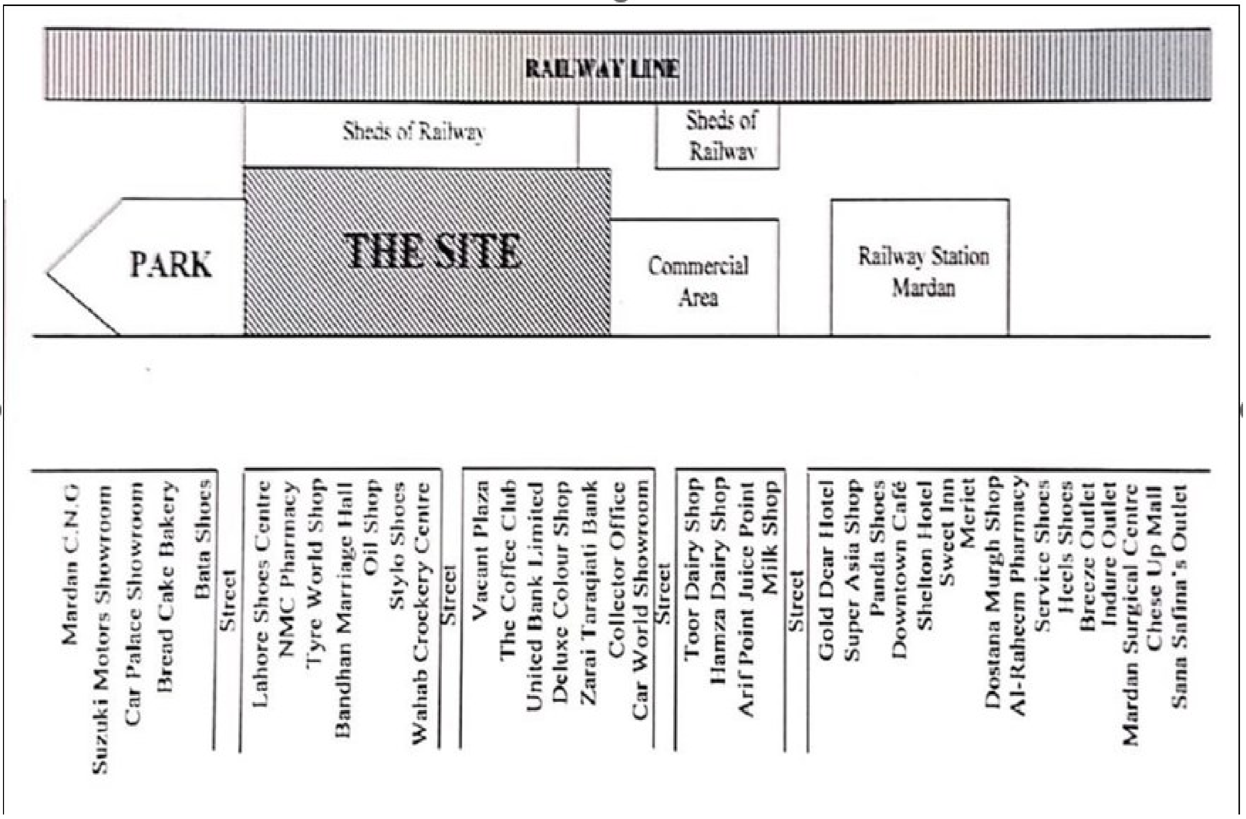
REDAMCO has completed the Feasibility Study of Pakistan Railway Property at Mardan Station Yard measuring 16.9 Kanals. As per TAS and REDAMCO Management, the Property shall be offered for Public Private Partnership for Mixed-Use Commercial purpose, in first quarter of FY 2026-2027. Salient features of Project are highlighted below:

6.2.1 Site Analysis – Trade Zoning in Mardan City



Project Site is surrounded by dense residential area and while being on the main road, there is a high traffic count due to developing commercial area. With the influx of well-known brands coming up, the location footfall has substantially increased 4

6.2.2 Site Area Commercial Activities



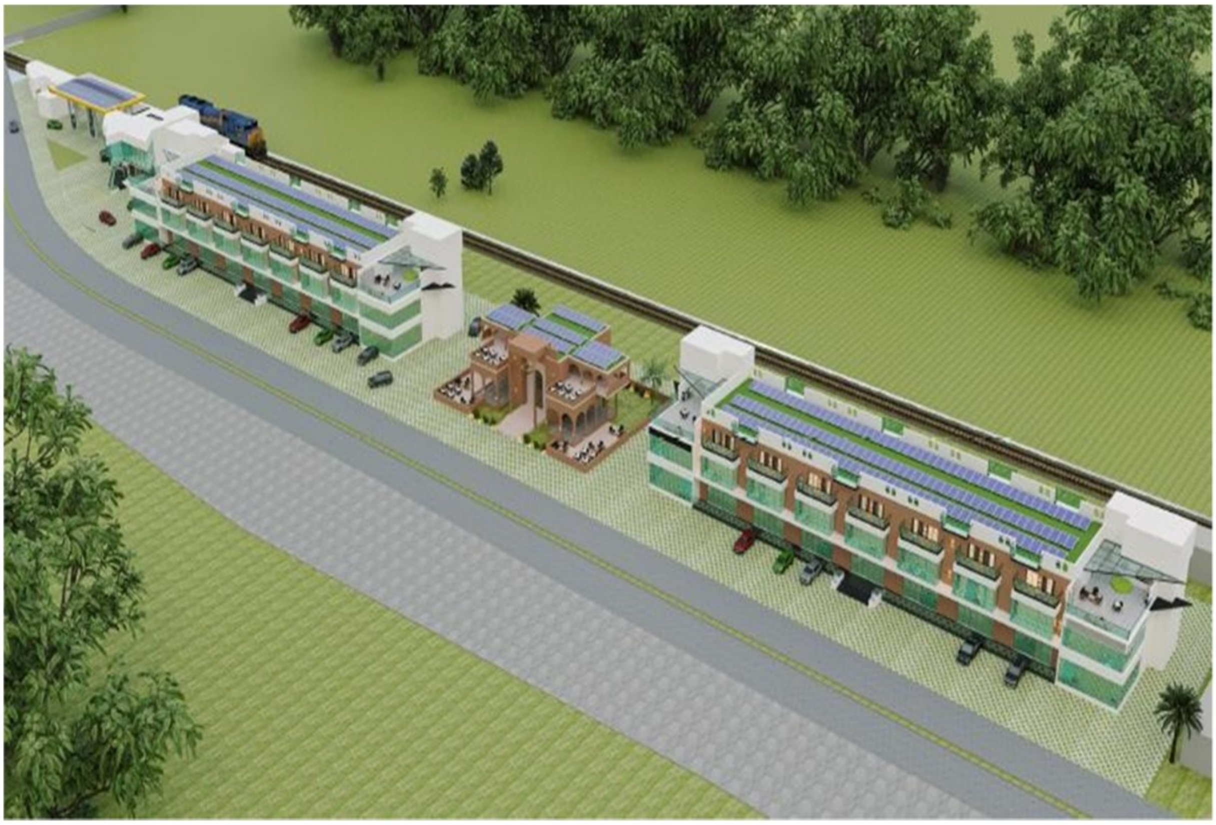


Figure : Master Plan's Bird Eye View

6.2.3 Commercial Structure

Term	Structure
Lease Tenure	33 years, extendable for another similar term
Sub-Leased	Allowed to be Sub-Lease (for 33 years extendable for another similar term)
Development Control	Investor designs, finances, constructs, leases/operates
Title Security	Pakistan Railways-owned land with clear, marketable title
Regulatory Framework	Structured under applicable Regulatory Framework (PPPRA, PR Rules, PPP)

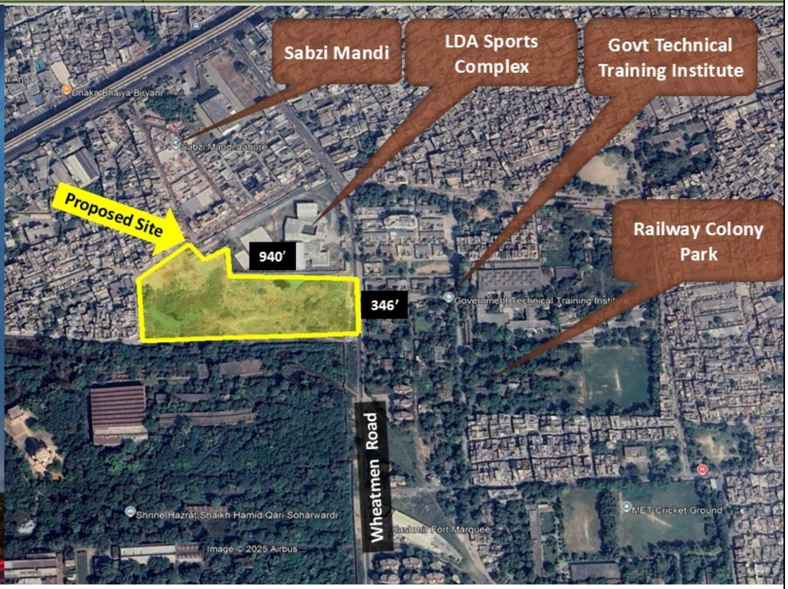
6.2.4 Approved Business Model

Models	**Hybrid Rental (Land Payment + Dividend Share)**
Land Payment Upfront	**25%**
Bal Land: Yr 2 to Yr 4	**25%, 25%, 25%**
Revenue Sharing Basis	**Percentage of Gross Revenue (rental income/lease premiums) bid by investor or Percentage of Gross Revenue of the Business Operated**
Construction Cost	**100% Developer**

6.2.5 Location Maps of Other 07 properties

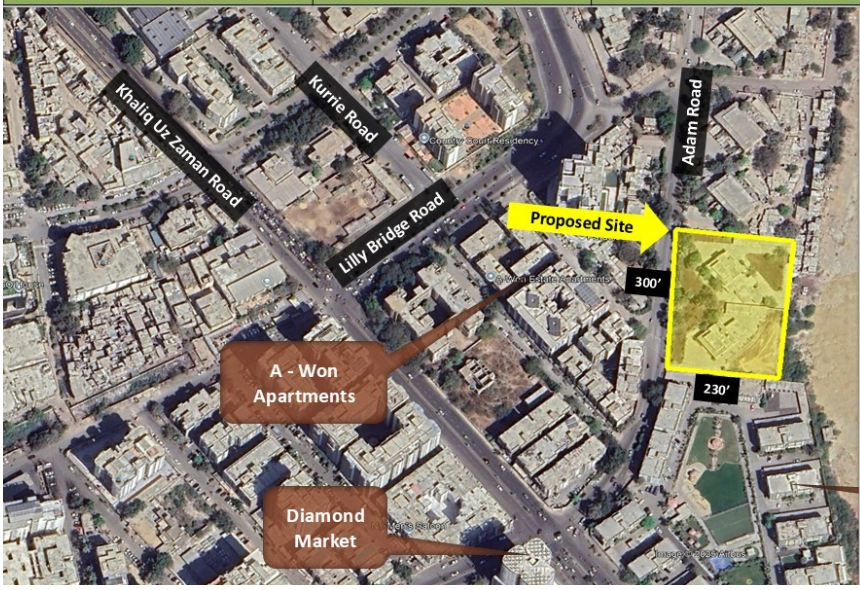
Proposed PR Property at Wheatman Road, Mughalpura

ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
Plot on Mughalpura Wheatman Road, Lahore	84	Long Term	• Mix- Use High Rise • Corporate Offices and IT Park



Proposed PR Property at Bungalow No 171 & 172, Adam Road Karachi

ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
Bungalow No 171 & 172 Adam Road Karachi	17.6	Long Term	• Mix- Use High Rise • Corporate Offices and IT Park

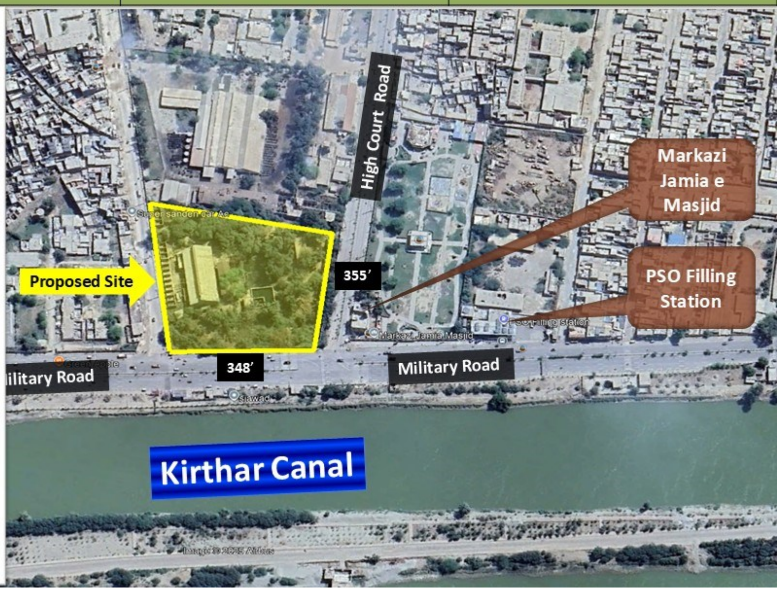


Proposed PR Property at Bungalow No 90, Hoshang Road, Karachi

ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
Bungalow No 90, Hoshang Road Karachi	06	Long Term	• Mix- Use High Rise

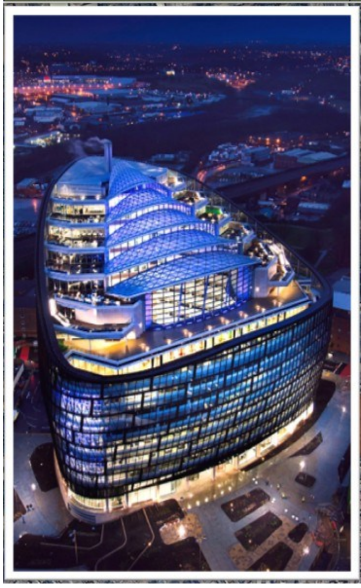
Proposed PR Property at Military Road Sukkur

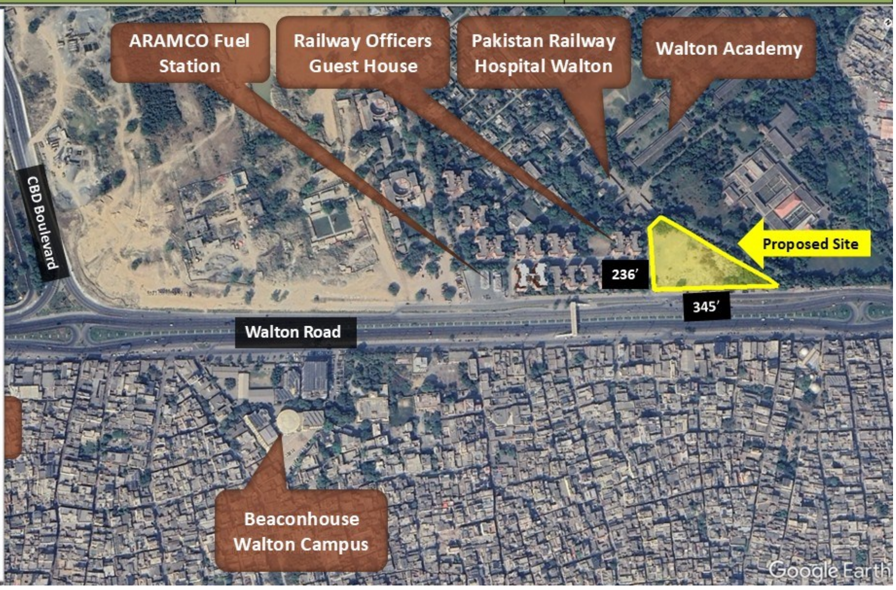
ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
Power House Military Road Sukkur	22.14	Long Term	• Mix- Use High Rise • Branded Hotel



Proposed PR Property at Walton Academy Lahore

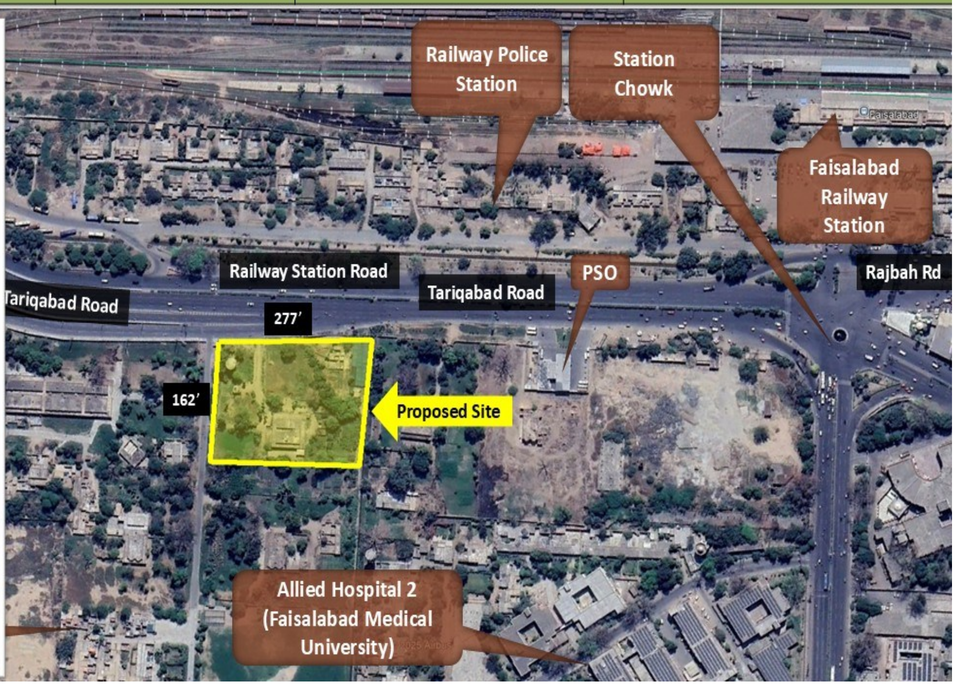
ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
Plot on Walton Academy Walton Road Lahore	16.56	Long Term	• Mix- Use High Rise • Corporate Offices and IT Park





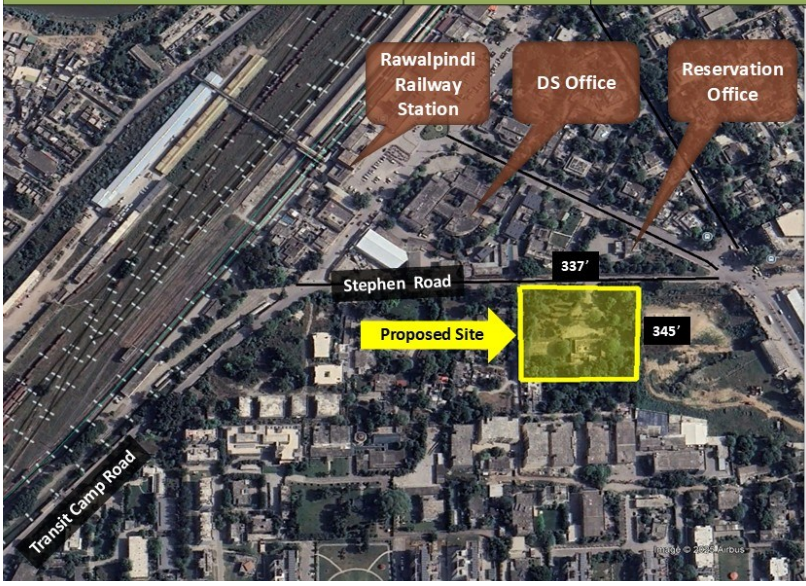
Proposed PR Property at Faisalabad Rest House

ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
New Rest House Bungalow Tariqabad Road Faisalabad	20	Long Term	• Mix- Use High Rise • Corporate Offices and IT Park



Proposed PR Property at Bungalow No 82, Stephenson Road, Rawalpindi

ADDRESS	AREA IN KANAL	LEASE TERM	PROPOSED PURPOSE
Bungalow No 82 Stephen Road Rawalpindi	24.11	Long Term	• Mix- Use High Rise • Corporate Offices



6.3 Medium Term Leasing (21 years) (Extendable for Another Similar Term):

6.3.1. Development for Commercial Purpose.

REDAMCO has identified and selected over 30 sites across various Railway divisions for the development of a diverse portfolio of commercial ventures. These prospective developments include, but are not limited to mix-use commercial, Shopping Plazas, Amusement Parks, Budget Hotels, Hospitals, Modern Retail Complex and Retail Outlets. To ensure the successful execution of these projects, each venture will undergo comprehensive market assessments, and financial evaluations.

Furthermore, requests from individual potential investors will be welcomed and assessed for commercial exploitation on a case-by-case basis, in accordance with Railway Land & Property Rules 2023.

S. No.	Site/ Location	Area (SFT)	Expected Commitment Fee (PKR)	Expected Annual Rent (PKR)
Karachi Division				
1	Bungalow No 2-A Hyderabad	66,067	357,089,706	8,502,136
2	II Chundrigarh, Road Karachi	45,000	243,222,750	5,791,018
Sukkur Division				
3	Bunder Road Sukkur (Plot A & D)	65,219	88,045,650	2,096,325
4	Airport Road, Rahimyar Khan	40295	1,100,000	6,000,000.00
Multan Division				
5	Tariq Road Multan	35,893	-	-
6	Near Bungalow No 209 at Khanewal	32,625	11,000,000	261,905
7	Mandi Bure Wala Station (Plot A)	160000	11,000,000	261,905
8	Dera Ghazi Khan	39,656	73,978,320	1,761,389
9	Bahawalpur near Sutlej Toll Plaza	45000	148,000,000	8,000,000
Lahore Division				
10	Gujranwala Plot B	85,995	901,999,026	21,476,167
Rawalpindi Division				
11	Sangjani Plot A	68591.75	123,197,725	4,409,470
12	Sangjani Plot D	63333	-	-
13	Rawat, near Radio Tower	377506	50,625,000	1,205,000
14	Margalla Station Yard Plot A	25200	56,000,000	6,000,000
15	Margalla Station Yard Plot B	27000	56,000,000	6,000,000
16	Near Golra Railway Station	15,750	-	-
17	Railway Road Rawalpindi Plot (1)	18142.5	77,685,459	1,849,654
18	Railway Road Rawalpindi Plot (2)	18142.5	77,685,459	1,849,654
19	Railway Road Rawalpindi Plot (3)	18142.5	77,685,459	1,849,654
20	Railway Road Rawalpindi Plot (4)	18142.5	-	-
21	Havelian Station Yard (Plot A)	3900	-	-
22	Mareer Chowk Rawalpindi	8162	85,000,000	5,000,000
23	Plot on Carriage Factory Road	27,050	75,000,000	5,000,000
24	Haripur Station Yard	61,920	98,000,000	6,000,000

25	Jhelum on Abdul Sattar Edhi Road	50,400	-	-
	Peshawar Division			
26	Peshawar Station Yard	36000	240,000,000	10,000,000
27	Rashakai Station yard (B)	60506	154,517,198	3,678,981
28	Attock City Station yard Plot A	40800	183,600,000	4,371,429
29	Attock City Station yard Plot F	28193	-	-
	Quetta Division*			
30	Zarghoon Road, Quetta	41,700	187,650,000	4,467,857
31	Joint road Quetta	29,646	93,384,900	2,223,450
	Grand Total (PKR)		**2,675,947,808**	

6.3.3. Development of Fuel Stations with Allied Facilities

REDAMCO has identified the growing demand for integrated fuel and service stations as a strategic opportunity to enhance consumer convenience and tap into new revenue streams. In response to this evolving market need, the company is expanding its portfolio by offering visible sites for the development of Fuel Stations with allied facilities at key locations across the Country. This development is fully aligned with REDAMCO broader growth strategy, which focuses on diversifying its business ventures and creating sustainable, revenue.

During the Fiscal year REDAMCO Plan to lease out 15 Fuel Station Sites all over Pakistan that is expected to generate revenue of PKR 600 million for FY 2026-2027

6.4 Short- Term Leasing Projects

6.4.1. Exclusive Selling Rights

REDAMCO grants exclusive selling rights to Private companies for the marketing and sale of various consumer products, including carbonated soft drinks, packaged juices, snacks, and other related items. These rights are awarded through a competitive bidding process, with the highest bidder securing the exclusive marketing and distribution privileges for a defined period.

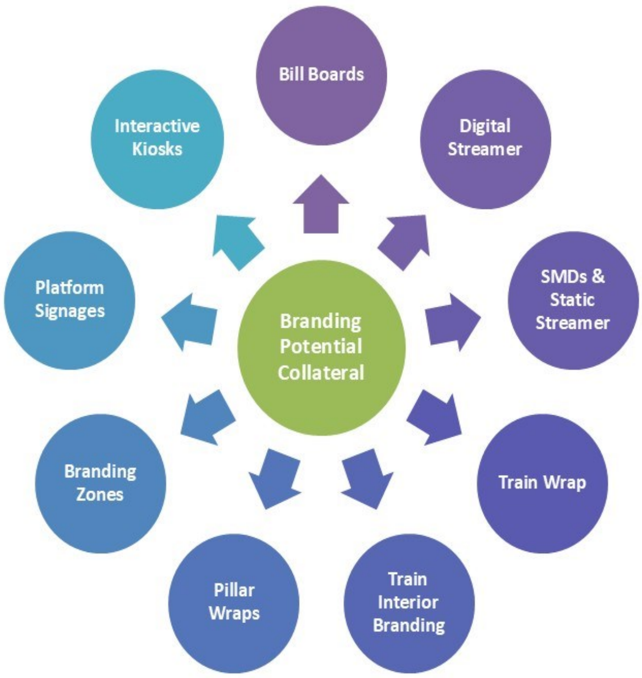
At present, five exclusive selling rights agreements are active under this policy framework. According to projections, the issuance of these rights is expected to generate approximately PKR 200 million in revenue in FY 2026-2027.

6.4.2. Base Transmitting Station

The telecom industry in Pakistan has experienced rapid growth over the past two decades, with over 190 million cellular subscribers and increasing mobile broadband penetration. The sector plays a crucial role in the country's digital transformation, driven by advancements in 4G and ongoing developments toward 5G readiness. This growth has led to rising demand for telecom infrastructure, such as Base Transceiver Stations (BTS).

REDAMCO enables telecom operators to deploy BTS towers in key urban and rural areas. These partnerships not only optimize the use of railway assets but also generate consistent revenue streams for REDAMCO, while accelerating telecom connectivity across Pakistan. REDAMCO expected to generate a revenue of PKR 140 million from existing and new sites.

6.4.3 Marketing & Branding – New initiative



6.4.4 Billboard Leasing Opportunity

REDAMCO, offer a unique investment opportunity in outdoor advertising. Our portfolio of billboard sites across Pakistan, Key Highlights:26 sites currently leased out, generating PKR 30 million annually Lease period: 5 years, extendable by another 5 years Prime locations for maximum visibility and impact Potential for significant revenue growth Potential: We are actively working to increase our portfolio and lease out additional sites, aiming to maximize the revenue to PKR 160 million in 2026/27.

6.4.5 Railway Station Branding

Opportunity Unlock the Power of Mass Reach with Pakistan Railways' Station Branding. We offer exclusive branding opportunities at Railway stations across Pakistan, allowing companies to connect with a vast audience. Our stations witness approx. 400 million footfalls, making them an ideal platform for advertisers to promote their brands. Branding Spaces Available: Inside stations: Digital Screens, Hoardings, Kiosks, and more Outside stations: Large-format billboards, Signage, and Exterior Spaces High Visibility and reach across all Railway Stations targeted audience engagement Long-term impact with a 5-year branding opportunity. REDAMCO is expected to generate PKR 60 million from Branding of Railway station in FY 2026/27.

6.4.6 Railway Station Commercialization

The concept is transforming Railway Stations into Thriving Commercial Hubs Introducing a revolutionary concept in Pakistan's Railway infrastructure - Split Malls at railway stations nationwide. We're reimagining railway stations as vibrant commercial destinations, offering passengers an unparalleled travel experience. Key Features: Integrated retail, dining, and entertainment spaces within railway stations Modern amenities and comfort zones for passengers' Strategic partnerships with leading brands and retailers Enhanced footfall and business opportunities for stakeholders Our Vision: To redefine the railway station experience, making it a hub of activity, comfort, and convenience. By combining travel with retail therapy, we're creating a unique ecosystem that benefits passengers, businesses, and the economy. Opportunities for Partners: Retail and F&B outlets. However, this concept needs a comprehensive feasibility study and marketing strategy, which would be initiated in 2026/27.

7.Operations and Processes:

7.1 SOP For Site Selection

Authority and Policy Framework

This Standard Operating Procedure (SOP) is issued under the authority of the competent management of REDAMCO and is aligned with the Pakistan Railways Estate Management Policy, Land Leasing Rules, and instructions issued by Pakistan Railways Headquarters from time to time and compliant with Railway Land & Property Rules 2023.

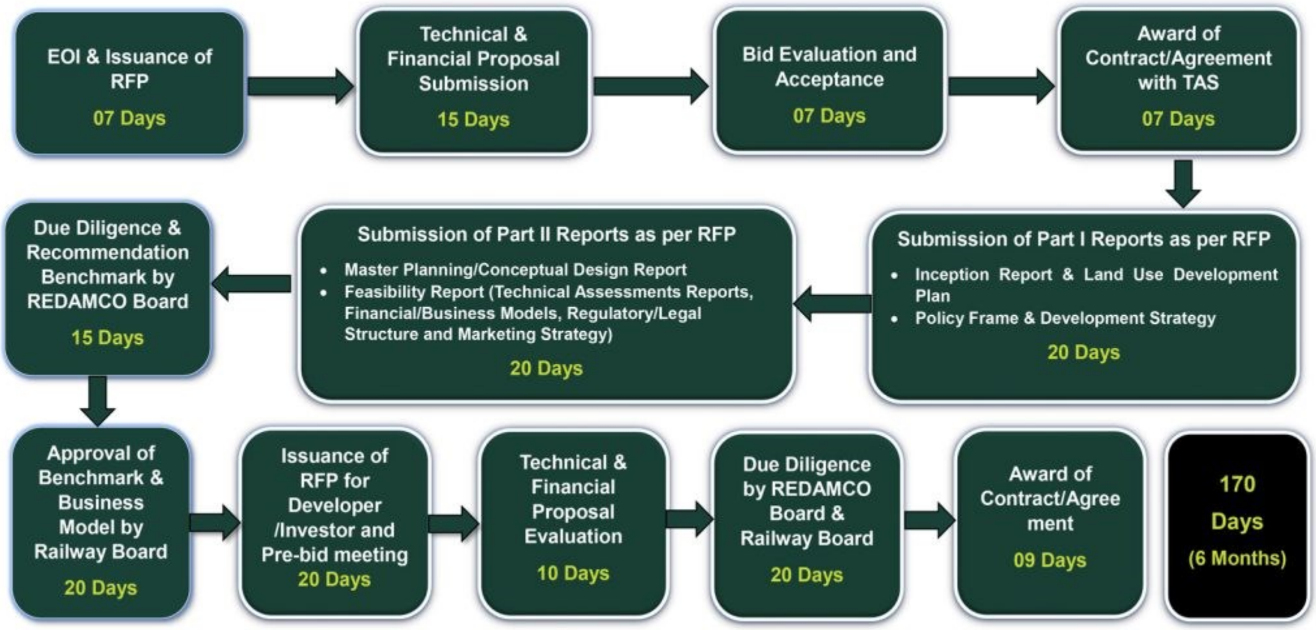
Purpose

The purpose of this SOP is to establish a standardized, transparent, and policy-compliant mechanism for identification, selection, mapping, and approval of Pakistan Railways land proposed for leasing through REDAMCO for commercial utilization and revenue generation.

Approval Matrix

S.No	Activity	Responsibility	Approving Authority
1	Identification of Land	REDAMCO / DS Office	—
2	Joint Site Visit & Assessment	REDAMCO & DS Office	—
3	Preparation of Site Map	Concerned DS Office	DS
4	Verification & Endorsement of Map	REDAMCO	CEO REDAMCO
5	Final Approval of Site Map	Pakistan Railways HQ	Sr.GM/CEO PR / DG P&L

7.2 Process Mapping and Timeline for Long Term Sites



7.2.1. Hiring of Consultancy Firms for Transaction Advisory Service (8 Properties)

To ensure compliance with PR Land and Property Rules 2023 for the Long-Term Leasing, REDAMCO is in the process of completing TAS of 02 Properties. Moreover, REDAMCO has initiated RFP as per PPRA Rules 2004, for hiring of firms for TAS of 6 Properties in FY 2026/27.

7.2.2 Engagement with P3A for Hiring of Consultancy Firms for Transaction Advisory Service (12 Properties)

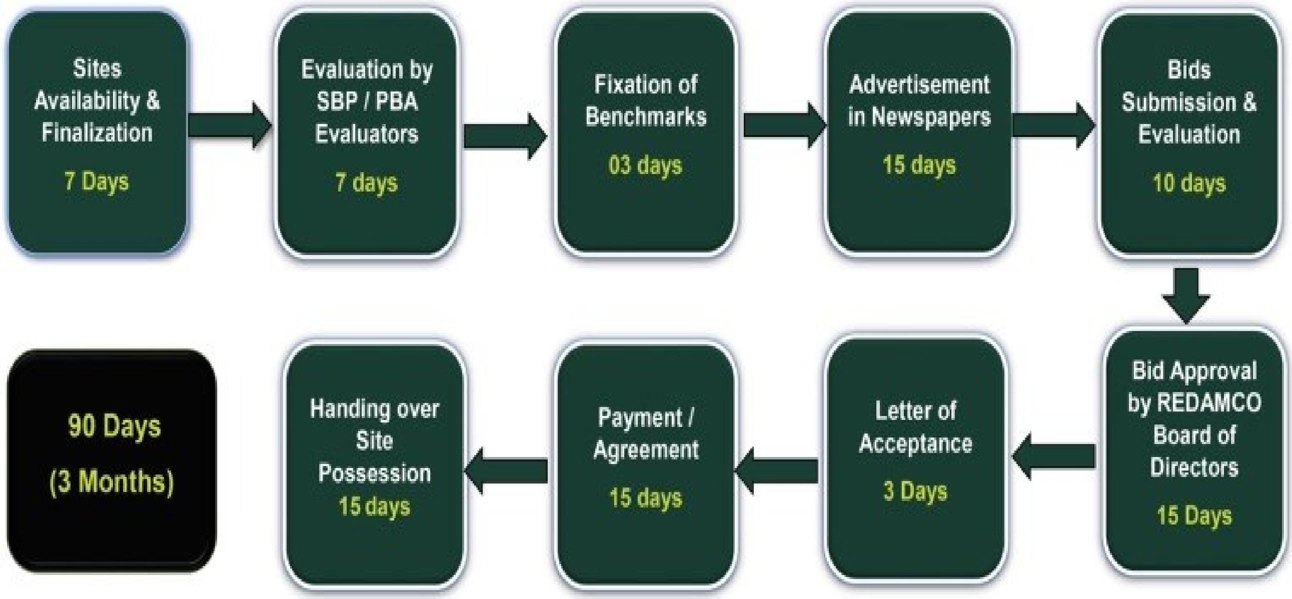
REDAMCO has also approached, Public Private Partnership Authority (P3A), which possesses institutional expertise in PPP structuring and has access to the Public Development Fund (PDF). The PDF is designed to support project preparation, including feasibility studies and transaction advisory for commercially viable public sector projects.

REDAMCO has formally requested P3A to:

i. Facilitate hiring of TAS Consortium/ Firms
ii. Finance the Advisory cost through PDF
iii. Provide technical oversight during transaction structuring
iv. Ensure bankability and investor confidence

This initiative by REDAMCO Management will reduce the budgetary expenditure for TAS on the company as well as facilitate speedy process of maximum properties, while utilizing the institutional expertise of P3A.

7.3 Process Mapping and Time line for Medium Term Sites



7.3.1 Land Evaluation and Benchmarking by REDAMCO

As illustrated in the accompanying flowchart, the process for land utilization by REDAMCO begins with Pakistan Railways (PR) formally declaring the land available for REDAMCO use. Following this, the respective Railway Division, in which the land is located, is directed to verify the site status and provide a comprehensive checklist, including demarcation of plot, DC Value, Legal & revenue status, in accordance with Rule 1 & 2 of Railway Land & Property Rules 2023.

As per Rules 03, 04, and 05, of Annexure II, of the Railway Land & Property Rules, 2023, the benchmark shall be fixed in line with the assessment carried out by Evaluators duly accredited with the State Bank of Pakistan and the Pakistan Banks' Association, through a Benchmarking Committee nominated by the Chief Executive Officer (CEO), REDAMCO.

Based on the valuation and development potential, a business model for, medium-term is determined for the site. The land is then advertised publicly for period of 21 year (extendable for another similar term), through newspaper listings, in accordance with Railway Land & property Rules 2023 & PPRA Rules 2004.

7.4 Marketing Channels and Branding Strategy:

REDAMCO is actively utilizing integrated marketing strategies and tools to promote its projects and investment opportunities across Pakistan. Our marketing approach includes digital marketing through social media platforms such as Facebook, Instagram, LinkedIn, and

YouTube, where we regularly share project advertisements, investment Opportunities, promotional videos, and corporate updates to engage potential Investors and Stakeholders. In addition to digital outreach, we publish Print Advertisements in Pakistan's leading National Newspapers to ensure maximum market visibility and Public Awareness. Furthermore, REDAMCO participates in business networking events, investor meetings, Road shows and Real estate forums to build strategic partnerships and attract prospective clients and investors for commercial development projects. Key Target Market includes: -

- Real Estate Developers
- Investors (Domestic, Overseas)
- Retail Chains & Franchises
- Hotel Groups
- Hospitals & Educational Institutions
- Oil Marketing Companies (OMCs)
- Advertising Agencies
- Commercial Brands

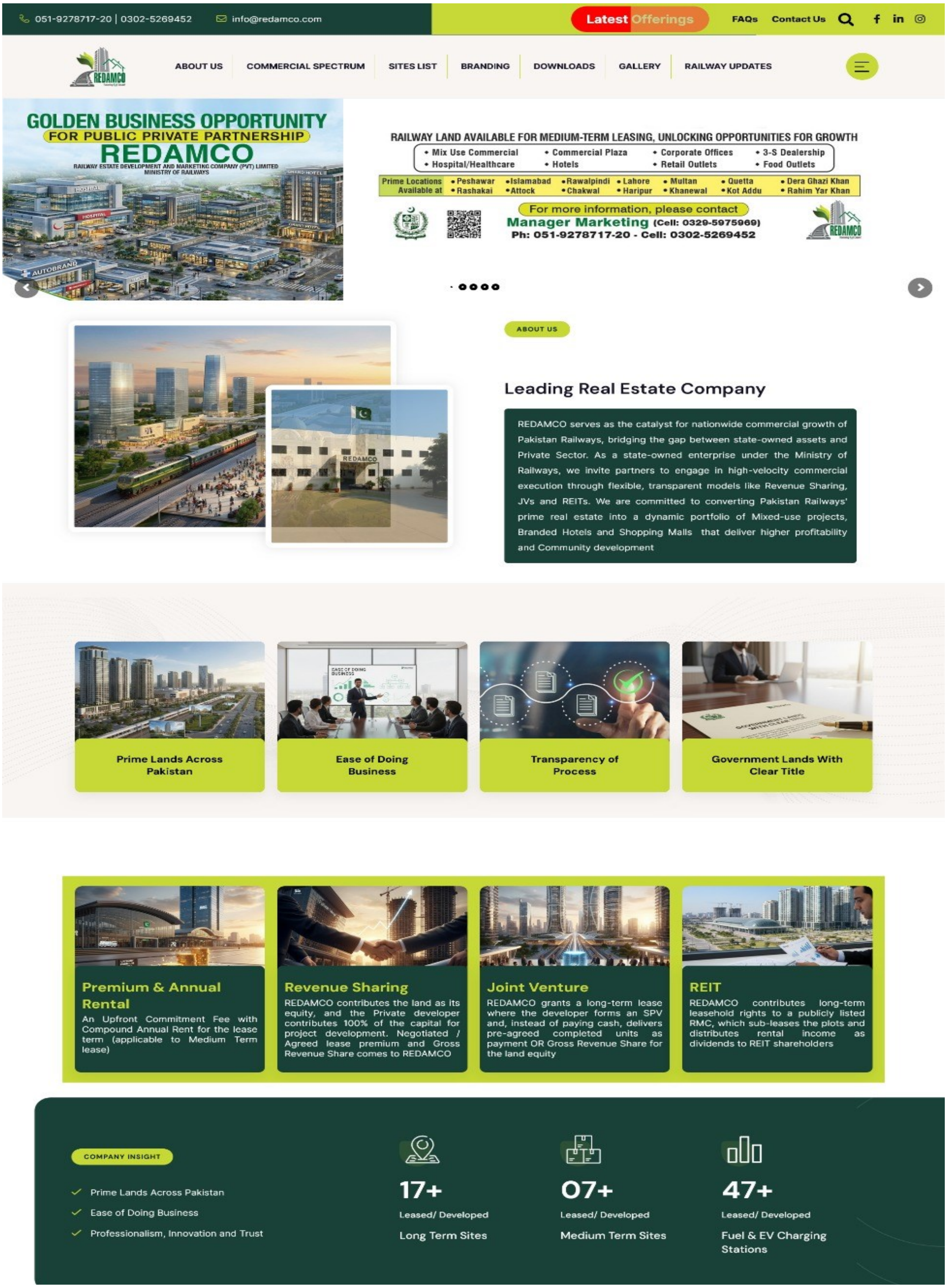
7.4.1 Website

Key Features of Website

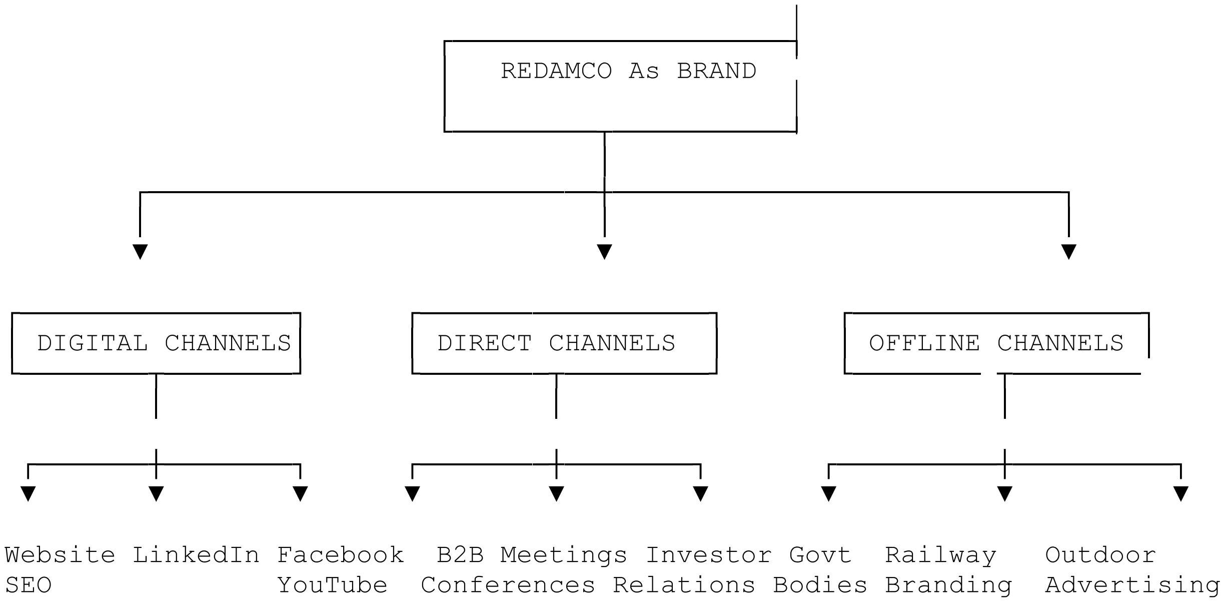
The website of REDAMCO serves as the primary digital platform for:

- Investor engagement for PPP
- Listing of Properties/ Sites with Maps and Details.
- Leasing information of Business Spectrum and Business Models
- Tender announcements
- Branding opportunities
- Commercial project marketing
- Investor communication and Feedback

The platform acts as a complete "Investor Information & Opportunity Portal" for Pakistan Railways' commercial real estate assets.


051-9278717-20 | 0302-5269452
info@redamco.com
Latest Offerings
FAQs
Contact Us
ABOUT US
COMMERCIAL SPECTRUM
SITES LIST
BRANDING
DOWNLOADS
GALLERY
RAILWAY UPDATES
GOLDEN BUSINESS OPPORTUNITY
FOR PUBLIC PRIVATE PARTNERSHIP
REDAMCO
RAILWAY ESTATE DEVELOPMENT AND MARKETING COMPANY (PVT) LIMITED
MINISTRY OF RAILWAYS
RAILWAY LAND AVAILABLE FOR MEDIUM-TERM LEASING, UNLOCKING OPPORTUNITIES FOR GROWTH
• Mix Use Commercial • Commercial Plaza • Corporate Offices • 3-S Dealership
• Hospital/Healthcare • Hotels • Retail Outlets • Food Outlets
Prime Locations Available at • Peshawar • Islamabad • Rawalpindi • Lahore • Multan • Quetta • Dera Ghazi Khan • Rashakai • Attock • Chakwal • Haripur • Khanewal • Kot Addu • Rahim Yar Khan
For more information, please contact
Manager Marketing (Cell: 0329-5975969)
Ph: 051-9278717-20 - Cell: 0302-5269452
ABOUT US
Leading Real Estate Company
REDAMCO serves as the catalyst for nationwide commercial growth of Pakistan Railways, bridging the gap between state-owned assets and Private Sector. As a state-owned enterprise under the Ministry of Railways, we invite partners to engage in high-velocity commercial execution through flexible, transparent models like Revenue Sharing, JVs and REITs. We are committed to converting Pakistan Railways' prime real estate into a dynamic portfolio of Mixed-use projects, Branded Hotels and Shopping Malls that deliver higher profitability and Community development
Prime Lands Across Pakistan
Ease of Doing Business
Transparency of Process
Government Lands With Clear Title
Premium & Annual Rental
An Upfront Commitment Fee with Compound Annual Rent for the lease term (applicable to Medium Term lease)
Revenue Sharing
REDAMCO contributes the land as its equity, and the Private developer contributes 100% of the capital for project development. Negotiated / Agreed lease premium and Gross Revenue Share comes to REDAMCO
Joint Venture
REDAMCO grants a long-term lease where the developer forms an SPV and, instead of paying cash, delivers pre-agreed completed units as payment OR Gross Revenue Share for the land equity
REIT
REDAMCO contributes long-term leasehold rights to a publicly listed RMC, which sub-leases the plots and distributes rental income as dividends to REIT shareholders
COMPANY INSIGHT
Prime Lands Across Pakistan
Ease of Doing Business
Professionalism, Innovation and Trust
17+
Leased/ Developed
Long Term Sites
07+
Leased/ Developed
Medium Term Sites
47+
Leased/ Developed
Fuel & EV Charging Stations

7.4.2 REDAMCO Marketing Channel Framework



7.4.3 Marketing Funnel for REDAMCO

REDAMCO possesses a unique strategic advantage because it combines:

- Government ownership
- Prime railway land
- Nationwide presence
- PPP capability
- Commercial real estate development

Its strongest marketing channels are:

1. Website & Digital Presence
2. Investor Relations
3. Railway Station Branding
4. LinkedIn B2B Marketing
5. PPP & Government Networking

The most effective long-term strategy is:

“Position REDAMCO as Pakistan’s premier Public–Private Partnership Real estate platform for Railway commercial transformation

8. Financial Projections:

8.1 Sales and Revenue Forecast:

REDAMCO			
RECIPT PROJECTIONS			
	2026-27	2027-28	2028-29
RECIPTS			
SALES REVENUE			
Land Leasing			
Long-term Land Leases	1,344,330,855	4,001,246,060	4,684,653,680
Med-term Land Leases - Commercial /MRC	2,675,947,808	3,439,482,119	5,284,052,193
Med-term Land Leases - Fuel Stations Sites	600,000,000	-	-
Existing-Rentals from Land Leases	355,453,081	508,447,736	546,456,326
Short-term Leasing / Licensing			
Licensing of Selling Rights	198,863,500	218,749,850	240,624,835
Rentals from BTS	137,740,354	151,514,390	166,665,829
BillBoards & Branding	212,300,000	411,980,600	453,178,660
TOTAL RECEIPTS	**5,524,635,598**	**8,731,420,755**	**11,375,631,523**

8.2 Statement of Financial Position:

REDAMCO			
Statement of Financial Position			
	2026-27	2027-28	2028-29
NON CURRENT ASSETS			
Office Equipment	4,391,820	7,665,122	10,188,424
Fixture & Furnitures	6,433,934	8,324,724	9,615,513
Computer Equipment	3,418,023	3,849,108	3,080,194
Vehicles	27,042,720	26,346,493	31,650,266
TOTAL NON CURRENT ASSETS	**41,286,497**	**46,185,447**	**54,534,398**
CURRENT ASSETS			
Advances, deposits, prepayments & others	2,740,121	3,000,000	3,000,000
Income Tax refund due from Government	3,000,000	5,000,000	8,000,000
Bank	714,128,057	1,067,432,539	1,582,840,397
TOTAL CURRENT ASSETS	**719,868,178**	**1,075,432,539**	**1,593,840,397**
TOTAL ASSETS	**761,154,675**	**1,121,617,986**	**1,648,374,794**
EQUITY & LIABILITIES			
SHARE CAPITAL & RESERVES			
Ordinary Share Capital	100,000	100,000	100,000
Retained Earnings	114,380,698	387,742,912	844,233,460
TOTAL SHARE CAPITAL & RESERVES	**114,480,698**	**387,842,912**	**844,333,460**
NON CURRENT LIABILITIES			
Post Retirement Benefits	6,000,000	12,000,000	18,000,000
TOTAL NON CURRENT LIABILITIES	**6,000,000**	**12,000,000**	**18,000,000**
CURRENT LIABILITIES			
Unearned Revenues	500,000,000	560,000,000	600,000,000
Trade & other payables	140,673,977	161,775,074	186,041,335
TOTAL CURRENT LIABILITIES	**640,673,977**	**721,775,074**	**786,041,335**
TOTAL EQUITY & LIABILITIES	**761,154,675**	**1,121,617,986**	**1,648,374,794**

8.3 Profit and Loss Statement (P&L)

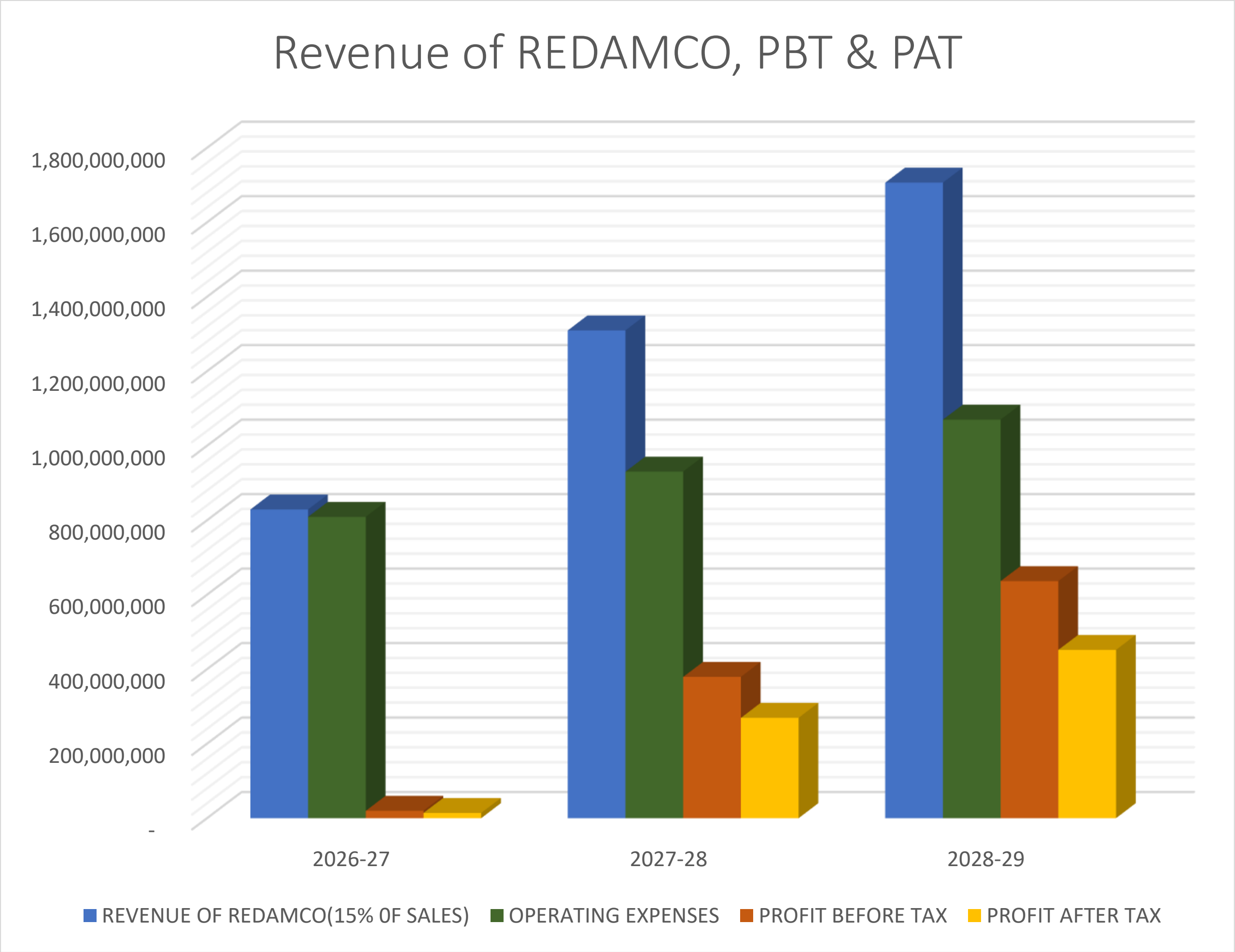
REDAMCO			
Statement of Profit & Loss & Other Comprehensive Income			
	2026-27	2027-28	2028-29
INCOME			
FROM SALES			
SALE	5,524,635,598	8,731,420,755	11,375,631,523
REVENUE OF REDAMCO (15% of SALES)	828,695,340	1,309,713,113	1,706,344,729
Transaction Advisory Services	500,000,000	575,000,000	661,250,000
Evaluation & Town Planning	12,200,000	14,030,000	16,134,500
Marketing & Business Adds	34,000,000	39,100,000	44,965,000
Marketing Campaigns & Activities	20,000,000	23,000,000	26,450,000
COST OF SALES	566,200,000	651,130,000	748,799,500
GROSS PROFIT	**262,495,340**	**658,583,113**	**957,545,229**
EXPENSES			
Salaries & Allowances	131,834,387	151,609,545	174,350,977
BoD Honorarium	12,870,000	14,800,500	17,020,575
Medical Reimbursement	8,708,000	10,014,200	11,516,330
Compensation Allowance	3,800,000	4,370,000	5,025,500
Training	5,000,000	5,750,000	6,612,500
Consultancy & Other Services	3,520,000	4,048,000	4,655,200
Other Advertisements	3,000,000	3,450,000	3,967,500
Legal and professional charges	7,326,000	8,424,900	9,688,635
POL charges	16,992,000	19,540,800	22,471,920
Travelling and conveyance	18,000,000	20,700,000	23,805,000
Office rent	10,916,520	12,553,998	14,437,098
Utilities	3,000,000	3,450,000	3,967,500
Communications	2,952,000	3,394,800	3,904,020
Repair and maintenance	2,650,300	3,047,845	3,505,022
Vehicle Repair & Maintenance	1,600,000	1,840,000	2,116,000
Entertainment	1,500,000	1,725,000	1,983,750
Insurance / Token Taxes	1,067,622	1,227,766	1,411,931
Printing and stationery	1,195,170	1,374,446	1,580,612
Auditor's remuneration	500,000	575,000	661,250
Janitorial & Others	401,400	461,610	530,852
Uniform & Clothing	350,000	402,500	462,875
Miscellaneous	700,000	805,000	925,750
TOTAL OPERATING EXPENSES	**237,883,399**	**273,565,909**	**314,600,796**
PROFIT BEFORE TAX	**24,611,940**	**385,017,204**	**642,944,433**
INCOME TAX @ 29%	7,137,463	111,654,989	186,453,886
PROFIT AFTER TAX	17,474,478	273,362,215	456,490,547

8.4 Financial Analysis:

REDAMCO			
	2026-27	2027-28	2028-29
TOTAL SALE	5,524,635,598	8,731,420,755	11,375,631,523
REVENUE OF REDAMCO(15% OF SALES)	828,695,340	1,309,713,113	1,706,344,729
OPERATING EXPENSES	804,083,399	924,695,909	1,063,400,296
PROFIT BEFORE TAX	**24,611,940**	**385,017,204**	**642,944,433**
INCOME TAX @ 29%	7,137,463	111,654,989	186,453,886
PROFIT AFTER TAX	**17,474,478**	**273,362,215**	**456,490,547**
EXPENSE ANALYSIS			
Salaries & Allowances	131,834,387	151,609,545	174,350,977
Transaction Advisory Services	500,000,000	575,000,000	661,250,000
Advert: & Publicity	54,000,000	62,100,000	71,415,000
POL & Travelling Allowance	34,992,000	40,240,800	46,276,920
TOTAL	**720,826,387**	**788,709,545**	**907,015,977**
TAS as a % of OPEX	62.18%	62.18%	62.18%
Salaries as a % of OPEX	16.40%	16.40%	16.40%
OPEX %	97.03%	70.60%	62.32%
PBT %	2.97%	29.40%	37.68%
PAT %	2.11%	20.87%	26.75%

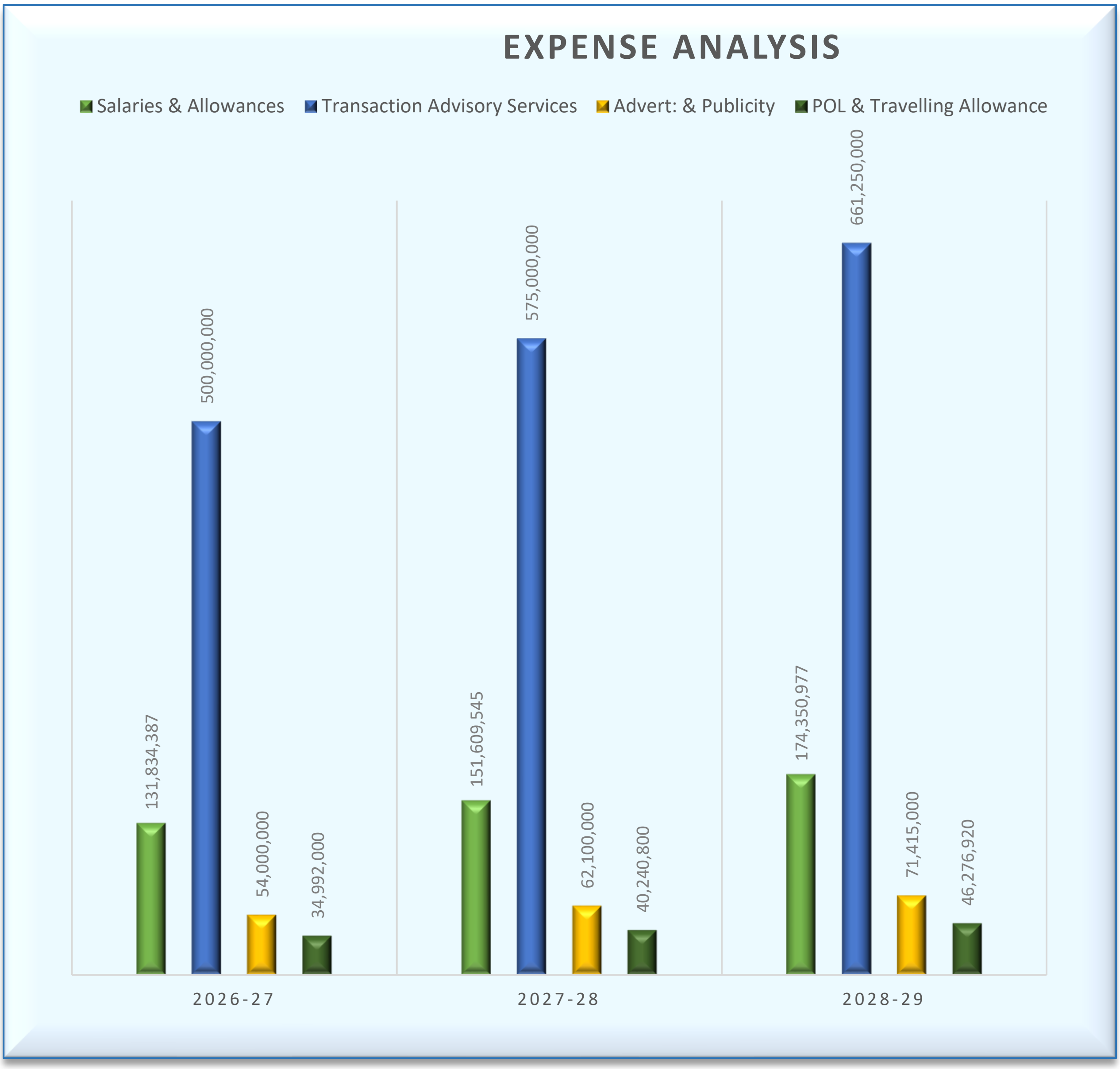
As per the policy, REDAMCO retains **15%** of total sales revenue to cover administrative expenditures, which are projected to increase over the next three years in line with revenue growth. **Operating expenses** are also forecasted to rise steadily during the same period, reaching approximately **Rs. 1,063 million**, as these expenditures are considered essential for achieving the targeted revenue growth.

Revenue generated from existing lands, along with additional lands planned to be leased out during 2026–27, is estimated at approximately **Rs. 5.524 billion**. This revenue is projected to increase to nearly **Rs. 11.376 billion** over the next three years through the effective utilization of land available to REDAMCO.



REDAMCO's projected financial performance over the next three years shows steady and sustainable growth. Revenue is expected to increase consistently from 2026–27 to 2028–29, while operating expenses remain well managed. This reflects the company's focus on operational efficiency, cost control, and maintaining strong financial performance.

The company's profitability is also projected to improve significantly during the period. Both Profit Before Tax (PBT) and Profit After Tax (PAT) are expected to rise steadily, indicating stronger commitment for earnings, continued business growth and improved financial stability.



The expense analysis of REDAMCO from 2026–27 to 2028–29 shows a steady and controlled increase in operational costs in line with business growth. Only **Transaction Advisory Services** are **62%** of total operating expenses while Salaries, Marketing / Advertisement and other expenses are all projected to rise gradually.

Despite the increase in expenses, the overall growth remains balanced and well-managed. This indicates REDAMCO's commitment to cost efficiency, operational effectiveness and maintaining financial stability while supporting long-term business growth.

9. Implementation/ Action Plan

REDAMCO is strategizing a 12 Months sustainable Action Plan, that lists specific initiatives/ task, assigns responsibilities, definitive time lines, projected revenues and setting performance indicators to track progress.

Action Plan for 0-1 Year

S. No	Activity	Action	Resource Required	Time Lines	Responsibilities
PROCESS MAPPING					
Quarter One					
Long term Leasing/Licensing					
1	TAS of Mardan Commercial Complex	Marketing/Advertisement, Tendering & evaluation	Human Resources, Financial Resources, Administrative Support,	0-2 Months	REDAMCO Management
2	TAS of Mardan Commercial Complex	Final Approval of Mardan Commercial Complex by REDAMCO/ Railway Board	Administrative Support	0-1 Months	Railway/ REDAMCO Board
3	TAS of Mughal Pura Lahore	Approval of Feasibility study of Mughal Pura Property	Administrative Support	0-3 Month	Railway/ REDAMCO Board
4	TAS of 06 No of Properties	Completion Part I of TAS, for 06 No of Sites for Long Term	Human Resources, Financial Resources,	0-3 Months	REDAMCO Management
Medium Term Leasing/ Licensing					
Commercial Sites / MRC					
1	10 PR Properties: Peshawar 01 Lahore 01 Multan 04 Karachi 02 Sukkur 02	Evaluation process through SBP/PBA accredited evaluators	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
2	10 PR Properties: Peshawar 01 Lahore 01 Multan 04 Karachi 02 Sukkur 02	10 Medium Term Sites Advertisement, Evaluation of Bids	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
3	Do	Approval of Bids	Administrative Support	0-1 Month	REDAMCO Board

Fuel Station					
1	05 PR Properties	Evaluation process through SBP/PBA accredited evaluators	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
2	Do	07 Fuel Station Sites Advertisement, Evaluation of Bids	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
3	Do	Approval of Bids	Administrative Support	0-1 Month	REDAMCO Board
Short Term Leasing/ Licensing					
1	Branding of Railway station at Karachi, Lahore, Rawalpindi, Peshawar	Evaluation/ Advertisement of Railway Stations for Branding	Human Resources, Financial Resources, Administrative Support,	0-3 Months	REDAMCO Management
S. No	**Activity**	**Action**	**Resource Required**	**Time Lines**	**Responsibilities**
Quarter Two					
Long term Leasing/Licensing					
1	TAS of Mughal Pura Lahore	Marketing/Advertisement, Tendering & evaluation of Mughal Pura Complex	Human Resources, Financial Resources, Administrative Support,	0-2 Months	REDAMCO Management
2	TAS of Mughal Pura Lahore	Final Approval of Mughalpura Complex for Mixed Use Development by REDAMCO/ Railway Board	Administrative Support	0-1 Months	Railway/ REDAMCO Board
3	TAS of 06 No of Properties	Approval of Feasibility studies of 06 No of TAS Sites for Long Term	Administrative Support	0-3 Month	Railway/ REDAMCO Board
Medium Term Leasing/ Licensing					
Commercial/ Modern Retail Complex					
1	10 PR Properties: Peshawar 01 Multan 03 Rawalpindi 06	Evaluation process through SBP/PBA accredited evaluators	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
2	Do	10 Medium Term Sites	Human Resources, Financial	0-1 Month	REDAMCO Management

		Advertisement, Evaluation of Bids	Resources, Administrative Support,		
3	Do	Governing Legal Frame Work	Administrative Support	0-1 Month	REDAMCO Board
Fuel Station					
1	05 PR Properties	Evaluation process through SBP/PBA accredited evaluators	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
2	Do	07 Fuel Station Sites Advertisement, Evaluation of Bids	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
3	Do	Approval of Bids	Administrative Support	0-1 Month	REDAMCO Board
Short Term Leasing/ Licensing					
1	125 Bill Boards Sites	Evaluation/ advertising of Bill Board Sites	Human Resources, Financial Resources, Administrative Support,	0-3 Months	REDAMCO Management
2	Commercialization of Railway stations at Karachi, Lahore, Rawalpindi, Peshawar	Advertisement of Commercialization of Railway Station.	Human Resources, Financial Resources, Administrative Support,	0-2 months	REDAMCO Management
3	Approvals	Approval of Bids	Administrative Support	0-1 Month	REDAMCO Board
Compliances					
4	Half yearly reports	Preparation & Submission of Half yearly reports to Line Ministry & CMU	Human Resources, Financial Resources, Administrative Support,	0-3 Months	REDAMCO Board
S. No	**Activity**	**Action**	**Resource Required**	**Time Lines**	**Responsibilities**
Quarter Three					
Long term Leasing/Licensing					
1	TAS of 06 No of Properties	Marketing/Advertisement/ Tendering & evaluation of 06 Mixed Use commercial Site	Human Resources, Financial Resources, Administrative Support,	0-2 Months	REDAMCO Management
Medium Term Leasing/ Licensing					

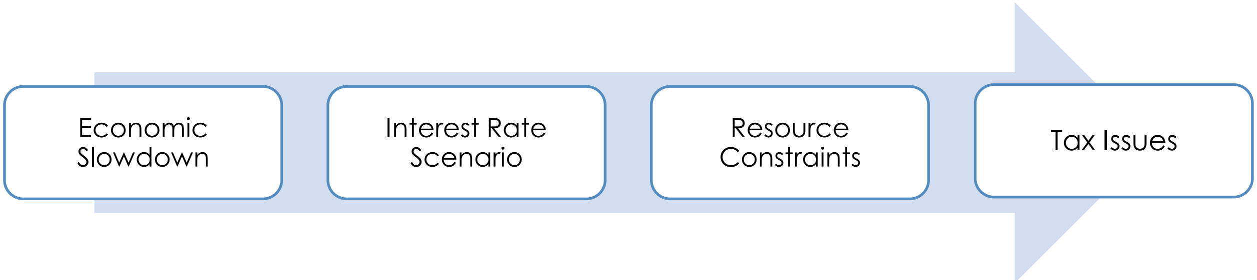
Commercial/ Modern Retail Complex					
1	11 PR Properties: Peshawar 01 Multan 02 Rawalpindi 06 Quetta 02	Evaluation process through SBP/PBA accredited evaluators	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
2	Do	10 Medium Term Sites Advertisement, Evaluation of Bids	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
3	Do	Approval of Bids	Administrative Support	0-1 Month	REDAMCO Board
Fuel Station					
1	05 PR Properties	Evaluation process through SBP/PBA accredited evaluators	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
2	Do	05 Fuel Station Sites Advertisement, Evaluation of Bids	Human Resources, Financial Resources, Administrative Support,	0-1 Month	REDAMCO Management
3	Do	Approval of Bids	Administrative Support	0-1 Month	REDAMCO Board
Compliances					
1	Draft Business Plan	Drafting of Business Plan for 2027-2028	Human Resources, Financial Resources, Administrative Support,	0-3 Month	REDAMCO management
S. No	**Activity**	**Action**	**Resource Required**	**Time Lines**	**Responsibilities**
Quarter Four					
Long term Leasing/Licensing					
1	TAS of 06 No of Properties	Approval of TAS for 06 No of Sites Complex for Mixed Use Development by REDAMCO/ Railway Board	Administrative Support	0-3 Months	Railway/ REDAMCO Board
2	Hiring of TAS process for next FY 2027-28	Advertisement, evaluation of TAS for new Properties	Human Resource	0-3 Months	REDAMCO Management / Board
Medium Term Leasing/ Licensing					

1	Possession of Sites, Monitoring & Control	Implementation, Support & Corrective measures of Sites	Human Resources	0-3 month	REDAMCO Management
2	Road map for FY 2027-2028	Selection & finalization of new Sites	Human Resources	0-3 Months	REDAMCO Management
Compliances					
1	Business Plan for FY 2027-28	Approval of Business Plan for FY-2027-2028	Administrative Support	0-3 Months	REDAMCO Board

10. Risk Analysis and Mitigation:

10.1 Identification of Potential Risks and Challenges

In Pakistan, the leasing sector is currently beset with several issues adversely affecting their performance. A few such issues, both general and specific in nature, are stated as:



10.1.1 Economic Slowdown:

Pakistan has experienced a general trend of economic recession over the past decade. This economic slowdown has been exacerbated by various factors, including political uncertainty, a growing debt burden, the devaluation of the local currency, and a decrease in the flow of Foreign Direct Investment (FDI). As a result, attention to the leasing sector has decreased.

10.1.2 Interest Rate Scenario:

Pakistan's current high-interest rate environment, driven by inflation control and macroeconomic stabilization, has slowed activity in the real estate sector. Residential demand has weakened due to expensive borrowing, while commercial real estate remains relatively stable in prime urban areas. Developers are delaying or phasing projects, and investors—both local and overseas—are mostly cautious due to economic uncertainty.
The State Bank of Pakistan's policy rate stands at 11.5% (April 2026), with an interest rate corridor of 10.5% to 12.5%, reflecting a tighter but more stable monetary stance compared to the peak levels above 20% seen in 2023–2024.

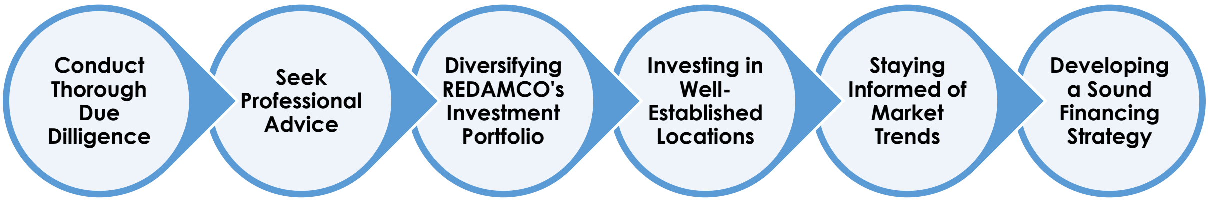
10.1.3 Resource Constraints:

Leasing companies are facing difficulty in raising funds due to volatile interest rates, shrinking margins, limited long-term financing options, and restricted access to multilateral credit.

10.1.4 Tax Issues:

Pakistan's FY2025–26 real estate tax regime maintains a flat 15% capital gains tax for ATL filers on properties acquired after July 1, 2024, while non-filers face higher progressive rates. The older holding-period-based tax system has been phased out for new investments. The sector still faces challenges such as higher compliance costs, withholding taxes, and liquidity pressures, which may affect leasing profitability. These issues are being considered in lease planning to maintain financial stability and compliance

10.2. Strategies to Mitigate Risks



10.3 SWOT Analysis of REDAMCO

A SWOT analysis of REDAMCO would prove to be highly helpful in figuring out its current competitive position and to identify future goals and potentials. Such an initiative would enable REDAMCO to make an informed decisions and develop viable strategies to maximize all of its potentials yet at the same time minimizing all unexpected discrepancies.

STRENGTHS

- Prime State-Owned Land Bank
- Attractive Business Model
- Legal framework in place
- Clear Land title
- Transparent tendering /bidding proces

WEAKNESSES

- Substantial economic uncertainty
- Real Estate Market Dynamics
- Long Term lease tenure- only 66 years
- Lenghty Transaction process

OPPORTUNTIES

- Public Private Partnership
- Joint Ventures
- Diverse Investment opportunities
- Overseas /International investors

THREATS

- Geo Political & Economic uncertainity
- Uncertain interest rates
- Uexpected legal/Regulatory intervention
- Higher Cost of construction

10.4 PESTLE Analysis

P	E	S	T	L	E
POLITICAL	**ECONOMIC**	**SOCIAL**	**TECHNOLOGICAL**	**LEGAL**	**ENVIRONMENTAL**
• Economic slowdown due to policy decisions. • Political stability directly influences investment confidence and growth. • Government's support or delays in reforms impact REDAMCO's leasing strategy	• CPEC increases long-term real estate value, especially around infrastructure zones. • Inconsistent policies, weak law enforcement, and judicial inefficiencies hinder investment flow. • Inflation and higher Taxes • High Markup rate impact • Project Financing	• Large population (~225M) signals potential housing demand. • Challenges: weak healthcare, transportation, and housing affordability. • Urbanization trends support mixed-use developments	• Increased social media usage offers new marketing channels. • Digital transformation is underway, but rural internet access remains limited. • Tech integration (3D mapping, satellite monitoring) is a key strength of REDAMCO.	• Land litigation is common, but REDAMCO has a 90% clear land. • Legal delays result in lost revenue and delayed project timelines • Provincial Authorities create hurdles.	• Sustainable development expectations growing. • Environmental NOCs and zoning laws becoming stricter.

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