

PACE (PAKISTAN) LIMITED
FINANCIAL STATEMENTS

FOR THE PERIOD ENDED (UN-AUDITED)
MARCH 31, 2025

Pace (Pakistan) Limited

Company Information

Board of Directors

Sikander Rashid Choudry (Chairman)	Independent
Aamna Taseer (CEO)	Executive
Shehryar Ali Taseer	Executive
Shahbaz Ali Taseer	Executive
Shehrbano Taseer	Non-Executive
Umair Fakhar Alam	Non-Executive
Shavez Ahmad	Independent

Chief Financial Officer

Muhammad Waheed Asghar

Audit Committee

Shavez Ahmad (Chairman)
Shehrbano Taseer (Member)
Sikander Rashid Choudry (Member)

Human Resource and Remuneration (HR&R) Committee

Shavez Ahmad (Chairman)
Aamna Taseer (Member)
Shehrbano Taseer (Member)

Risk Management Committee

Umair Fakhar Alam (Chairman)
Aamna Taseer (Member)
Shehryar Ali Taseer (Member)

Company Secretary

Sajjad Ahmad

Auditors

M/s Junaidy Shoaib Asad,
Chartered Accountants

Legal Advisers

M/s. Ibrahim and Ibrahim
Barristers and Corporate Consultants
Lahore

Bankers

Allied Bank Limited
Albaraka Bank (Pakistan) Limited
Faysal Bank Limited
MCB Bank Limited
Silkbank Limited

Registrar and Shares Transfer Office

Corplink (Pvt.) Limited
Wings Arcade, 1-K
Commercial Model Town, Lahore
Tele: + 92-42-5839182

Registered Office

First Capital House
96-B/1, Lower Ground Floor
M.M. Alam Road, Gulberg-III Lahore,
Pakistan
Tele: + 92-42-35778217-18

Pace (Pakistan) Limited ("the Company" or "Pace")
Directors' Report (Period Ended Mar-2025)

The Board of Directors is pleased to present a concise overview of the financial and operational performance of the Company for the nine months period and quarter ended 31st March 2025 is as under:

Financial Highlights

The comparison of the financial results for the nine months period ended 31st March 2025, with corresponding period last year is as under:

	Period End Mar 31 2025	Period End Mar 31 2024
	Rupees in '000'	
Revenue	1,128,102	1,913,562
Cost of Revenue	(590,500)	(1,295,970)
Gross Profit	537,602	617,592
Admin & Selling Expenses	(149,872)	(211,165)
Other Income	42,443	128,921
Exchange Gain/(loss) on FCCB's	(39,590)	150,733
Finance Cost	(122,339)	(176,575)
Gain/(loss) from change in FV of investment property	680	(9,012)
Net profit/(loss) before tax	263,225	495,303
Net profit/(loss) after tax	249,115	471,383
Earnings/(Loss) per share (PKR)	0.89	1.69

Sector Review

During the year 2024 the Real Estate Industry faced significant challenges including increase in existing taxes, imposition of new taxes, lower remittances from overseas Pakistanis, and lower appetite from local and foreign investors in Real Estate sector. Increasing cost of construction is badly affecting the development and handing over of finished projects. Cost of running the existing projects has also increased due to higher commodities prices and increased electricity rates. The overall performance of the Company also affected due to the aforesaid factors and overall slump in real estate sector.

Company Performance and Overview

During the period, the Company has sold its shops inventory in Pace Circle. The Company is also progressing towards the completion of Pace Tower Project. The company is actively engaged to find buyers for sale of remaining floors/ apartments in Pace Tower and for sale of Islamabad plots, the palm and various shops in pace shopping malls and Shadman Project.

Employees Stock Option Scheme

Board of Directors and Shareholders of the Company in their meetings held on 14 January 2025 and 10 February 2025, respectively approved Employees Stock Option Scheme. The Company has issued grant options on 11 February 2025 to the extent of 30,986,289 shares

10% of the enhanced capital i.e. 309,862,893 shares and the same has been accepted by the Employees of the Company and Pace Barka Properties Limited, subsidiary of the Company.

The Path Forward

Through the delivery of key development projects in 2023-2024 in form of Pace Towers and significant investment in the shares of Pace Barka Properties Limited, we look forward to onboarding significant operating cash flows by successfully converting non-income producing assets to cash flowing operating assets.

While we will continue to focus on converting non-income producing assets to cash flowing operating assets especially the projects of the Company which are currently non-operational.

With best-in-class assets and properties in prime irreplaceable dense cluster locations and a great team, we hope that our investors continue to focus on our fundamentals as a high-quality, innovative company in real estate sector of Pakistan with a unique built-in platform for growth.

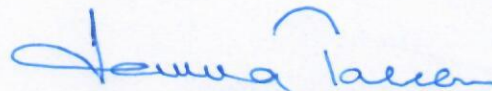
Our unparalleled team has done an extraordinary job in a tough environment and we admire their untiring efforts, dedication and commitment to the Company

For and on behalf of Board of directors

25 April 2025



Director



Chief Executive Officer

Pace (Pakistan) Limited

Condensed Interim unconsolidated Statement of Financial Position (Un-audited)

As at 31 March 2025

		Un-audited 31 March 2024	Audited 30 June 2024
		— (Rupees in thousand) —	
EQUITY AND LIABILITIES			
<u><i>Share capital and reserves</i></u>			
Authorised capital		6,000,000	6,000,000
Issued, subscribed and paid-up capital	6	2,788,766	2,788,766
Share premium	7	273,265	273,265
Revaluation surplus		47,037	47,037
Accumulated loss		(4,009,297)	(4,258,412)
		(900,229)	(1,149,344)
<u><i>Non-current liabilities</i></u>			
Long term finances - secured	8	-	-
Redeemable capital - secured (non-participatory)	9	-	-
Lease liability		150,902	149,660
Foreign currency convertible bonds - unsecured	10	-	-
Deferred liabilities		59,830	53,900
		210,732	203,560
<u><i>Current liabilities</i></u>			
Contract liability		173,242	254,348
Current maturity of long term liabilities		5,781,922	5,765,448
Creditors, accrued and other liabilities	11	599,025	763,475
Accrued finance cost		1,649,052	1,546,024
		8,203,241	8,329,295
<u><i>Contingencies and commitments</i></u>			
	12	-	-
		7,513,744	7,383,511

ASSETS

Non-current assets

Property, plant and equipment	13	511,176	527,918
Intangible assets		1,621	1,993
Investment property		2,046,172	1,887,815
Lease receivable		-	113,890
Contract asset		-	-
Long term investments		2,598,099	2,598,099
Long term advances and deposits		13,619	13,619
		5,170,687	5,143,334

Current assets


Stock-in-trade	14	1,484,844	1,213,917
Trade debts	15	709,120	859,644
Advances, deposits, prepayments and other receivables		122,402	107,318
Lease Receivable		-	6,336
Income tax refundable - net		20,720	20,552
Cash and bank balances	16	5,971	32,410
		2,343,057	2,240,177

	Un-audited 31 March 2025	Audited 30 June 2024																
Note	— (Rupees in thousand) —																	
13	<table><tr><td>511,176</td><td>527,918</td></tr><tr><td>1,621</td><td>1,993</td></tr><tr><td>2,046,172</td><td>1,887,815</td></tr><tr><td>-</td><td>113,890</td></tr><tr><td>-</td><td>-</td></tr><tr><td>2,598,099</td><td>2,598,099</td></tr><tr><td>13,619</td><td>13,619</td></tr><tr><td>5,170,687</td><td>5,143,334</td></tr></table>	511,176	527,918	1,621	1,993	2,046,172	1,887,815	-	113,890	-	-	2,598,099	2,598,099	13,619	13,619	5,170,687	5,143,334	
511,176	527,918																	
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14	<table><tr><td>1,484,844</td><td>1,213,917</td></tr><tr><td>709,120</td><td>859,644</td></tr><tr><td>122,402</td><td>107,318</td></tr><tr><td>-</td><td>6,336</td></tr><tr><td>20,720</td><td>20,552</td></tr><tr><td>5,971</td><td>32,410</td></tr><tr><td>2,343,057</td><td>2,240,177</td></tr></table>	1,484,844	1,213,917	709,120	859,644	122,402	107,318	-	6,336	20,720	20,552	5,971	32,410	2,343,057	2,240,177			
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The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Profit or Loss (Un-audited)

For the nine months ended 31 March 2025

	Note	For the nine months ended		For the quarter ended	
		31 March 2025 --- (Rupees in thousand) ---	31 March 2024 --- (Rupees in thousand) ---	31 March 2025 --- (Rupees in thousand) ---	31 March 2024 --- (Rupees in thousand) ---
Revenue	17	1,128,102	1,913,562	138,211	1,032,229
Cost of Revenue	18	(590,500)	(1,295,970)	(26,114)	(682,879)
Gross Profit		537,602	617,592	112,097	349,350
Administrative and selling expenses		(149,872)	(211,165)	(29,108)	(94,618)
Impairment loss on trade and other receivables		(5,699)	(5,191)	-	-
Other income	19	42,443	128,921	31,147	123,205
Profit from operations		424,474	530,157	114,136	377,937
Finance cost	20	(122,339)	(176,575)	(39,877)	(78,972)
Exchange gain/ (loss) on foreign currency convertible bonds		(39,590)	150,733	(35,930)	58,903
Gain/ (loss) from change in fair value of investment property		680	(9,012)	(1,741)	1,793
Profit before income tax and minimum taxes		263,225	495,303	36,588	359,661
Minimum Tax	21	(14,110)	(23,920)	(1,736)	(12,903)
Profit before income tax		249,115	471,383	34,852	346,758
Taxation	22	-	-	-	-
Profit for the period after taxation		249,115	471,383	34,852	346,758
Profit per share - basic and diluted		0.89	1.69	0.12	0.69

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the nine months ended 31 March 2025

	31 March 2025	31 March 2024
	--- (Rupees in thousand) ---	
Profit for the period	249,115	471,383
<u>Other comprehensive income for the period</u>		
Items that will not be reclassified to statement of profit or loss:		
Remeasurement of net defined benefit liability	-	-
Total comprehensive profit for the period	249,115	471,383

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Changes In Equity (Un-audited)

For the nine months ended 31 March 2025

	Issued, subscribed and paid-up capital	Share premium	Capital reserve Revaluation surplus — (Rupees in thousand) —	Revenue reserve Accumulated loss	Total
As at 01 July 2023 (Audited)	2,788,766	273,265	47,037	(4,786,581)	(1,677,513)
Total comprehensive income for the year ended 30 June 2024					
Profit after taxation	-	-	-	526,690	526,690
Other comprehensive income	-	-	-	1,479	1,479
	-	-	-	528,169	528,169
Balance as at 30 June 2024 (Audited)	2,788,766	273,265	47,037	(4,258,412)	(1,149,344)
Profit after taxation	-	-	-	249,115	249,115
Other comprehensive income	-	-	-	-	-
	-	-	-	249,115	249,115
Balance as at 31 March 2025 (Un-audited)	2,788,766	273,265	47,037	(4,009,297)	(900,229)

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

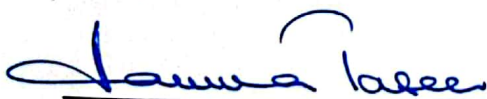
Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Cash Flows (Un-audited)

For the nine months ended 31 March 2025

		Nine months ended	
		31 March 2025	31 March 2024
	Note	--- (Rupees in thousand) ---	
<u>Cash flows from operating activities</u>			
Cash (used in)/ generated from operations	23	28,736	1,801,912
Finance cost paid		-	-
Taxes paid		(14,278)	(10,735)
Net cash (used in)/ generated from operating activities		14,458	1,791,177
<u>Cash flow from investing activities</u>			
Investment during the period		-	(1,747,426)
Lease receivable		121,515	-
Addition in investment property		(241,542)	-
Deletion in investment property		78,660	-
Sale proceeds from sale of operating fixed assets		-	-
Income on bank deposits received		470	590
Net cash (used in)/ generated from investing activities		(40,897)	(1,746,836)
<u>Cash flow from financing activities</u>			
Long term loan paid during the period		-	-
Payments of lease liability		-	(19,489)
Net cash used in financing activities		-	(19,489)
Net (decrease)/increase in cash and cash equivalents		(26,439)	24,852
Cash and cash equivalents - at beginning of the period		32,410	19,636
Cash and cash equivalents - at end of the period	16	5,971	44,488

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

1 The Company and its operations

- 1.1 Pace (Pakistan) Limited ('the Company') is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on Pakistan Stock Exchange. The Company is engaged to build, acquire, manage and sell condominiums, departmental stores, shopping plazas, super markets, utility stores, housing societies, plot and other properties and to carry out commercial, industrial and other related activities in and out of Pakistan. The registered office of the Company is situated at First Capital House, 96-B/1, Lower Ground Floor, M.M. Alam Road, Gulberg-III, Lahore. Furthermore, the Company is managing the following plazas:

Sr. No.	Business Unit	Geographical Location
1	Gulberg Plaza	124/E-1 Main Boulevard Gulberg III, Lahore
2	Model Town Plaza	38, 38/A, 39 & 40, Block P, Model Town Link Road, Lahore
3	Fortress Plaza	Bridge Point Plaza, Fortress Stadium, Lahore Cantt.
4	MM Alam Road Plaza	96-B-I, M.M Alam Road, Gulberg III, Lahore
5	Gujranwala Plaza	Mouza Dhola Zarri, Main GT Road Gujranwala
6	Gujrat Plaza	Mouza Ado-Wal, G.T Road, Tehsil & District, Gujrat
7	Pace Tower	27-H College Road Gulberg II Lahore

2 Going Concern Assumption

The Company has earned profit before tax of Rs. 263.225 million. The Company has entered into profit in this period mainly because of sale of its inventory located at Islamabad and Pace Model Town Link Road. In addition, the company has also increased service charges rate of First Capital Tower resulting in increase of sale revenue.

At the reporting date, current liabilities of the Company have exceeded its current assets by Rs. 5,860.184 million (30 June 2024: Rs. 6,089.12 million), and accumulated losses of the Company stand at Rs. 4,009.297 million (30 June 2024: Rs. 4,258.41 million). The Company's equity has eroded and the accumulated losses exceed the share capital, share premium and revaluation surplus by Rs. 900.229 million (30 June 2024: 1,149.34). Despite the accumulated losses, Company's liquidity position is getting better during the period ended March 31, 2025. The Company has also started meeting various obligations towards its lenders. The construction activity on the project has also been started.

The management has prepared an assessment which covers at least twelve months from the reporting date and believes that the following measures, if implemented effectively, will generate sufficient financial resources for the continuing operations:

Construction of Pace Tower lobby is complete and remaining units mainly on 16th and 18th Floors is in process. The company is actively seeking to complete the remaining units of this project within next 12 months. The management is actively engaged to find buyers for the sale of remaining floors/ apartments in Pace Tower. The proceeds from sale of inventory shall be used for new project.

The Company has saleable inventory in the form of different properties for which the management is actively looking for the buyers and has devised a strategy for sale of the inventory. The proceeds from these sales will help to improve the operating cash flows of the Company and to settle its obligations.

Accordingly, these condensed interim financial statements have been prepared on a going concern basis and do not include any adjustments relating to the realization of assets and liquidation / settlement of any liabilities that might be necessary should the Company be unable to continue as a going concern.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

3 Basis of preparation and statement of compliance

These condensed interim unconsolidated financial statements comprise the condensed interim unconsolidated statement of financial position of the Company as at 31 March 2025 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows together with the notes forming part thereof.

These condensed interim unconsolidated financial statements of the Company for the nine months ended 31 March 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual unconsolidated financial statements as at and for the year ended 30 June 2024. Comparative condensed interim unconsolidated statement of financial position is stated from annual audited financial statements as of 30 June 2024, whereas comparatives for condensed interim unconsolidated statement of profit or loss and other comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows and related notes are extracted from condensed interim unconsolidated financial statements of the Company for the nine months ended 31 March 2024.

These condensed interim unconsolidated financial statements are unaudited and being submitted to the shareholders as

required by section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

These condensed interim unconsolidated financial statements are presented in Pakistan Rupees which is the Company's functional currency and all financial statements presented has been rounded off to the nearest rupee, except otherwise stated.

4 Use of estimates and judgments

In preparing these condensed unconsolidated interim financial statements management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited unconsolidated financial statements for the year ended 30 June 2024.

5 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of the condensed interim unconsolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 30 June 2024.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

Un-audited 31 March 2025 --- (Rupees in thousand) ---	Audited 30 June 2024	Un-audited 31 March 2025 --- (Number of Shares) ---	Audited 30 June 2024
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6 Share capital and reserves

6.1 Issued, subscribed and paid-up capital

Ordinary shares of Rs. 10 each fully paid in cash	2,017,045	2,017,045	201,704,516	201,704,516
Ordinary shares of Rs. 10 each issued as bonus shares	771,721	771,721	77,172,088	77,172,088
	<u>2,788,766</u>	<u>2,788,766</u>	<u>278,876,604</u>	<u>278,876,604</u>

6.2 Ordinary shares of the Company held by associated undertakings are as follows:

		Un-audited 31 March 2025 --- (Number of Shares) ---	Audited 30 June 2024
	Basis of Relationship		
First Capital Securities Corporation Limited	Common Directorship	7,504,915	7,504,915
First Capital Equities Limited	Common Directorship	7,600,000	7,600,000
		<u>15,104,915</u>	<u>15,104,915</u>

6.3 There has been no movement in ordinary share capital issued, subscribed and paid-up during the period ended 31 March 2025.

Un-audited 31 March 2025 --- (Rupees in thousand) ---	Audited 30 June 2024
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7 Share premium

Share premium reserve

<u>273,265</u>	<u>273,265</u>
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This reserve can only be utilized by the Company for the purpose specified in Section 81(2) of the Companies Act, 2017.

8 Long term finances - secured

PAIR Investment Company Limited

Less: Current maturity presented under current liabilities

Note

8.1

Un-audited 31 March 2025 --- (Rupees in thousand) ---	Audited 30 June 2024
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58,695	58,695
<u>(58,695)</u>	<u>(58,695)</u>
<u>-</u>	<u>-</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

8.1 PAIR Investment Company Limited

On 28 December 2016, PAIR Investment Company Limited ('PAIR') and the Company entered into Debt Asset Swap / Liabilities Settlement Agreement ('SA') for settlement of entire principal along with accrued mark-up aggregating to Rs. 172.31 million. The settlement was partly made against property situated at mezzanine floor of Pace Tower measuring 5,700 square feet along with car parking area rights for 7 cars in basement No. 2 amounting to Rs. 105.45 million. In accordance with the SA, PAIR purchased the aforementioned properties from the Company. Pursuant to the SA, on 28 December 2016, the Company and PAIR executed sale deed and possession of the property was handed over to PAIR. The Company and PAIR also agreed that PAIR will continue to hold its charge over Pace M.M Alam up till repayment of the balance outstanding amount.

8.1.1 Terms of repayment

In accordance with the settlement agreement, the remaining outstanding mark-up of Rs. 66.86 million has been rescheduled and is payable over a period of 7 years with no mark-up starting from 28 December 2016 after expiry of moratorium period of 3 years, in 16 quarterly instalments. Amortized cost has been determined using effective interest rate of 6% per annum. Movement is as follows:

	Un-audited 31 March 2025	Audited 30 June 2024
	--- (Rupees in thousand) ---	
As at beginning of the year	58,695	66,860
Adjustment on account of service charges	-	(8,165)
Adjustment on account of default	-	-
As at end of the year	<u>58,695</u>	<u>58,695</u>

8.1.2 Security

The restructured amount is secured by mortgage amounting to the sum of Rs. 142.86 million on the property being piece and parcel of land located at Plot no. 96/B-1, Gulberg III, Lahore measuring 4 kanals and 112 square feet along with structures, superstructures and appurtenances including shops / counters having area measuring 20,433 square feet. The charge ranks parri passu with that of National Bank of Pakistan to the extent of Rs. 66.67 million.

9 Redeemable capital - secured (non-participatory)

Term finance certificates

Less: Current maturity presented under current liabilities

	Un-audited 31 March 2025	Audited 30 June 2024
	--- (Rupees in thousand) ---	
Term finance certificates	805,118	805,118
Less: Current maturity presented under current liabilities	<u>(805,118)</u>	<u>(805,118)</u>
	<u>-</u>	<u>-</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

9.1 Terms finance certificate

This represents term finance certificates (TFC's) listed on Lahore Stock Exchange before integration of Pakistan Stock Exchange issued for a period of 5 years. On 27 September 2010, the Company completed the restructuring of its term finance certificates. Restructuring was duly approved by majority of TFC holders holding certificates in aggregate of 51.73 %, through extraordinary resolution passed in writing. Consequent to the approval of TFC holders, addendum to the trust deed was executed between the Company and trustee 'IGI Investment Bank Limited' (now 'IGI Holdings Limited') under which the Company was allowed one and a half year grace period along with an extension of four years in the tenure of TFC issue and consequently, the remaining tenure of TFC shall be six and a half years effective from 15 August 2010. The TFC's carry a markup of 6 months KIBOR plus 2% (June 30, 2023: 6 months KIBOR plus 2%) and is payable semi-annually in arrears. The Company could not repay on a timely basis, the instalments due as per the revised schedule of repayment and is not compliant with certain debt covenants which represents a breach of the respective agreement, therefore, the entire outstanding amount has been classified as a current liability under guidance contained in IAS 1 - Presentation of Financial Statements. The Company is in negotiation with the TFC holders and the trustee for relaxation in payment terms and certain other covenants.

During 2020, Pakistan Stock Exchange through its letter (Ref No. PSX/Gen-5683) dated 19 November 2019 instructed the Company to apprise them regarding measures taken for removal of default of payment of principal amount, markup and restructuring of the TFCs by 25 November 2019. Consequently, the Company has submitted its reply to the Pakistan Stock Exchange on 25 November 2019 and has intimated the Exchange that it is currently negotiating with the TFC holders for settlement of outstanding liabilities and for relaxation in payment terms and that a settlement proposal was shared in the meeting held on 18 March 2018 with the TFC holders. However, despite the three reminders sent by the Trustee, response of the TFC holders is still pending.

The TFCs are still in the defaulter segment due to non compliance which could result in delisting of TFCs under Pakistan Stock Exchange Regulations.

Security

The TFC's are secured by a first exclusive charge by way of equitable mortgage on the Company's properties situated at 124/E-1, Main Boulevard Gulberg III, Lahore, 38-A and 39 Block P, Model Town, Lahore, G.T. Road Gujrat, G.T. Road, Gujranwala, and first exclusive hypothecation charge over certain specific fixed assets, to the extent of Rs.2,000 million.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

		Un-audited 31 March 2025	Audited 30 June 2024
10 Foreign currency convertible bonds - unsecured	Note	--- (Rupees in thousand) ---	
Opening balance		4,878,519	5,032,036
Mark-up accrued during the period		-	-
		<u>4,878,519</u>	<u>5,032,036</u>
Exchange (gain)/loss for the period	10.2	<u>39,590</u>	<u>(153,517)</u>
		4,918,109	4,878,519
Less: Current portion shown under current liabilities		<u>(4,918,109)</u>	<u>(4,878,519)</u>
		-	-

10.1 On 27 December 2007, BNY Corporate Trustee Services Limited incorporated in United Kingdom with its registered office at One Canada Square, London E14 5AL and the Company entered into an agreement that the Company issue 25,000 convertible bonds of USD 1,000 each amounting to USD 25 million. The foreign currency convertible bonds (FCCB) were listed on the Singapore Stock Exchange and became redeemable on 28 December 2012 at the accreted principal amount. The bonds carry a mark-up of 5.5% per annum, compounded semi-annually, accretive (up till 28 December 2012) and cash interest of 1% per annum to be paid in arrears. The holders of the bonds had an option to convert the bonds into equity shares of the Company at any time following the issue date till the maturity date at a price calculated as per terms of arrangement. As at December 31, 2023, USD 13 million bonds have been converted into the ordinary shares of the Company and remaining USD 12 million bonds along with related interest have not been repaid by the Company.

As the fair value calculated for the financial instrument is quite subjective and cannot be measured reliably, consequently the bonds have been carried at cost and includes accrued mark-up.

10.2 This represents exchange (gain)/ loss arising on translation of foreign currency convertible bonds.

		Un-audited 31 March 2025	Audited 30 June 2024
11 Creditors, accrued and other liabilities	Note	--- (Rupees in thousand) ---	
Trade creditors		60,614	137,920
Provisions and accrued liabilities		332,435	386,466
Payable to statutory bodies		61,158	61,158
Security deposits	11.1	14,516	14,516
Rentals against investment property received in advance		7,369	37,800
Retention money		5,461	5,461
Others		<u>117,472</u>	<u>120,154</u>
		<u>599,025</u>	<u>763,475</u>

11.1 These represent security deposits received against rent of shops rented out in the plazas. Section 217 of Companies Act, 2017 requires that a Company or any of its officers or agents shall not receive or utilize any money received as security or deposit, except in accordance with a contract in writing. Keeping in view the requirements of this section, the Company has entered into agreements with third parties whereby it is expressly stated that the Company shall have the right to utilize the security deposit at its discretion. These amounts are normally utilized to bring the areas rented out for their intended use (upkeep expenditure).

12 Contingencies and commitments

12.1 Contingencies

12.1.1 On 10 October 2017, the Company filed a petition against Damas (the tenant at the M.M Alam Plaza) in the Rental Tribunal at Lahore on the grounds that the tenant has violated the terms and conditions of the lease agreement including failure to pay rent and denial of the right to entry into the premises. The amount of claim is Rs. 75 million.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

The petition is pending for hearing. As per legal advisors of the Company, there are reasonable grounds to defend the Company's claim, however no asset has been booked in the condensed interim financial statements.

- 12.1.2** On 29 November 2012, Shaheen Insurance Company Limited and First Capital Securities Corporation Limited (on behalf of First Capital Group) entered into an agreement whereby, it was agreed that liability pertaining to reverse repo transaction amounting to Rs. 99.89 million along with insurance premium payable amounting to Rs. 88.86 million from First Capital Group shall be settled vide sale of 4.70 million shares of First Capital Equities Limited to Shaheen Insurance Company Limited at a price of Rs. 40. Included in the insurance payable is Rs. 57.96 million pertaining to Pace (Pakistan) Limited. It was agreed that Shaheen Insurance Company Limited will be allowed to sell the share after two years, however, the first right to refusal shall be given to the First Capital Group. Further, First Capital Group guaranteed to buy back the shares at Rs. 40 in case the shares are not saleable in open market. The agreement was subsequently amended on 07 March 2013 to remove restriction of holding period of two years. In addition to that, the guarantee to buy back was also revoked.

On 24 April 2015, Shaheen Insurance Company Limited filed a suit for recovery of Rs. 188.75 million in the Honorable Senior Civil Court. The case is under adjudication and the maximum exposure to the Company is of Rs. 57.96 million. As per legal advisors of the Company there are meritorious grounds to defend the Company's claim and consequently no provision has been made in these condensed interim financial statements.

- 12.1.3** In view of legal opinion obtained by the legal advisor of the company, the company has stopped charging cash interest of 1% per annum on the outstanding FCCB amounting USD 15.7 Million (Principal plus accumulated markup till maturity). As of 31 December 2023, there is a liability provided amounting USD 1.8 Million with regard to 1% cash coupon. As per balance confirmation received from BNY Corporate Trustee Services Limited the liability outstanding does not include the aforesaid amount of 1% cash coupon. The management of the company is confident that the final liability at the time of settlement would not exceed the amount already provided in these financial statements.

12.2 Commitments

There is no commitment as at March 31, 2025 (June 2024: Nil)

13 Property, plant and equipment

Operating fixed assets
Capital work in progress
Right-of-use assets

		Un-audited 31 March 2025	Audited 30 June 2024
	Note	--- (Rupees in thousand) ---	
13.1		360,272	373,436
		58,847	58,847
13.2		92,057	95,635
		<u>511,176</u>	<u>527,918</u>
13.1		373,436	380,939
Net book value at beginning of the period		-	11,123
Additions during the period		-	-
Disposals during the period		-	-
Transfers		-	-
Depreciation charged during the period		(13,164)	(18,626)
Impairment charge		-	-
Net book value at end of the period		<u>360,272</u>	<u>373,436</u>
13.2		95,635	100,405
Net book value at beginning of the period		-	-
Additions during the period		-	-
Disposals during the period		-	-
Depreciation charged during the period		(3,578)	(4,770)
		<u>92,057</u>	<u>95,635</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

		Un-audited 31 March 2025 --- (Rupees in thousand) ---	Audited 30 June 2024
	Note		
14 Stock-in-trade			
Land not under development		21,600	21,600
Land purchased for resale		561,600	387,840
Work in progress			
<i>Pace Tower</i>		605,152	651,800
<i>Pace Circle</i>		147,276	-
Completed units - shops		149,216	152,677
		<u>1,484,844</u>	<u>1,213,917</u>
Stores inventory		-	-
		<u>1,484,844</u>	<u>1,213,917</u>
15 Trade debts			
<i>Secured</i>			
Considered good		881,525	1,036,434
<i>Unsecured</i>		470,194	460,110
		<u>1,351,719</u>	<u>1,496,544</u>
Less: Impairment allowance		(642,599)	(636,900)
		<u>709,120</u>	<u>859,644</u>
16 Cash and bank balances			
Cash in hand		16	-
Cash at banks			
- Current accounts	16.1	5,191	31,626
- Saving accounts	16.2	764	784
		<u>5,955</u>	<u>32,410</u>
		<u>5,971</u>	<u>32,410</u>

16.1 This includes Rs. 7 million (30 June 2024: Rs. 17 million) on which lien is marked against sale of property to MCB for further development charges at Pace Tower.

16.2 This carries profit at the rates ranging from 6.00% to 10.50% (30 June 2024: 19.5% to 20.75%) per annum.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

	Un-audited 31 March 2025	Un-audited 31 March 2024
	--- (Rupees in thousand) ---	
17 Revenue		
Sale of Shops / plots	939,492	1,747,426
Display of advertisements	460	4,373
Service charges income- net	142,073	115,709
Revenue from contract with customers	1,082,025	1,867,508
Other revenue		
Rental income from lease of investment property	46,077	46,054
Total revenue	1,128,102	1,913,562
18 Cost of revenue		
Shops and commercial buildings sold		
- at percentage of completion basis	-	571,920
- at completion of project basis	535,496	662,631
Stores operating expenses	55,004	61,419
	590,500	1,295,970
19 Other income		
This represents finance income from lease, scrap sales, mark up on bank accounts and other income.		
	Un-audited 31 March 2025	Un-audited 31 March 2024
	--- (Rupees in thousand) ---	
20 Finance cost		
Interest and mark-up on:		
- Long term finances - secured	6,664	12,543
- Redeemable capital - secured (non-participatory)	96,364	145,103
- Notional interest on lease liability	19,015	18,703
	122,043	176,349
Bank charges and processing fee	296	226
	122,339	176,575
21 Minimum Tax		
Minimum Tax	21.1 14,110	23,920
21.1 This represents minimum taxes paid under section 113 of Income Tax Ordinance, 2001(ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.		
	Un-audited 31 March 2025	Un-audited 31 March 2024
	--- (Rupees in thousand) ---	
22 Taxation		
Income Tax		
- Current Year	-	-
- Prior Year	-	-

The relationship between income tax expense and accounting profit has not been presented in these financial statements as the tax liability is calculated under Minimum Tax Regime under Section 113 of Income Tax Ordinance, 2001 (2024: Minimum Tax Regime under section Section 113 of Income Tax Ordinance, 2001).

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

	Un-audited 31 March 2025	Un-audited 31 March 2024
	--- (Rupees in thousand) ---	
23 Cash (used in) / generated from operations		
Profit before tax	263,225	495,303
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	39,590	(150,733)
Provision for gratuity and leave encashment	5,930	2,050
Depreciation on property, plant and equipment	16,742	21,185
Liability written back	(28,365)	(106,412)
Amortisation on intangible assets	372	376
Impairment loss on trade debts and other receivables	5,699	5,191
Changes in fair value of investment property	(680)	9,012
Non cash income	(5,191)	(8,342)
Finance costs	122,043	176,349
Mark-up income	(470)	(590)
Gain before working capital changes	418,895	443,389
<i>Effect on cash flow due to working capital changes:</i>		
(Increase)/ decrease in stock-in-trade	(270,927)	1,230,369
Increase in trade debts	144,825	(159,730)
Decrease in contract asset	-	356,817
(Increase)/ Decrease in advances, deposits and other receivables	(19,159)	39,851
Increase/ (Decrease) in contract liability	(81,106)	13,223
Increase/ (Decrease) in creditors, accrued and other liabilities	(163,792)	(122,007)
	(390,159)	1,358,523
	28,736	1,801,912

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

24 Transactions with related parties

The related parties comprise of subsidiary companies, associated company, other related companies, directors of the Company and entities under common directorship and post employment benefit plans. All transactions with related parties have been carried out on Arm's length. Other significant transactions with related parties except those disclosed elsewhere are as follows:

Name of Company	Relationship	Nature of Transactions	Un-Audited	Unaudited
			31-Mar-25 — (Rupees in thousand) —	31-Mar-24
Pace Barka Properties Limited	Subsidiary	Further investment	-	1,747,426
First Capital Investment Company	Common Directorship	Rent income	-	-
Evergreen Water Valley (Private) Limited	Common Directorship	Payment against purchase of property	8,179	-
		Advance for purchase of goods and services	-	-
Media Times Limited	Common Directorship	Rental income	2,873	8,342
		Payment received	16,500	-
Rema & Shehrbano	Common Directorship	Service charges	4,893	-
Co-Natural	Common Directorship	Service charges	706	-
Post employment benefits plan	Employee Fund	Gratuity and leave encashment	2,372	2,050

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

25 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial instruments and non-financial instruments including their levels in the fair value hierarchy:

		31 March 2025 (Un-audited)				
		Carrying amount		Fair value		
	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3
Note	--- (Rupees in thousand) ---					
	13,619	-	13,619	-	-	-
	709,120	-	709,120	-	-	-
	5,971	-	5,971	-	-	-
	-	-	-	-	-	-
25.2	728,710	-	728,710	-	-	-
	-	58,695	58,695	-	-	-
	-	805,118	805,118	-	-	-
	-	178,014	178,014	-	-	-
	-	4,918,109	4,918,109	-	-	-
	-	591,656	591,656	-	-	-
	-	1,649,052	1,649,052	-	-	-
25.2	-	8,200,644	8,200,644	-	-	-

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

25.1 Fair value measurement of financial instruments

		30 June 2024 (Audited)					
		Carrying amount		Fair value			
		Financial assets at amortised cost	Financial liabilities at	Total	Level 1	Level 2	Level 3
Note		--- (Rupees in thousand) ---					

25.2 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)

For the nine months ended 31 March 2025

26 Financial risk management

The Company's financial risk management objective and policies are consistent with that of disclosed in the annual audited financial statements of the Company for the year ended 30 June 2024.

27 Date of authorization for issue

These unconsolidated condensed interim financial statements were authorized for issue on 25-04-2025 by the Board of Directors of the Company.

28 General

Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure. However, there has been no material rearrangement / reclassification.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited
Condensed Interim Consolidated Statement of Financial Position
As at 31 March 2025

		Un-audited March 31, 2025	Audited June 30, 2024
EQUITY AND LIABILITIES		— (Rupees in thousand) —	
Note			
<u>Share capital and reserves</u>			
Authorised capital	7	6,000,000	6,000,000
Issued, subscribed and paid-up capital	7	2,788,766	2,788,766
Share premium	7	273,265	273,265
Revaluation Surplus		47,037	47,037
Accumulated loss		(3,180,888)	(3,393,058)
		(71,820)	(283,990)
Non-controlling interests		3,037,472	3,071,290
		2,965,652	2,787,300
<u>Non-current liabilities</u>			
Long term finances - secured	8	-	-
Redeemable capital - secured (non-participatory)	9	-	-
Lease liability		149,581	149,660
Foreign currency convertible bonds - unsecured	10	-	-
Deferred liabilities		103,570	97,640
Financial Liabilities		704,242	702,374
Consideration payable to customers		42,659	30,983
Deferred Taxation		31,030	31,030
		1,031,082	1,011,687
<u>Current liabilities</u>			
Contract liability		690,083	764,954
Current maturity of long term liabilities		5,927,395	5,910,798
Creditors, accrued and other liabilities	11	927,528	1,073,923
Provision for onerous contracts		287,247	287,247
Accrued finance cost		1,655,369	1,552,341
		9,487,623	9,589,263
Down payment against sale of investment properties classified as held for sale		170,000	170,000
		9,657,623	9,759,263
Contingencies and commitments	12	13,654,356	13,558,250

ASSETS

Non-current assets

Property, plant and equipment	13	5,189,584	5,222,427
Intangible assets		1,621	12,386
Investment property		2,846,454	2,688,097
Lease Receivable		-	113,890
Goodwill		130	130
Long term advances and deposits	14	14,483	16,113
		8,052,272	8,053,043

Current assets

Stock-in-trade	15	3,441,929	3,167,556
Trade debts		1,548,019	1,313,832
Advances, deposits, prepayments and other receivables		142,542	128,928
Contract Assets		-	389,829
Lease Receivable		-	6,336
Income tax refundable - net		20,720	20,444
Cash and bank balances		6,383	35,792
		5,159,594	5,062,717

Investment properties classified as held for sale

	Un-audited March 31, 2025	Audited June 30, 2024
	— (Rupees in thousand) —	
	442,490	442,490
	5,602,084	5,505,207
	13,654,356	13,558,250

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer


Pace (Pakistan) Limited

Condensed Interim Consolidated Profit and Loss Account (Un-audited)

For the nine months ended 31 March 2025

	For the nine months ended		For the quarter ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	--- (Rupees in thousand) ---		--- (Rupees in thousand) ---	
Revenue	1,128,102	1,913,562	138,211	820,739
Cost of Revenue	(592,620)	(1,295,970)	(26,114)	(600,502)
Gross Profit	535,482	617,592	112,097	220,237
Administrative and selling expenses	(204,814)	(211,165)	(45,433)	(78,316)
Impairment loss on trade and other receivables	(5,699)	(5,191)	-	-
Other income	44,204	128,921	31,511	682
Profit/ (Loss) from operations	369,173	530,157	98,175	142,603
Share of profit/ (loss) from associate	-	(234,666)	-	(138,106)
Finance cost	(137,801)	(176,575)	(39,877)	(61,327)
Exchange (loss)/ gain on foreign currency convertible bonds	(39,590)	150,733	(35,930)	126,884
Gain from change in fair value of investment property	680	(9,012)	(1,741)	(5,372)
Profit / (Loss) before income tax and minimum taxes	192,462	260,637	(77,548)	64,682
Minimum Tax	(14,110)	(23,920)	(1,736)	(10,165)
Profit/(Loss) before income tax	178,352	236,717	(79,284)	54,517
Taxation	-	-	-	-
Profit/ (Loss) after Taxation	178,352	236,717	(79,284)	54,517
Attributable to:				
Owners of the Parent Company	212,170	236,717	77,138	54,517
Non-controlling interests	(33,818)	-	(13,829)	-
	178,352	236,717	(15,974)	54,517
Loss per share - basic and diluted	0.64	0.85	(0.06)	0.20

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

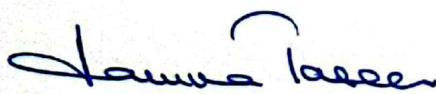
Pace (Pakistan) Limited

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

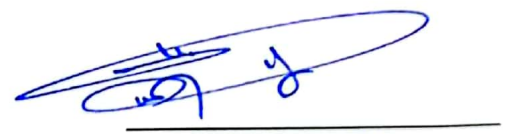
For the nine months ended 31 March 2025

	Note	31 March 2025	31 March 2024
		--- (Rupees in thousand) ---	
Profit/(Loss) for the year		178,352	236,717
<u>Other comprehensive income for the year</u>			
Items that will not be reclassified to statement of profit or loss:			
Remeasurement of net defined benefit liability		-	-
Revaluation Surplus on transfer		-	-
Total comprehensive Income/(loss) for the year		178,352	236,717
Attributable to:			
Owners of the Parent Company		212,170	236,717
Non-controlling interests		(33,818)	-
		178,352	236,717

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited
Consolidated Statement of Changes In Equity
For the nine months ended 31 March 2025

	Issued, subscribed and paid-up capital	Capital reserve			Revenue reserve	Total equity attributable to owners of the Parent Company	Non- controlling Interests	Total Equity
		Share premium	Revaluation Surplus	Share in reserves of associates	Accumulated loss			
— (Rupees in thousand) —								
Balance as at 30 June 2023	2,788,766	273,265	47,037	14,042	(4,387,349)	(1,264,239)	87,030	(1,177,210)
Non-controlling Interests at initial acquisition Reclassified to Revenue reserve				(14,042)	14,042		2,959,104	2,959,104
Total comprehensive income for the year ended 30 June 2024								
Profit/ (Loss) after taxation	-	-	-	-	980,890	980,890	27,097	1,007,987
Other comprehensive income	-	-	-	-	(641)	(641)	(1,941)	(2,582)
	-	-	-	-	980,249	980,249	25,156	1,005,405
Balance as at 30 June 2024 (Audited)	2,788,766	273,265	47,037	-	(3,393,058)	(283,990)	3,071,290	2,787,300
Total comprehensive incomes for the period ended 31 December 2024								
Profit/ (Loss) after taxation	-	-	-	-	212,170	212,170	(33,818)	178,352
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	212,170	212,170	(33,818)	178,352
Balance as at 31 March 2025 (Un-audited)	2,788,766	273,265	47,037	-	(3,180,888)	(71,820)	3,037,472	2,965,652

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Consolidated Statement of Cash Flows (Un-audited)

For the nine months ended 31 March 2025

		Nine months ended	
		31 March 2025	31 March 2024
		--- (Rupees in thousand) ---	
	Note		
<u>Cash flows from operating activities</u>			
Cash generated/ (used in) operations	19	25,768	1,801,913
Taxes paid		(14,278)	(10,735)
Net cash generated/ (used in) from operating activities		11,490	1,791,178
<u>Cash flow from investing activities</u>			
Investment during the year		-	(1,747,426)
Capital work in progress			-
Lease receivable		121,515	
Addition in investment property		(241,542)	
Deletion in investment property		78,660	
Income on bank deposits received		470	590
Net cash used in from investing activities		(40,897)	(1,746,835)
<u>Cash flow from financing activities</u>			
Receipts under financing arrangements		-	-
Payments of lease liability		-	(19,489)
Net cash used in financing activities		-	(19,489)
Net increase/ (decrease) in cash and cash equivalents		(29,408)	24,853
Cash and cash equivalents - at beginning of the period		35,792	19,656
Cash and cash equivalents - at end of the quarter		6,383	44,508

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

	31 March 2025	30 June 2024
(Direct holding percentage)		
1 The Group and its operations		
The Group comprises of :		
Parent Company		
Pace (Pakistan) Limited	1.1	
Subsidiary Companies		
Pace Gujrat (Private) Limited	100%	100%
Pace SuperMall (Private) Limited	56.79%	56.79%
Pace Woodland (Private) Limited	52%	52%
Pace Barka Properties Limited	52.21%	0%
Pace Multiplierz (Private Limited)	100%	0%
Associate Company		
Pace Barka Properties Limited	0.00%	24.86%

- 1.1** Pace (Pakistan) Limited ('the Parent Company') is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on Pakistan Stock Exchange. The Company is engaged to build, acquire, manage and sell condominiums, departmental stores, shopping plazas, super markets, utility stores, housing societies, plot and other properties and to carry out commercial, industrial and other related activities in and out of Pakistan. The registered office of the Company is situated at First Capital House, 96-B/1, Lower Ground Floor, M.M. Alam Road, Gulberg-III, Lahore. Furthermore, the Company is managing the following plazas:

Sr. No.	Business Unit	Geographical Location
1	Gulberg Plaza	124/E-1 Main Boulevard Gulberg III, Lahore
2	Model Town Plaza	38, 38/A, 39 & 40, Block P, Model Town Link Road, Lahore
3	Fortress Plaza	Bridge Point Plaza, Fortress Stadium, Lahore Cantt.
4	MM Alam Road Plaza	96-B-I, M.M Alam Road, Gulberg III, Lahore
5	Gujranwala Plaza	Mouza Dhola Zarri, Main GT Road Gujranwala
6	Gujrat Plaza	Mouza Ado-Wal, G.T Road, Tehsil & District, Gujrat
7	Pace Tower	27-H College Road Gulberg II Lahore

1.2 Pace Supermall (Private) Limited

Pace Supermall (Private) Limited (a subsidiary company) was incorporated on 27 March 2003 as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is situated at 124 E-1, Gulberg III, Lahore. The principal activity of the Company is to acquire by purchase or otherwise land and plots and to sell or construct, lease, hire and manage buildings, shopping malls, super markets, utility stores, plazas, shopping arcades etc.

1.3 Pace Woodlands (Private) Limited

Pace Woodlands (Private) Limited (a subsidiary company) was incorporated in Pakistan on 27 July 2004 as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is situated at 124 E-1, Gulberg III, Lahore. The principal activity of the Company is to acquire by purchase or otherwise land and plots and to sell or construct, lease, hire and manage buildings, super markets, utility stores, plazas, shopping arcades etc.

1.4 Pace Gujrat (Private) Limited

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

31 March

30 June

Pace Gujrat (Private) Limited (the Company) was incorporated on July 8, 2005 as private Limited Company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2007 on May 30, 2017). The registered office of the Company is situated at Pace Plaza Fortress Stadium Lahore. The principal activity of the Company is to acquire by purchase or otherwise land and plots and to sell or consult, lease, hire and manage buildings, shopping mall, super market, utility stores, plazas, shopping arcades etc,

1.5 Pace Barka Properties Limited

Pace Barka Properties Limited (the 'Company') was incorporated in Pakistan on November 22, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now, the Companies Act, 2017). The registered office of the Company is situated at First Capital House 96-B/1, M.M. Alam Road, Gulberg III, Lahore. The principal activity of the Company is to acquire, construct, develop, sell, rent out and manage shopping malls, apartments, villas and commercial buildings and to carry on the business of hospitality. The name of the Company's real estate project is Pace Circle, situated at Amjad Chaudhry Road, Lahore Cantonment.

1.6 Pace Multiplierz (Private Limited)

Pace Multiplierz Private limited (the company) was incorporated on June 22, 2016 as Private Limited Company under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2007 on May 30, 2017) . The registered office of the Company is situated at Pace Plaza MM Alam Lahore. The principal activity-of the Company is to acquire by purchase or otherwise land and plots and to sell or construct, lease, hire and manage buildings, shopping malls, super markets, utility stores, plazas, shopping arcades.

2 Going Concern Assumption

The Company has earned profit before tax of Rs. 192.462 million. The Company has entered into profit in this period mainly because of sale of its inventory located at Islamabad and Pace Model Town Link Road. In addition, the company has also increased service charges rate of First Capital Tower resulting in increase of sale revenue.

At the reporting date, current liabilities of the Company have exceeded its current assets by Rs. 4,328.03 million (June 30, 2024: Rs. 4,526.547 million), and accumulated losses of the Company stand at Rs. 3,180.89 million (June 30, 2024: Rs. 3,393.058 million). Due to liquidity issues the Company has not been able to meet various obligations towards its lenders, including repayment of principal and mark-up thereon in respect of its borrowings. Despite the accumulated losses, Company's liquidity position is getting better during the period ended March 31, 2025. The Company has also started meeting various obligations towards its lenders. The construction activity on the project has also been started.

The management has prepared an assessment which covers at least twelve months from the reporting date and believes that the following measures, if implemented effectively, will generate sufficient financial resources for the continuing operations:

Construction of Pace Tower lobby is complete and remaining units mainly on 16th and 18th Floors is in process. The company is actively seeking to complete the remaining units of this project within next 12 months. The management is actively engaged to find buyers for the sale of remaining floors/ apartments in Pace Tower. The proceeds from sale of inventory shall be used for new project.

The Company has saleable inventory in the form of different properties for which the management is actively looking for the buyers and has devised a strategy for sale of the inventory. The proceeds from these sales will help to improve the operating cash flows of the Company and to settle its obligations.

Accordingly, these condensed interim financial statements have been prepared on a going concern basis and do not include any adjustments relating to the realization of assets and liquidation / settlement of any liabilities that might be necessary should the Company be unable to continue as a going concern.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

31 March

30 June

3 Basis of preparation

3.1 Consolidated financial statements

These consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary companies as at 31 March 2025.

3.2 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

3.3 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except for the following:

- Investment property which is measured at fair value; and
- Retirement benefits at present value.

3.4 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees ("Rs.") which is the Company's functional currency. All amounts have been rounded off to the nearest thousand, unless otherwise stated.

4 Standards, interpretations and amendments to published approved International Financial Reporting Standards that are not yet effective

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

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
IFRS 19 - Subsidiaries without Public Accountability	January 1, 2027

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

31 March

30 June

January 1, 2027

IFRS 18 - Presentation and Disclosures in Financial Statements

IFRS 17 Insurance Contracts

January 1, 2023

(Notified by SECP for the period commencing from 1st January 2026)

The Group is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.

5 Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, and the results of which form the basis for making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

6 Significant accounting policies

The significant accounting policies adopted in the preparation of these condensed interim financial statements are same as presented in latest annual audit. These policies have been consistently applied to all the years presented, unless otherwise stated.

	Un-Audited 31 March 2025	Audited 30 June 2024	Un-Audited 31 March 2025	Audited 30 June 2024
	--- (Rupees in thousand) ---		--- (Number of Shares) ---	
7 Share capital and reserves				
7.1 Authorised capital				
Ordinary shares of Rs. 10 each	6,000,000	6,000,000	600,000,000	600,000,000
7.2 Issued, subscribed and paid-up capital				
Ordinary shares of Rs. 10 each fully paid in cash	2,017,045	2,017,045	201,704,516	201,704,516
Ordinary shares of Rs. 10 each issued as bonus shares	771,721	771,721	77,172,088	77,172,088
	2,788,766	2,788,766	278,876,604	278,876,604

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

31 March Un-Audited 31 March 2025 --- (Rupees in thousand) ---	30 June Audited 30 June 2024
--	---------------------------------------

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re

7.3 Share premium

Share premium reserve

273,265	273,265
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-	-
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Share premium reserve

273,265	273,265
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This reserve can only be utilized by the Company for the purpose specified in Section 81 (2) of the Companies Act, 2017.

8 Long term finances - secured

PAIR Investment Company Limited

58,695	66,860
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Less: Current maturity presented under current liabilities

(58,695)	(66,860)
----------	----------

Non Current portion

-	-
---	---

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

	Un-Audited 31 March	Audited 30 June
	2025	2024
	--- (Rupees in thousand) ---	
9 Redeemable capital - secured (non-participatory)		
Term finance certificates	805,118	815,691
Settlement during the year	-	(10,573)
	<u>805,118</u>	<u>805,118</u>
Less: Current maturity presented under current liabilities	<u>(805,118)</u>	<u>(805,118)</u>
Non Current portion	<u>-</u>	<u>-</u>
10 Foreign currency convertible bonds - unsecured		
Opening balance	4,878,519	5,032,036
Mark-up accrued during the year	-	-
	<u>4,878,519</u>	<u>5,032,036</u>
Exchange loss/ (gain) for the year	<u>39,590</u>	<u>(153,517)</u>
	<u>4,918,109</u>	<u>4,878,519</u>
Less: Current portion shown under current liabilities	<u>(4,918,109)</u>	<u>(4,878,519)</u>
Non Current portion	<u>-</u>	<u>-</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

	Un-audited 31 March 2025 --- (Rupees in thousand) ---	Audited June 30, 2024	
11 Creditors, accrued and other liabilities			
Trade creditors	99,244	197,472	—
Provisions and accrued liabilities	407,853	414,773	
Payable to statutory bodies	172,060	190,954	—
Advance against sale of investment property	-	292	
Security deposits	18,836	18,836	
Rentals against investment property received in advance	7,369	37,800	
Retention money	10,742	10,742	
Token Money	2,248	157	
Others	209,176	202,897	
	927,528	1,073,923	

12 Contingencies and commitments

12.1 Contingencies

12.1.1 On 10 October 2017, the Company filed a petition against Damas (the tenant at the M.M Alam Plaza) in the Rental Tribunal at Lahore on the grounds that the tenant has violated the terms and conditions of the lease agreement including failure to pay rent and denial of the right to entry into the premises. The amount of claim is Rs. 66.60 million.

The petition is pending for hearing. As per legal advisors of the Company, there are reasonable grounds to defend the Company's claim, however no asset has been booked in the financial statements.

12.1.2 On 29 November 2012, Shaheen Insurance Company Limited and First Capital Securities Corporation Limited (on behalf of First Capital Group) entered into an agreement whereby, it was agreed that liability pertaining to reverse repo transaction amounting to Rs. 99.89 million along with insurance premium payable amounting to Rs. 88.86 million from First Capital Group shall be settled vide sale of 4.70 million shares of First Capital Equities Limited to Shaheen Insurance Company Limited at a price of Rs. 40. Included in the insurance payable is Rs. 57.96 million pertaining to Pace (Pakistan) Limited. It was agreed that Shaheen Insurance Company Limited will be allowed to sell the share after two years, however, the first right to refusal shall be given to the First Capital Group. Further, First Capital Group guaranteed to buy back the shares at Rs. 40 in case the shares are not saleable in open market. The agreement was subsequently amended on 07 March 2013 to remove restriction of holding period of two years. In addition to that, the guarantee to buy back was also revoked.

On 24 April 2015, Shaheen Insurance Company Limited filed a suit for recovery of Rs. 188.75 million in the Honorable Senior Civil Court. The case is under adjudication and the maximum exposure to the Company is of Rs. 57.96 million. As per legal advisors of the Company there are meritorious grounds to defend the Company's claim and consequently no provision has been made in these financial statements.

12.1.3 In view of legal opinion obtained by the legal advisor of the company, the company has stopped charging cash interest of 1% per annum on the outstanding FCCB amounting USD 15.7 Million (Principal plus accumulated markup till maturity). As of 30 June 2024, there is a liability provided amounting USD 1.8 Million with regard to 1% cash coupon. As per balance confirmation received from BNY Corporate Trustee Services Limited the liability outstanding does not include the aforesaid amount of 1% cash coupon. The management of the company is confident that the final liability at the time of settlement would not exceed the amount already provided in these financial statements

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

- 12.1.4** During the year 2021, the Company received invoices from Athar Marketing Network ('AMN') amounting to Rs 25.248 million in respect of marketing services rendered by it during the previous years. However, the Company's management has raised a dispute with AMN over the aforementioned matter on the grounds that these advertisements were not telecasted/displayed on air as represented by AMN. The management is confident that the dispute will ultimately be settled in the favour of the Company and no outflow of economic resources will be required. Consequently, no provision has been made in this regard in these financial statements.

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relate

12.2 Commitments

There is no commitment as at March 31, 2025 (June 2024: Nil)

Un-audited
31 March
2025
--- (Rupees in thousand) ---
Audited
June 30,
2024
Note

13 Property, plant and equipment

Operating fixed assets	3,043,132	3,081,019
Capital work in progress	2,054,395	2,045,773
Right-of-use assets	92,057	95,635
	<u>5,189,584</u>	<u>5,222,427</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

14 Long term advances and deposits

These are in the ordinary course of business and are interest free advances and deposits.

15 Stock-in-trade

	Un-audited March 31, 2025 --- (Rupees in thousand) ---	Audited June 30, 2024
Land purchased for resale	674,072	500,312
Work in progress		
- Pace Tower	605,152	651,800
- Pace Circle	147,276	-
- Pace Supermall	354,600	354,600
Shopping mall and apartments:		
- Leasehold land	1,045,529	1,045,529
- Building and construction cost	3,285,362	3,285,362
- Borrowing cost	425,197	425,197
- Direct costs	615,046	611,599
Cost incurred to date	5,371,134	5,367,687
Cost of sales to date	(3,859,521)	(3,859,520)
Completed units - shops	149,216	152,677
	3,441,929	3,167,556
Stores inventory	-	-
	3,441,929	3,167,556

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

	Note	Un-Audited	
		31 March 2025	31 March 2024
		--- (Rupees in thousand) ---	
16 Minimum tax			
Minimum Tax		<u>14,110</u>	<u>11,017</u>
		<u>14,110</u>	<u>11,017</u>

16.1 This represents minimum taxes paid under section 113 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

17 Taxation

Income Tax
- Current Year

-	-
-	-

The provision for current taxation for the year represents the tax liability under Minimum Tax Regime under Section 113 of Income Tax Ordinance, 2001 (31 December 2023: Minimum Tax Regime under section Section 113 of Income Tax Ordinance, 2001.

18 Loss per share - basic and diluted

The calculation of basic and diluted loss per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	Un-Audited	
	31 March 2025	31 March 2024
	--- (Rupees in thousand) ---	
Profit/(Loss) for the year	<u>178,352</u>	<u>236,717</u>
Weighted average number of ordinary shares outstanding during the year	<u>278,877</u>	<u>278,877</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

	Un-audited 31 March 2025	Un-audited 31 March 2024
	--- (Rupees in thousand) ---	
19 Cash generated/ (used in) from operations		
Loss before tax	192,462	260,637
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	39,590	(150,733)
Provision for gratuity and leave encashment	5,930	2,050
Impairment loss on trade debts and other receivables	5,699	5,191
Depreciation on owned assets	31,353	21,185
Amortisation on intangible assets	249	376
Changes in fair value of investment property	(680)	9,012
Finance costs	137,801	176,349
Mark-up income	(456)	(590)
Other non cash items	(33,556)	(114,754)
Share of profit/ (loss) from associate	-	234,666
(Loss) / Gain before working capital changes	378,392	443,389
<i>Effect on cash flow due to working capital changes:</i>		
(Increase)/ Decrease in stock-in-trade	(274,373)	1,230,369
(Increase)/ Decrease in trade debts	(261,565)	(159,729)
(Increase)/ Decrease in Contract assets	389,829	356,817
(Increase)/ Decrease in advances, deposits and other receivables	(13,614)	39,851
Increase/ (Decrease) in contract liability	(74,871)	13,223
Increase/ (Decrease) in creditors, accrued and other liabilities	(118,030)	(122,007)
	(352,624)	1,358,524
	25,768	1,801,913

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

20 Transactions with related parties

The related parties comprise of subsidiary companies, associated company, other related companies, directors of the Company and entities under common directorship and post employment benefit plans. Amounts due from and due to related parties are shown under respective notes to these unconsolidated financial statements. All transactions with related parties have been carried out on mutually agreed terms and conditions. Other significant transactions with related parties except those disclosed elsewhere are as follows:

Name of Company	Relationship	Nature of Transactions	Un-Audited 31-Mar-25 — (Rupees in thousand) —	Unaudited 31-Mar-24
Pace Barka Properties Limited	Subsidiary	Further investment	-	1,747,426
			-	-
First Capital Investment Company	Common Directorship	Rent income	-	-
Evergreen Water Valley (Private) Limited	Common Directorship	Payment against purchase of property/ Advance for purchase of goods and services	8,179	-
			-	-
Media Times Limited	Common Directorship	Rental income	2,873	8,342
		Payment received	16,500	-
Rema & Shehrbano	Common Directorship	Service charges	4,893	-
Co-Natural	Common Directorship	Service charges	706	-

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

21 Financial instruments

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

21.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. As part of these processes the financial viability of all counterparties are regularly monitored and assessed.

21.2 Liquidity risk

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

The Company maintains adequate reserves, by continuously monitoring forecast and actual cash flows and matching profiles of financial assets and liabilities. Financial liabilities comprise trade and other payables and due to related parties.

21.3 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

21.4 Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from sales, purchases and resulting balances that are denominated in a currency other than functional currency. The Company is not exposed to foreign currency risk as at the reporting date.

The Company is exposed to currency risk arising from primarily with respect to the United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to foreign currency convertible bonds. The Company's exposure to currency risk was as follows:

	Un-Audited 31 March 2025	Audited 30 June 2024
	--- (USD in thousand) ---	
Following is the Company's exposure to currency risk:		
Foreign Currency Convertible Bonds - USD	17,527	17,527

21.5 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements.

21.6 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended 31 March 2025

22 Date of authorization for issue

These consolidated financial statements were authorized for issue on 25-04-2025 by the Board of Directors of the Holding Company.

23 Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.



Chief Executive Officer

Director

Chief Financial Officer