PACE (PAKISTAN) LIMITED

QUARTERLY ACCOUNTS (Un-Audited)

31 MARCH 2020

Pace (Pakistan) Limited

Company Information

<u>Board of Directors</u>

Shehrbano Taseer (Chairman)	Non-Executive
Aamna Taseer (CEO)	Executive
Shahbaz Ali Taseer	Executive
Shehryar Ali Taseer	Non-Executive
Rema Husain Qureshi	Non-Executive
Kanwar Latafat Ali Khan	Non-Executive
Shavez Ahmad	Independent

Chief Financial Officer	Amir Hafeez
Audit Committee	Shavez Ahmad (Chairman) Shehrbano Taseer Rema Husain Qureshi
Human Resource and Remuneration (HR&R) Committee	Shavez Ahmad (Chairman) Aamna Taseer Kanwar Latafat Ali Khan
Company Secretary	Sajjad Ahmad
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants
Legal Advisers	M/s. Imtiaz Siddiqui & Associates
Bankers	Allied Bank Limited Albaraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited KASB Bank Limited MCB Bank Limited National Bank of Pakistan NIB Bank Limited Silkbank Limited Soneri Bank Limited Pair Investment Company Limited The Bank of Punjab United Bank Limited
Registrar and Shares Transfer Office	Corplink (Pvt.) Limited Wings Arcade, 1-K Commercial Model Town, Lahore Tele: + 92-42-5839182
Registered Office/Head Office	2nd Floor, Pace Shopping Mall Fortress Stadium, Lahore Cantt Lahore, Pakistan (042)-36623005/6/8 Fax: (042) 36623121, 36623122

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors of Pace (Pakistan) Limited ("the Company") take pleasure in presenting to its shareholders the Unconsolidated Interim Financial Statements of the Company for the quarter and nine months ended March 31, 2020.

Operating Results:

During period under review, the sales of the Company amounted to Rs. 144,079 million as compared to Rs. 158,141 million of last year primarily attributable to recognition of revenue, on percentage of completion basis, pertaining to sale of floors on Pace Tower. Cost of Sales decreased from Rs. 114,870 million last year to Rs. 106,172 current year, due to decrease in operating costs related to Plazas. Administrative expenses increased by 19% to Rs. 99.013 million. Other income of the company also showed a substantial increase of 84% to close at Rs. 48.097 million as compared with Rs. 26.168 million of last year due to increase in service charges from Pace Tower and reversal of markup on settlement of loan. The company also received an exchange loss of Rs 38.373 million on Foreign Currency Convertible Loan due to depreciation of Pak-Rupee. Finance costs during the period under review increased from Rs. 92.495 million to Rs. 144.401 million, due to increase in KIBOR from 8% to 13.5%.

As a result of aforementioned factors, the loss for the period under consideration amounted to Rs. 244.272 million as compared to last year at Rs. 446.959 million, resulting in Loss Per Share (LPS) of Rs. 0.88 as compared to LPS of Rs. 1.60 in corresponding period last year.

The comparison of the financial results for the nine months ended 31st March 2020, with corresponding period of the previous financial year is as under:

	Nine Months 2020	**Nine Months 2019**
	Rupees in '000'	
Sales	**144,079**	158,141
Cost of Sales	**(106,172)**	(114,870)
Gross Profit	**37,907**	43,271
Admin & Selling Expenses	**(99,013)**	(83,376)
Other Income	**48,097**	26,168
Exchange Gain/(loss) on foreign currency convertible bond	**(38,373)**	(337,417)
Impairment loss on receivables	**(44,188)**	-
Finance Cost	**(144,401)**	(92,495)
Net profit/(loss) before tax	**(239,971)**	(443,849)
Net profit/(loss) after tax	**(244,272)**	(446,959)
Earnings/(Loss) per share (PKR)	**(0.88)**	(1.60)

The Board of Directors also wish to express its gratefulness to the shareholders for their continued support and to all their employees for their ongoing dedication and commitment to the Company.

For and on behalf of the Board of Directors

Director **Chief Executive Officer**

Lahore
April 27, 2020

PACE (PAKISTAN) LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2020

	Note	Unaudited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized capital			
600,000,000 (2019: 600,000,000)			
ordinary shares of Rs 10 each		6,000,000	6,000,000
Issued, subscribed and paid up capital			
278,876,604 (2019: 278,876,604)			
ordinary shares of Rs 10 each		2,788,766	2,788,766
Reserves		273,265	273,265
Accumulated loss		(2,319,855)	(2,075,583)
		742,176	986,448
NON-CURRENT LIABILITIES			
Long term finances - secured	8.	44,019	49,810
Redeemable capital - secured (non-participatory)	9.	-	-
Liabilities against assets subject to finance lease		124,658	-
Foreign currency convertible bonds - unsecured	10.	-	-
Deferred liabilities		54,601	45,904
		223,278	95,714
CURRENT LIABILITIES			
Advances against sale of property		306,415	254,564
Current portion of long term liabilities		3,833,925	3,786,553
Creditors, accrued and other liabilities		651,702	677,555
Accrued finance cost		1,165,637	1,077,823
		5,957,679	5,796,495
CONTINGENCIES AND COMMITMENTS	11	-	-
		6,923,133	6,878,657

	Note	Unaudited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	568,921	468,464
Intangible assets		4,130	4,519
Investment property	13.	1,668,741	1,668,741
Long term investments	14.	850,321	850,321
Long term advances and deposits		13,619	13,619
Deferred taxation		-	-
		3,105,732	3,005,664
CURRENT ASSETS			
Stock-in-trade	15	2,807,308	2,790,226
Trade debts - unsecured		423,511	424,753
Advances, deposits, prepayments and other receivables		535,858	477,659
Income tax recoverable		18,138	14,962
Cash and bank balances		32,586	165,393
		3,817,401	3,872,993
		6,923,133	6,878,657

The annexed notes from 1 to 22 form an integral part of this condensed interim financial information.

Chief Executive **Chief Financial Officer** **Director**

PACE (PAKISTAN) LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR QUARTER AND NINE MONTH ENDED MARCH 31,2020

		Quarter Ended		Nine month ended	
		March 31, 2020 Unaudited	March 31, 2019 Unaudited	March 31, 2020 Unaudited	March 31, 2019 Unaudited
	Note	(Rupees in thousand)			
Sales	16	**56,220**	31,622	**144,079**	158,141
Cost of sales	17	**(36,047)**	(14,068)	**(106,172)**	(114,869)
Gross profit		**20,173**	17,554	**37,907**	43,272
Administrative and selling expenses		**(23,959)**	(25,711)	**(99,013)**	(83,377)
Other income		**24,656**	8,431	**48,097**	26,168
Impairment loss		**-**		**(44,188)**	-
Exchange Gain / (loss) on foreign currency convertil		**(194,426)**	(27,037)	**(38,373)**	(337,417)
Profit/(Loss) from operations		**(173,556)**	(26,763)	**(95,570)**	(351,354)
Finance costs		**(47,476)**	(32,507)	**(144,401)**	(92,495)
Profit / (loss) before tax		**(221,032)**	(59,270)	**(239,971)**	(443,849)
Taxation		**(2,983)**	(716)	**(4,301)**	(3,110)
Profit / (loss) for the year		**(224,015)**	(59,986)	**(244,272)**	(446,959)
Other comprehensive income/ (loss)		-	-	-	-
Total comprehensive income / (loss) for the year		**(224,015)**	(59,986)	**(244,272)**	(446,959)
Earnings / (loss) per share attributable to ordinary shareholders					
- basic earnings / (loss) per share		**(0.80)**	(0.22)	**(0.88)**	(1.60)

The annexed notes from 1 to 22 form an integral part of this condensed interim financial information.

Chief Executive **Chief Financial Officer** **Director**

PACE (PAKISTAN) LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR QUARTER AND NINE MONTH ENDED MARCH 31,2020

	Note	Nine month ended	
		March 31, 2020	**March 31, 2019**
		Unaudited	**Unaudited**
		(Rupees in thousand)	
Cash flow from operating activities			
Cash (used in) / generated from operations	18	**(96,073)**	33,031
Finance costs paid		**-**	(1,245)
Gratuity and leave encashment paid		**(125)**	(1,777)
Taxes paid		**(7,477)**	(12,404)
Net cash used in operating activities		**(103,675)**	17,605
Cash flow from investing activities			
Fixed capital expenditure		**(4,659)**	(42,000)
Proceeds from disposal of property, plant and equipment		**1,900**	-
Markup received		**37**	704
Net cash generated from investing activities		**(2,722)**	(41,296)
Cash flow from financing activities			
Repayment on long term finances		**(22,535)**	(2,672)
Lease rental paid		**(3,875)**	
Net decrease in cash and cash equivalents		**(132,807)**	**(26,363)**
Cash and cash equivalents at the beginning of the year		**165,393**	31,988
Cash and cash equivalents at the end of the year		**32,586**	5,625

The annexed notes from 1 to 22 form an integral part of this condensed interim financial information.

Chief Executive **Chief Financial Officer** **Director**

PACE (PAKISTAN) LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR QUARTER AND NINE MONTH ENDED MARCH 31, 2020 (UN-AUDITED)

1. Legal status and activities

Pace (Pakistan) Limited ('the Company') is a public limited Company incorporated in Pakistan and listed on Pakistan stock exchange. The object of the Company is to build, acquire, manage and sell condominiums, departmental stores, shopping plazas, super markets, utility stores, housing societies and to carry out commercial, industrial and other related activities in and out of Pakistan. The address of the registered office of the Company is 2nd floor Pace Mall, Fortress Stadium, Lahore.

Sr. No	Business Units	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 Towers	27 -H College Road Gulberg II Lahore

2. Statement of Compliance

These 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:

i) International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board (IASB)
ii) 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. Going concern assumption

As at the reporting date, the current liabilities of the Company have exceeded its current assets by Rs 2,139.478 million and the reserves of the Company have been significantly depleted. The Company has not been able to meet various obligations towards its lenders, including repayment of principal and markup thereon in respect of its borrowings. As a consequence, the Company has also been unable to realize its existing receivables from customers and is facing difficulties in sale of its inventory, being encumbered against its borrowings. These conditions raise significant doubts on the Company's ability to continue as a going concern.

The management of the Company is confident that the above actions and steps shall aid in the sale of inventory and utilize the resultant liquidity for completion and sale of its 'Pace Towers' Project.

The financial statements have been prepared on a going concern basis based on the management's expectations that:

- the Company will be able to settle loans against its properties; and
- the Company will be able to readily realize its receivables and inventory and be able to utilize the resultant liquidity for completion and sale of the 'Pace Towers' Project.

The financial statements consequently, do not include any adjustment relating to the realization of its assets and liquidation of liabilities that might be necessary should the Company be unable to continue as a going concern.

4 Changes in significant accounting policies

The company has initially applied IFRS 15 and IFRS 9 from 1 July 2018. A number of other new standards are also effective from 1 July 2018 but they do not have a material effect on the company's financial statements. Due to the transition methods chosen by the Company in applying these standards, comparative information throughout these unconsolidated financial statements has not been restated to reflect the requirements of the new standards, except for separately presenting impairment loss on trade receivables.

4.1 IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time– requires judgment.

The company has adopted IFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application (i.e. 1 July 2018). Accordingly, the information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations.

The Company is primarily engaged in construction and development of properties and contracts with customers for their sale which generally include single performance obligation. Under IFRS 15, an entity is required to recognize revenue over time if any of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance obligation completed to date.

The above is generally consistent with the timing and amounts of revenue the Company recognized in accordance with the previous standard, IAS 11 and IAS 8. Therefore, the adoption of IFRS 15 which replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations, did not have an impact on the timing and amounts of revenue recognition of the Company except for where stated below:

4.1.1 Gross versus net presentation

When revenue is recognized in respect of services provided by third parties it must be considered whether the Company acts as a principle or an agent. Whether the Company is considered to be the principle or an agent in the transaction depends on management analysis of both legal form and of the substance of the underlying agreement between the Company and its suppliers. Such judgments impacts the amount of reported revenue and operating expenses and does not have any impact on the reported assets, liabilities or cash flows. On adoption of IFRS 15, the management has concluded that revenue from service income against insurance, security and other utilities shall be presented on net basis.

4.2 IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

4.2.1 Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets as at 1 July 2019.

	Original	New	Original carrying	New carrying
Financial assets				
Trade debts	Loans and	Amortized cost	424.753	424.753
Advances, deposits, prepayments	Loans and	Amortized cost	137.632	137.632
Cash and bank	Loans and	Amortized cost	165.393	165.393
			727.778	727.778

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. IFRS 9 introduces a forward looking expected credit losses model, rather than the current incurred loss model, when assessing the impairment of financial assets in the scope of IFRS 9. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. Impairment losses related to trade and other receivables, are presented separately in the statement of profit or loss. Trade and other receivables are written off when there is no reasonable expectation of recovery. Management used actual credit loss experience over past years to base the calculation of ECL on adoption of IFRS 9. Given the amount of collateral held against receivables, the move from an incurred loss model to an expected loss model has not had a significant impact on the financial position and / or financial performance of the Company.

5 New or Amendments / Interpretations to Existing Standards, Interpretation and Forthcoming Requirements

There are new and amended standards and interpretations that are mandatory for accounting periods beginning 01 July 2018 other than those disclosed in note 5, are considered not to be relevant or do not have any significant effect on the Company's financial statements and are therefore not stated in these financial statements.

5.1 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2019:

- IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment to be reflected in the measurement of current and deferred

- Amendment to IFRS 9 'Financial Instruments' - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 January 2019). For a debt instrument to be eligible for measurement at amortized cost or FVOCI, IFRS 9 requires its contractual cash flows to meet the SPPI criterion - i.e. the cash flows are

- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable

- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net

- Amendment to IFRS 3 'Business Combinations' - Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying

- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to

  Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:

- IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not

- IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.

- IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not

The above amendments are effective from annual period beginning on or after 1 January 2019 and are not likely to have an impact on the Company's financial statements.

6. Taxation

The provision for taxation for the quarter and nine month ended March 31, 2020 has been made on an estimated basis.

7. Estimates

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements for the period ended March 31, 2020 with the exemption of changes in estimates that are required in determining the provision for income taxes as referred to in Note 6.

	Note	**Un-Audited March 31, 2020**	Audited June 30, 2019
		(Rupees in thousand)	
8. Long term finances - secured			
Pak Iran Loan	8.1	**60,734**	58,168
Soneri Bank - demand finance	8.2	**-**	19,043
		60,734	77,211
Less: Current portion shown under current liabilities		**(16,715)**	(27,401)
		44,019	49,810

8.1 Mark-up on Pak Iran

On 28 December 2016, Pak Iran Joint Investment Company ('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 172.311 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 105.450 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 MM Alam up till repayment of the balance outstanding amount.

In accordance with the SA, the remaining outstanding mark-up of Rs. 66.860 million has been rescheduled and is payable over a period of 7 years with nil mark-up starting from 28 December 2016 after expiry of moratorium period of 3 years, in 16 quarterly installments. Amortized cost has been determined using effective interest rate of 6% per annum. Movement is as follows:

	--- (Rupees in thousand) ---	
As at beginning	**58,168**	54,132
Add: Amortized during the period	**2,566**	4,036
As at end	**60,734**	58,168

Security

The restructured amount is secured by mortgage amounting to the sum of Rs. 142.857 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. 66.667 million.

8.2 Soneri Bank - demand finance

Terms of repayment

During the year ended June 30, 2018, the Company entered into a restructuring agreement with Soneri Bank Limited, whereby, the Company was required to pay Rs 30.913 million in 12 installments for settlement of entire principal amounting to Rs 27.422 million along with the accrued mark-up amounting to Rs 17.872 million. The first installment was due to be paid on May 31, 2018 amounting to Rs 3.079 million, which was paid on June 22, 2018. The delayed payment has been categorized as "event of default" under the terms of the agreement. Consequently, the remaining principal amount of Rs. 24.343 million and accrued mark-up of Rs 17.872 million is repayable on demand and classified as current liabilities under the guidance contained in IAS 1 " Presentation of Financial Statements".

During the year, company has settled the loan by paying off the outstanding amount.

Security

This facility is secured against a charge amounting to the sum of Rs 50.000 million created on the land and building on Plot no. 41 Block N, Gulberg II, Industrial Area Lahore measuring 4.086 kanals along with present and future construction thereon.

	Note	Un-Audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
9. Redeemable capital - secured (non-participatory)			
Term finance certificates		**935,571**	935,571
Less: Current portion shown under current liabilities	9.1	**(935,571)**	(935,571)
		-	-

9.1 Terms of repayment

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 September 27, 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 August 15, 2010. The TFC's carry a mark-up of 6 months KIBOR plus 2% (June 2018: 6 months KIBOR plus 2%) and is payable semi-annually in arrears. The Company could not repay on a timely basis, the installments 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.

9.2 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.

9.3 Settlement with Askari Bank Limited

On February 07, 2018, Askari Bank Limited ('Bank') and the Company entered into Debt Asset Swap Agreement for full and final settlement of outstanding amount of TFCs along with their accrued mark-up against fifth and sixth floor of Pace Tower measuring 14,903 square feet and 6,731 square feet respectively. In accordance with the terms of the agreement, the Bank purchased the aforementioned floors at Rs 185.926 million as full and final settlement. Furthermore, the Bank provided financial relief of suspended mark- up amounting to Rs 89.291 million along with future mark-up upon completion of certain terms and conditions on or before June 30, 2019. The terms and conditions of the agreement have not been complied with, consequently, the impact of financial relief has not been accounted for in the financial statements.

	Note	Un-Audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
10. Foreign currency convertible bonds - unsecured			
Opening balance		**2,805,535**	2,054,739
Markup accrued during the year		**19,685**	25,892
		2,825,220	2,080,631
Exchange (gain) / loss for the year		**38,373**	724,904
		2,863,593	2,805,535
Less: Current portion shown under current liabilities	10.1	**(2,863,593)**	(2,805,535)
		-	-

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 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. In aggregate USD 13 million bonds have been converted into ordinary shares as at 30 June 2019.

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 accreted mark-up.

11 Contingencies and commitments

11.1 Contingencies

11.1.1 Claims against the Company not acknowledged as debts amounting to Rs 21.644 million (2018: Rs 21.644 million).

11.1.2 On 10 October 2017, Pace (Pakistan) Limited ('the Company') filed a petition against Damas (the tenant at the MM 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.

11.1.3 In January 2017, owners of eight shops ('plaintiffs') at MM Alam plaza entered into a lease agreement with Pace (Pakistan) Limited ('the Company'). Company further entered into an agreement with DAMAS to sub lease the same shops. The Company paid the lease rental to shop owners for first two months but then stopped the payments because DAMAS defaulted in the payments of lease rentals to Company. In October 2018, plaintiffs filed a suit in the Rental Tribunal against the Company for breaching the terms of lease agreements. Rental Tribunal decided the suit in favor of these owners but Company has filed an appeal in the ('Appellate Tribunal'). The case is open for argument and the total sum payable which is contingent upon the court's decision stands at Rs. 12.5 million as unpaid lease rentals.

11.1.4 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 99.888 million along with insurance premium payable amounting to Rs 88.859 million from First Capital Group shall be settled vide sale of 4.7 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 57.962 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 March 7, 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 188.747 million in the Honorable Senior Civil Court. The case is under adjudication and the maximum exposure to the Company is of Rs 57.962 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.

11.2 Commitments

11.2.1 Commitments in respect of capital expenditure i.e. purchase of properties from Pace Barka Properties Limited, amounts to Rs. 115.690 million (2018: Rs. 206.743 million) and Capital Heights (Private) Limited, amounts to Rs. 74.505 million (2018: 149.927 million).

11.2.2 Corporate guarantee on behalf of Pace Barka Properties Limited, a related party, in favor of The Bank of Punjab, amounting to Rs. 900 million (2018: Rs. 900 million) as per the approval of shareholders through the special resolution dated 29 July 2006.

11.2.3 The amount of future payments under operating leases and the period in which these payments will become due are as follows:

	2019	2018
	--- (Rupees in thousand) ---	
Less than one year	**11,074**	9,844
Between one and five years	**53,833**	46,758
More than five years	**672,458**	695,530
	737,365	752,132

		Un-Audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	

12 Property, plant and equipment

Operating fixed assets		**422,833**	439,657
Right to use asset		**116,572**	-
Capital work-in-progress		**29,516**	28,807
		568,921	468,464

12.1 Operating fixed assets

Book value at beginning of the period / year		**439,657**	423,711
Add:			
- Additions during the period / year	12.2	**3,950**	42,000
		3,950	42,000
			-
		443,607	465,711
Less:			
- Disposals during the period / year - at book value		**1,320**	-
- Depreciation charged during the period / year		**19,454**	26,054
		20,774	26,054
Book value at end of the period / year		**422,833**	439,657

12.2 Additions during the period / year

Operating fixed assets	**-**	42,000
	-	42,000

	Un-Audited March 31, 2020	Audited June 30, 2019
	(Rupees in thousand)	

13. Investment property

Opening value	**1,668,741**	1,662,942
Closing value before revaluation as at June 30	**1,668,741**	1,662,942
Fair value gain recognized in profit and loss account	**-**	5,799
Fair value as at September 30	**1,668,741**	1,668,741

	Note	Un-Audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
14. Long term investments			
Equity instruments of:			
- subsidiaries - unquoted	14.1	**91,670**	91,670
- associate - unquoted	14.2	**758,651**	758,651
		850,321	850,321

14.1 Subsidiaries - unquoted

Pace Woodlands (Private) Limited		
3,000 (June 2019: 3,000) fully paid ordinary shares of Rs 10 each	**30**	30
Equity held 52% (June 2019: 52%)		
Pace Super Mall (Private) Limited		
9,161,528 (June 2019: 9,161,528) fully paid ordinary shares of Rs 10 each	**91,615**	91,615
Equity held 57% (June 2019: 57%)		
Pace Gujrat (Private) Limited		
2,450 (June 2019: 2,450) fully paid ordinary shares of Rs 10 each	**25**	25
Equity held 100% (June 2019: 100%)		
	91,670	91,670

14.2 Associate - unquoted

Pace Barka Properties Limited		
75,875,000 (June 2019: 75,875,000) fully paid		
ordinary shares of Rs 10 each	**758,651**	758,651
Equity held 24.9% (June 2019: 24.9%)		

	Un-Audited March 31, 2020	Audited June 30, 2019
	(Rupees in thousand)	
15 Stock-in-trade		
Work in process - Pace Towers	**612,570**	600,317
Shops and houses	**1,480,517**	1,480,518
Pace Barka Properties Limited - Pace Circle	**691,296**	687,054
Pace Super Mall (Private) Limited	**21,600**	21,600
	2,805,983	2,789,489
Stores inventory	**1,325**	737
	2,807,308	2,790,226

	Note	Un-Audited March 2020	Un-Audited March 2019
		(Rupees in thousand)	

16 Revenue

	Note	2020	2019
Development services		**76,401**	53,905
Sale of property		**-**	32,200
Display of advertisements		**15,166**	14,219
Service charges - net	*16.1*	**27,041**	31,775
Revenue from contract with customers		**118,608**	132,099
Other revenue			
Rental income from lease of investment property		**25,471**	26,042
Total revenue		**144,079**	158,141

16.1 Services charges - net

The breakup of costs against service income recorded during the period is as follows:

	2020	2019
Insurance	**798**	763
Fuel and power	**88,813**	84,899
Janitorial and security charges	**4,959**	4,740
	94,570	90,402

17 Cost of sales

	2020	2019
Shops and commercial buildings sold		
- at completion of project basis	**-**	30,240
- at percentage of completion basis	**48,400**	34,824
Stores and operating expenses	**57,772**	49,805
	106,172	114,869

18 Cash generated from operations

	Note	2020	2019
Profit / (loss) before tax		**(239,971)**	(443,849)
Adjustment for:			
Exchange loss / (gain) on foreign currency convertible bonds	10	**38,373**	322,743
Provision for gratuity and leave encashment		**8,823**	7,527
Impairment loss on trade and other receivables		**44,188**	
Depreciation on:			
- owned assets	12.1	**19,454**	18,140
- assets subject to finance lease		**3,606**	
Amortization on intangible assets		**383**	382
Gain on sale of PPE		**(580)**	-
Markup income		**(37)**	(703)
Finance costs		**144,401**	92,495
Profit before working capital changes		**18,640**	(3,265)
Effect on cash flow due to working capital changes:			
(Increase) in stock-in-trade		**(17,082)**	(224,236)
Decrease / (increase) in trade debts		**(64,172)**	(26,813)
(Increase) / Decrease in advances, deposits and other receivables		**(59,457)**	360,675
Net (decrease) / increase in advances against sale of property		**51,851**	(35,970)
Increase in creditors, accrued and other liabilities		**(25,853)**	(37,360)
		(114,713)	**36,296**
		(96,073)	33,031

19. Financial risk management

19.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board has provided 'Risk Management Policy' covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of this policy.

19.2 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities.

Management monitors the forecasts of the Company's cash and cash equivalents on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring balance sheet liquidity ratios against internal and external regulatory requirements, and maintaining debt financing plans. During the year the Company remained under severe liquidity pressure as mentioned in note 3.

19.3 Fair value estimation

The fair value of investment property was determined by external, independent property valuer KG Traders, having appropriate recognized professional qualifications. The independent valuers provide the fair value of the Company's investment property portfolio annually. Latest valuation of these assets was carried out on June 30, 2019. The level 2 fair value of freehold land has been derived using the sales comparison approach. Level 3 fair value of Buildings has been determined using a depreciated replacement cost approach, whereby, current cost of construction of a similar building in a similar location has been adjusted using a suitable depreciation rate to arrive at present market value.

The following is categorization of assets measured at fair value at March 31, 2020:

	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurement of Available for sale financial assets	-	-	-	-
Recurring fair value measurement of Investment property:				-
Freehold land	-	132,925	-	132,925
Buildings	-	-	**1,535,816**	1,535,816
	-	132,925	**1,535,816**	1,668,741

The following is categorization of assets measured at fair value at June 30, 2019:

	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurement of Available for sale financial assets	-	-	-	-
Recurring fair value measurement of Investment property:				
Freehold land	-	132,925	-	132,925
Buildings	-	-	**1,535,816**	1,535,816
	-	132,925	**1,535,816**	1,668,741

<u>Valuation inputs and relationship to fair value</u>

The following table summarizes the quantitative and qualitative information about the significant unobservable inputs used in recurring level 3 fair value measurements. Refer fair value hierarchy for the valuation techniques adopted.

Description	Significant Unobservable inputs	Quantitative data / range and relationship to the fair value
Buildings	- Cost of construction of a new similar building - Suitable depreciation rate to arrive at depreciated replacement value	The market value has been determined by using a depreciation of approximately 5%-10% on cost of constructing a similar new building. Higher, the estimated cost of construction of a new building, higher the fair value. Further, higher the depreciation rate, the lower the fair value of the building.

21. Date of authorization

These financial statements were authorized for issue on ___________, 2020 by the board of directors of the Company.

22. Corresponding figures

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant re-arrangements have been made.

Chief Executive	**Chief Financial Officer**	**Director**

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. All transactions with related parties have been carried out on mutually agreed terms and conditions. Significant transactions with related parties are as follows:

Name of Company	Relationship	Nature of transactions	March 2020	March 2019
			--- (Rupees in thousand) ---	
Pace Barka Properties Limited	**Associated Company** (equity held 24.86%)	Guarantee commission income	**928**	928
		Rental income	**3,401**	3,102
		Receipts against Pace Circle	**-**	2,804
First Capital Securities Corporation Limited	**Common Directorship**	Sale of investment property	**-**	900
First Capital Investment Limited	**Common Directorship**	Advances against sale of property	**-**	16,020
Ever Green Water Valley (Private) Limited	**Common Directorship**	Advance paid against purchsase of Shadman plot	**22,422**	-
		Purchase of Property Plant & Equipment	**-**	42,000
		Advance against Construction of Pace Towers	**77,253**	44,902
Media Times Limited	**Common Directorship**	Rental Income	**11,672**	7,074
		Advertisement expenses	**334**	60
Rema and Shehrbano	**Common Directorship**	Service charges	**1,511**	1,363
Conatural	**Common Directorship**	Service charges	**685**	685
Post Employment Benefit Plans		Gratuity and leave encashment	**8,588**	7,185

All transactions with related parties have been carried out on mutually agreed terms and conditions.

PACE (PAKISTAN) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR QUARTER AND NINE MONTH ENDED MARCH 31,2020

	Share Capital	Reserves		Accumulated Loss	Total
		Share Premium Reserve	Reserve for changes in fair value of investments		
	--(Rupees in thousand)--				
Balance as on June 30, 2018	2,788,766	273,265	-	(1,149,285)	1,912,746
Total comprehensive income for the year					
Profit for the year	-	-	-	(929,252)	(929,252)
Other comprehensive loss for the year:					-
Remeasurement of net defined benefit					-
liability net of tax	-	-	-	2,954	2,954
Changes in fair value of					-
available for sale investments	-	-	-	-	-
	-	-		(926,298)	(926,298)
Transferred to profit and loss account on disposal of investments			-		-
Balance as on June 30, 2019	**2,788,766**	**273,265**	**-**	**(2,075,583)**	**986,448**
		-			
Total comprehensive loss for the Period					
Loss for the year	-	-	-	(244,272)	(244,272)
Other comprehensive income for the year:					
Remeasurement of net defined benefit					
liability net of tax	-	-	-	-	-
Changes in fair value of					
available for sale investments	-	-	-	-	-
	-	-	-	(244,272)	(244,272)
Balance as on March 31, 2020	**2,788,766**	**273,265**	**-**	**(2,319,855)**	**742,176**

The annexed notes from 1 to 22 form an integral part of these financial statements.

Chief Executive **Chief Financial Officer** **Director**

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors of Pace (Pakistan) Limited ("the Group") take pleasure in presenting to its shareholders the Consolidated Interim Financial Statements of the Group for the nine months ended March 31, 2020.

Operating Results:

During period under review, the sales of the Company amounted to Rs. 144.079 million as compared to Rs. 158.141 million of last year primarily attributable to recognition of revenue, on percentage of completion basis, pertaining to sale of floors on Pace Tower. Cost of Sales decreased from 114.869 million of last year to Rs. 106.172 in current year, due to decrease in operating costs related to Plazas. Administrative expenses increased by 19% to Rs. 99.013 million. Other income of the company also showed a substantial increase of 84% to close at Rs. 48.097 million as compared with Rs. 26.168 million of last year due to increase in service charges from Pace Tower and settlement of loan. The company also suffered an exchange loss of Rs 38.373 million on Foreign Currency Convertible Loan due to depreciation of Pak-Rupee. Finance costs during the period under review increased from Rs. 92.494 million to Rs. 144.401 million, due to increase in KIBOR from 8% to 13.5%.

As a result of aforementioned factors, the consolidated loss for the period under review amounted to Rs. 245.990 million as compared to last year at Rs. 465.698 million, resulting in Loss Per Share (LPS) of Rs. 0.88 as compared to LPS of Rs. 1.67 in corresponding period of last year.

The comparison of the financial results for the nine months ended 31st March 2020, with corresponding period of the previous financial year is as under:

	Jul-Mar 2020	Jul-Mar 2019
	Rupees in '000'	
Sales	144,079	158,141
Cost of Sales	(106,172)	(114,869)
Gross Profit	37,907	43,272
Admin & Selling Expenses	(99,013)	(83,376)
Other Income	48,097	26,168
Exchange Gain/(loss) on foreign currency convertible bond	(38,373)	(337,416)
Share of profit / (loss) from associate	(2,022)	(21,075)
Impairment Loss on receivables	(44,188)	-
Finance Cost	(144,401)	(92,494)
Net profit/(loss) before tax	(241,993)	(464,921)
Net profit/(loss) after tax	(245,990)	(465,698)
Earnings/(Loss) per share (PKR)	(0.88)	(1.67)

The Board of Directors also wishes to express its gratefulness to the shareholders for their continued support and to all their employees for their ongoing dedication and commitment to the Group.

Board of Directors

During the period Malik Farhan Hassan resigned from the Board of Directors and Mr. Shavez Ahmad, was appointed as Director on the board of the Company.

For and on behalf of the Board of Directors

Lahore
April 27, 2020

Director **Chief Executive Officer**

PACE (PAKISTAN) GROUP
CONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT MARCH 31, 2020

	Note	March 31, 2020 Un-audited	June 30, 2019 Audited
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 600,000,000 (June 30, 2019: 600,000,000) ordinary shares of Rs 10 each		6,000,000	6,000,000
Issued, subscribed and paid up capital 278,876,604 (June 30, 2019: 278,876,604) ordinary shares of Rs 10 each		2,788,766	2,788,766
Reserves		287,307	287,307
Accumulated loss		(1,928,333)	(1,682,343)
		1,147,740	1,393,730
NON-CONTROLLING INTEREST		87,030	87,030
		1,234,770	1,480,760
NON-CURRENT LIABILITIES			
Long term finances - secured	6	44,019	49,810
Redeemable capital - secured (non-participatory)	7	-	-
Liabilities against assets subject to finance lease		124,658	-
Foreign currency convertible bonds - unsecured	8	-	-
Deferred liabilities		54,602	45,904
Deferred Taxation		50,741	51,045
		274,019	146,759
CURRENT LIABILITIES			
Contract Liability		307,415	255,564
Current portion of long term liabilities		3,833,925	3,786,553
Trade and other payables	9	688,677	714,530
Accrued finance cost		1,165,637	1,077,823
		5,995,653	5,834,470
CONTINGENCIES AND COMMITMENTS	10	-	-
		7,504,443	7,461,989

	Note	March 31, 2020 Un-audited	June 30, 2019 Audited
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	568,921	468,464
Intangible assets		4,130	4,519
Investment property		1,668,741	1,668,741
Investments		1,096,926	1,098,948
Long term advances and deposits		15,248	15,248
		3,353,966	3,255,920
CURRENT ASSETS			
Stock-in-trade	12	3,140,308	3,123,226
Trade debts - unsecured		423,511	424,753
Advances, deposits, prepayments and other receivables		535,858	477,659
Income tax recoverable		18,191	15,015
Cash and bank balances		32,609	165,416
		4,150,477	4,206,069
		7,504,443	7,461,989

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive **Chief Financial Officer** **Director**

Pace (Pakistan) Limited
Consolidated Statement of Changes In Equity
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2020

	Capital reserve				Revenue reserve			
	Issued, subscribed and paid-up capital	Share premium	Reserve for changes in fair value of investments	Share in reserves of associate	Accumulated loss	Total equity attributable to owners of the Parent Company	Non-controlling Interests	Total equity
	(Rupees in thousand)							
Balance as at 30 June 2018	**2,788,766**	**273,265**	**-**	**14,042**	**(742,390)**	**2,333,683**	**87,224**	**2,420,907**
Total comprehensive loss for the year ended 30 June 2019								
Loss after taxation	-	-	-	-	(942,907)	(942,907)	(194)	(943,101)
Other comprehensive income	-	-	-	-	2,954	2,954	-	2,954
	-	**-**	**-**	**-**	**(939,953)**	**(939,953)**	**(194)**	**(940,147)**
Balance as at 30 June 2019	**2,788,766**	**273,265**	**-**	**14,042**	**(1,682,343)**	**1,393,730**	**87,030**	**1,480,760**
Total comprehensive loss for the period								
Loss after taxation	-	-	-	-	(245,990)	(245,990)	-	**(245,990)**
Other comprehensive income	-	-	-	-	-	-	-	**-**
	-	**-**	**-**	**-**	**(245,990)**	**(245,990)**	**-**	**(245,990)**
Balance as at 31 March 2020	**2,788,766**	**273,265**	**-**	**14,042**	**(1,928,333)**	**1,147,740**	**87,030**	**1,234,770**

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive Officer **Director** **Chief Financial Officer**

PACE (PAKISTAN) GROUP
CONSILIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2020

		Quarter ended		Nine months ended	
		March 31, 2020 Un-audited	March 31, 2019 Un-audited	March 31, 2020 Un-audited	March 31, 2019 Un-audited
	Note	(Rupees in thousand)			
Sales	13	56,220	31,622	144,079	158,141
Cost of sales	14	(36,047)	(14,067)	(106,172)	(114,869)
Gross Profit		20,173	17,555	37,907	43,272
Administrative and selling expenses		(23,959)	(25,711)	(99,013)	(83,376)
Other income		24,656	8,431	48,097	26,168
Exchange loss on foreign currency convertible bonds		(194,426)	(27,036)	(38,373)	(337,416)
Impairment loss on trade and other receivables ☐		-	-	(44,188)	-
Finance costs		(47,476)	(32,506)	(144,401)	(92,494)
Share of profit / (loss) for associate - net of tax		(2,763)	(3,884)	(2,022)	(21,075)
Loss before tax		(223,795)	(63,151)	(241,993)	(464,921)
Taxation		(2,568)	20,863	(3,997)	(777)
Loss for the period		(226,363)	(42,288)	(245,990)	(465,698)
Other comprehensive income / (loss)					
Total comprehensive profit / (loss) for the period		(226,363)	(42,288)	(245,990)	(465,698)
Attiributable to:					
Equity holders of the parent		(226,363)	(42,288)	(245,990)	(465,698)
Non-controlling interest		-	-	-	-
		(226,363)	(42,288)	(245,990)	(465,698)
Loss per share attributable to ordinary shareholders					
- basic		(0.81)	(0.15)	(0.88)	(1.67)

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive **Chief Financial Officer** **Director**

PACE (PAKISTAN) GROUP
COSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2020

	Note	Nine months ended March 31, 2020 Un-audited	Nine months ended March 31, 2019 Un-audited
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	15	(96,073)	33,031
Gratuity and leave encashment paid		(125)	(1,777)
Finance cost paid		-	(1,245)
Taxes paid		(7,477)	(12,404)
Net cash generated from operating activities		(103,675)	17,605
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,659)	(42,000)
Receipts of sale of investment property		1,900	-
Markup received		37	704
Net cash used in investing activities		(2,722)	(41,296)
Cash flows from financing activities			
Long term loan paid during the period		(22,535)	(2,672)
Lease rentals paid		(3,875)	-
Net (decrease) / increase in cash and cash equivalents		(132,807)	(26,363)
Cash and cash equivalents at beginning of the period		165,416	32,100
Cash and cash equivalents at the end of the period		32,609	5,737

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive **Chief Financial Officer** **Director**

PACE (PAKISTAN) GROUP
NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2020

1. Legal status and activities

1.1 Constitution and ownership

The consolidated financial statements of Pace (Pakistan) Group comprise of the financial statements of:

Pace (Pakistan) Limited

Pace (Pakistan) Limited (the "Holding Company") is a public limited Company incorporated in Pakistan and listed on Pakistan stock exchange. The object of the Company is to build, acquire, manage and sell condominiums, departmental stores, shopping plazas, super markets, utility stores, housing societies and to carry out commercial, industrial and other related activities in and out of Pakistan. The address of the registered office of the holding Company is 2nd floor Pace Mall, Fortress Stadium, Lahore.

Pace Gujrat (Private) Limited

Pace Gujrat (Private) Limited (a subsidiary) was incorporated on July 8, 2005 as a private limited Company under Companies Ordinance, 1984. The object 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. It is a wholly owned Company of Pace (Pakistan) Limited.

Pace Woodlands (Private) Limited

Pace Woodlands (Private) Limited (a subsidiary) was incorporated on July 27, 2004 as a private limited Company under Companies Ordinance, 1984. The object 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.

Pace Supermall (Private) Limited

Pace Supermall (Private) Limited (a subsidiary) was incorporated on March 27, 2003 as a private limited Company under Companies Ordinance 1984. The object 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.

Activities of the Group

The object of the Group is to build, acquire, manage and sell condominiums, departmental stores, shopping plazas, super markets, utility stores, housing societies and to carry out commercial, industrial and other related activities in and out of Pakistan.

1.2 Going concern assumption

The Company has incurred a loss before tax of Rs. 241.993 million during the period. As at reporting date, its current liabilities have exceeded its current assets by Rs. 1,845.716 million Furthermore, 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. These conditions raise significant doubts on the Company's ability to continue as a going concern.

During the period, the management has finalized the agreement to settle outstanding amount of Term Finance Certificate pertaining to Bank of Khyber against property situated on 13th floor of Pace Tower. The Company has also entered into sale agreement of Property measuring 04 Kanal, 01 Marla bearing Plot No. 41-N situated at industrial area, Gulberg Lahore and Rs. 20 million has been received by the Company. Furthermore, the Company also entered into a sale agreement with First Capital Equities Limited for the sale of 15th floor of Pace Tower measuring 9,900 Square Feet and Rs. 25 million have been received by the Company in advance.

The management of the Company however, is continuously engaged with its lenders for settlement of Company's borrowings. The Company is also expecting to complete the Pace Tower Project by the end of next financial year and is actively engaged to find buyers for the sale of remaining floors/apartments in Pace Tower. Further, the Company has inventory in 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 also to settle its obligations. The Company is also engaged with its trade debtors for recovery of their outstanding balances.

The management believes that the above measures will generate sufficient financial resources for the continuing operations. Accordingly, these financial statements are 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.

2 Statement of compliance

These condensed interim consolidated financial statements of the Company for the nine months ended 31 March 2020 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 consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended 30 June 2019. Comparative condensed interim consolidated statement of financial position is stated from annual audited financial statements as of 30 June 2019, whereas comparatives for condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows and related notes are extracted from condensed interim consolidated financial statements of the Company for the nine months ended 31 March 2019.

These condensed interim consolidated 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 consolidated 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.

3 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of the condensed interim consolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 30 June 2019 except for the adoption of new standard effective as of 01 July 2019 as stated below:

3.1 Change in accounting policy

IFRS 16 'Leases'

IFRS 16 replaces existing guidance on accounting for leases, including IAS 17, Leases, IFRIC 4, Determining whether an arrangement contains a Lease, SIC-15, Operating Leases- Incentive, and SIC-17, evaluating the substance of transaction involving the legal form of a leases and lease. IFRS 16 introduces an on balance sheet lease accounting model for long term operating leases. A lessee recognizes a right-of-use asset representing its right of using the underlying asset and a corresponding lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as either finance lease or operating leases.

During the period, the Company has adopted IFRS 16 'Leases' applicable on period starting on or after 01 January 2019 and has not restated comparatives for the 2019 reporting period, using modified retrospective approach.

The lease liability is subsequently remeasured at amortized cost using the effective interest rate method. The right-of-use assets are depreciated on straight line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use assets are reduced by impairment losses, if any, and adjusted for the certain measurement of lease liability and right-use-assets as of 01 July 2019 was Rs. 120.18 millions with no adjustment to retained earnings. The assets is presented in 'Operating Fixed Assets' and liability is presented in liability against right of use assets. Also in relation to this lease under IFRS 16, The Company has recognised depreciation and interest cost, instead of operating lease expenses.

Impact of adoption

The change in accounting policy affected the following items in the balance sheet as on 31 March 2020:

- the Company recognised of right-of-use assets amounting to Rs. 120.18 million and Rs. 120.18 million of lease liabilities as at 01 July 2019.

Also in relation to such lease under IFRS 16, the Company has recognised depreciation and interest costs, instead of operating lease expense. During the nine months ended 31 March 2020, the Company recognised Rs. 3.605 million of depreciation charges and Rs. 8.85 million of interest costs from this lease.

The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Standard or interpretation	**Effective date (accounting periods beginning on or after)**
- IFRS 3, Business Combinations - (Amendments)	01 January 2020
- IAS 1, Presentation of Financial Statements (Amendments)	01 January 2020
- IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	01 January 2020
- Interest rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7	01 January 2020
- Amendments to References to Conceptual Framework in IFRS Standards	01 January 2020

4 Taxation

The provision for taxation for the quarter ended and nine months ended March 31, 2020 has been recognized based on minimun tax.

5 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 2019.

	Note	Un-audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
6 Long term finances - secured			
Soneri Bank Demand Finance	6.1	-	19,043
Pak Iran Loan	6.2	60,734	58,168
		60,734	77,211
Less: Current portion shown under current liabilities		(16,715)	(27,401)
		44,019	49,810

6.1 During the year ended 30 June 2018, the Company entered into a restructuring agreement with Soneri Bank Limited, whereby, the Company was required to pay Rs 30.91 million in 12 instalments for settlement of entire principal amounting to Rs 27.42 million along with the accrued mark-up amounting to Rs 17.87 million. The first instalment was due to be paid on 31 May 2018 amounting to Rs 3.07 million, which was paid on 22 June 2018. The delayed payment has been categorized as "event of default" under the terms of the agreement. Consequently, the remaining amount is repayable on demand and classified as current liabilities under the guidance contained in IAS 1 " Presentation of Financial Statements". This loan has been settled during the current financial year.

6.2 On 28 December 2016, the Company entered into a settlement agreement with Pak Iran Joint Investment Company in which outstanding mark-up of Rs. 66.860 million has been rescheduled and is payable over a period of 7 years with nil 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.

		Un-audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
7 Redeemable capital - secured (non-participatory)			
Term Finance certificates		935,571	935,571
Less: Current portion shown under current liabilities	- note 7.1	(935,571)	(935,571)
		-	-

7.1 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. The TFC's carry a mark-up of 6 months KIBOR plus 2% (30 June 2019: 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 schedule of repayment and is not compliant with certain debt covenants which represents a breach of the respective agreement terms, 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.

		Un-audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	

8 Foreign currency convertible bonds - unsecured

Opening balance		2,805,535	2,054,739
Markup accrued for the period / year		19,685	25,892
		2,825,220	2,080,631
Exchange loss / (gain) for the period / year		38,373	724,904
		2,863,593	2,805,535
Less: Current portion shown under current liabilities		(2,863,593)	(2,805,535)
		-	-

9 Trade and other payables

Trade creditors	9.1	301,273	344,334
Rentals against investment property received in advance		4,037	4,063
Accrued liabilities		193,794	179,186
Security deposits	9.2	51,658	50,399
Payable to contractors		2,699	2,699
Retention money		6,093	6,093
Payable to statutory bodies		82,767	80,433
Others		46,355	47,323
		688,677	**714,530**

9.1 This includes payables to related parties under normal course of business and are interest free.

9.2 These represent security deposits received against shops rented out in the Plazas. None of these amounts is utilizable for Company or other purpose. The Company has not maintained a separate bank account for this amount. The Company is in process of ensuring compliance with the requirement of section 217 of the Companies Act, 2017.

10 Contingencies and commitments

There has been no change in status of contingencies and commitments since the annual audited financial statements as at 30 June 2019 .

11. Property, plant and equipment

Operating fixed assets	11.1	422,833	439,657
Capital work-in-progress		29,516	28,807
Right of use assets	11.2	116,572	-
		568,921	**468,464**

11.1 Operating fixed assets

Net book value at beginning of the period		439,657	423,711
Additions during the period		3,950	42,000
Disposals during the period		(1,320)	-
Depreciation charged during the period		(19,454)	(26,054)
		422,833	**439,657**

11.2 Right of use assets

This has arisen due to adoption of IFRS 16 'Leases' as detailed in note 4.1. Movement in right of used assets is as follows:

Effect of initial application as at 01 July 2019	120,178
Additions	-
Depreciation	(3,606)
	(3,606)
Closing book value	116,572

		Un-audited March 31, 2020	Audited June 30, 2019
		(Rupees in thousand)	
12 Stock-in-trade			
Land purchased for resale		930,765	930,765
Work in process			
- Pace Tower		612,570	600,317
- Pace Circle		691,296	687,054
Completed units - shops and houses		904,352	904,353
		3,138,983	3,122,489
Stores inventory		1,325	737
		3,140,308	3,123,226

		Un-audited 31 March 2020	Un-audited 31 March 2019
13 Sales		(Rupees in thousand)	
Development services		**76,401**	53,905
Sale of property		**-**	32,200
Display of advertisements		**15,166**	14,219
Service charges - net	13.1	**27,041**	31,775
Revenue from contract with customers		**118,608**	132,099
Other revenue			
Rental income from lease of investment property		**25,471**	26,042
Total revenue		**144,079**	**158,141**

13.1 Services charges - net

The breakup of costs against service income recorded during the period is as follows:

Insura	**798**	763
Fuel and power	**88,813**	84,899
Janitorial and security charges	**4,959**	4,740
	94,570	90,402

14 Cost of sales

Shops and commercial buildings sold		
- at completion of project basis	-	30,240
- at percentage of completion basis	48,400	34,825
Stores operating expenses	57,772	49,805
	106,172	165,770

15 Cash generated from operations

	Un-audited 31 March 2020	Un-audited 31 March 2019
	(Rupees in thousand)	
Profit/(loss) before tax	(241,993)	(464,921)
Adjustments for:		
- Depreciation on property, plant and equipment	23,060	18,140
- Amortisation on intangible assets	383	382
- Gain on sale of property	(580)	-
- Share of Loss / profit of associate	2,022	21,075
- Markup income	(37)	(704)
- Finace cost	144,401	92,495
- Impairment loss trade debts	44,188	35
- Change in FV of investment property	-	
- Exchange loss on foreign currency convertible bonds	38,373	322,743
-Impairment of inventory (write down)	-	
- Provision for gratuity and leave encashment	8,823	7,527
Loss before working capital changes	18,640	(3,228)
Effect on cash flow due to working capital changes		
- Decrease/(Increase) in stock-in-trade	(17,082)	(247,219)
- (Increase)/Decrease in trade debts	(65,430)	(14,422)
- Decrease/(Increase) in advances, deposits prepayments and other receivables	(58,199)	334,205
- Increase/ (Decrease) in advances against sale of property	51,851	-
- (Decrease)/ Increase in creditors, accrued and other liabilities	(25,853)	(36,305)
	(114,713)	36,259
Cash generated from operations	(96,073)	33,031

19 Date of authorisation for issue

This condensed interim financial information was authorised for issue on April __, 2020 by the Board of Directors of the Group.

Chief Executive	**Chief Financial Officer**	**Director**

16 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 mutually agreed terms and conditions. Significant transactions with related parties are as follows:

Name of Company	Relationship	Nature of transactions	March 2020	March 2019
			--- (Rupees in thousand) ---	
Pace Barka Properties Limited	**Associated Company** (equity held 24.86%)	Guarantee commission income	**928**	928
		Rental income	**3,401**	3,102
		Receipts against Pace Circle	**-**	2,804
First Capital Securities Corporation Limited	**Common Directorship**	Sale of investment property	**-**	900
First Capital Investment Limited	**Common Directorship**	Advances against sale of property	**-**	16,020
Ever Green Water Valley (Private) Limited	**Common Directorship**	Advance paid against purchsase of Shadman plot	**22,422**	-
		Purchase of Property Plant & Equipment	**-**	42,000
		Advance against Construction of Pace Towers	**77,253**	44,902
Media Times Limited	**Common Directorship**	Rental Income	**11,672**	7,074
		Advertisement expenses	**334**	60
Rema and Shehrbano	**Common Directorship**	Service charges	**1,511**	1,363
Conatural	**Common Directorship**	Service charges	**685**	685
Post Employment Benefit Plans		Gratuity and leave encashment	**8,588**	7,185

All transactions with related parties have been carried out on mutually agreed terms and conditions.

17 Fair value measurement of financial instruments

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

	Note	31 March 2020 (Un-audited)					
		Carrying amount			Fair value		
		Loans and receivables	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3
		Rupees					
Financial instruments							
Financial assets not measured at fair value							
Long term advances and deposits		15,248	-	15,248	-	-	-
Trade debts - unsecured		423,511	-	423,511	-	-	-
Advances, deposits, prepayments and other receivables		535,858	-	535,858	-	-	-
Cash and bank balances		32,609	-	32,609	-	-	-
		1,007,226	-	1,007,226	-	-	-
Financial liabilities not measured at fair value							
Long term finances - secured		-	44,019	44,019	-	-	-
Redeemable capital - secured (non-participatory)		-	935,571	935,571	-	-	-
Liabilities against assets subject to finance lease		-	142,704	142,704	-	-	-
Foreign currency convertible bonds - unsecured		-	2,863,593	2,863,593	-	-	-
Trade and other payables		-	688,677	688,677	-	-	-
Accrued finance cost		-	1,165,637	1,165,637	-	-	-
		-	5,840,200	5,840,200	-	-	-

17.2 Fair value measurement of financial instruments

	Note	Carrying amount: Loans and receivables	Carrying amount: Financial liabilities at amortized cost	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3
		30 June 2019 (Audited)					
		Rupees					
Financial instruments							
Financial assets not measured at fair value							
Long term advances and deposits		15,248	-	15,248	-	-	-
Trade debts - unsecured		424,753	-	424,753	-	-	-
Advances, deposits, prepayments and other receivables		477,659	-	477,659	-	-	-
Cash and bank balances		165,416	-	165,416	-	-	-
	17.3	1,083,076	-	1,083,076	-	-	-
Financial liabilities not measured at fair value							
Long term finances - secured		-	49,810	49,810	-	-	-
Redeemable capital - secured (non-participatory)		-	935,571	935,571	-	-	-
Liabilities against assets subject to finance lease		-	18,046	18,046	-	-	-
Foreign currency convertible bonds - unsecured		-	2,805,535	2,805,535	-	-	-
Trade and other payables		-	714,530	714,530	-	-	-
Accrued finance cost		-	1,077,823	1,077,823	-	-	-
	17.3	-	5,601,315	5,601,315	-	-	-

17.3 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.

18 Segment information

	Real estate sales				Investment Properties				Others				Total			
	Quarter ended		Nine month ended		Quarter ended		Nine month ended		Quarter ended		Nine month ended		Quarter ended		Nine month ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	------- Rupees in thousands -------															
Segment revenue	**32,270**	8,957	**78,031**	44,791	**8,445**	4,835	**29,702**	24,182	**15,505**	17,830	**36,346**	89,168	**56,220**	**31,622**	**144,079**	158,141
Segment expenses																
- Cost of sales	**(10,037)**	(3,984)	**(41,625)**	(32,535)	**(9,172)**	(2,151)	**(29,027)**	(17,565)	**(16,838)**	(7,932)	**(35,521)**	(64,769)	**(36,047)**	(14,067)	**(106,172)**	(114,869)
Gross (loss) / profit	22,233	4,972	36,406	12,256	(726)	2,684	675	6,617	(1,334)	9,898	826	24,399	20,173	17,555	37,907	43,272
Segment results	22,233	4,972	36,406	12,256	(726)	2,684	675	6,617	(1,334)	9,898	826	24,399	20,173	17,555	37,907	43,272
Administrative and selling expenses													**(23,959)**	(25,711)	**(99,013)**	(83,376)
Other operating income													**24,656**	8,431	**48,097**	26,168
Finance costs													**(47,476)**	(32,506)	**(144,401)**	(92,494)
Other operating expenses													**(194,426)**	(27,036)	**(38,373)**	(337,416)
Impairment Loss on trade debts													**-**	-	**(44,188)**	-
Share of Profit of associates													**(2,763)**	(3,884)	**(2,022)**	(21,075)
Profit/Loss before tax													**(223,795)**	(63,151)	**(241,993)**	(464,921)
Taxation																
- Group													**(2,568)**	20,863	**(3,997)**	(777)
Profit/Loss for the period													**(226,363)**	(42,288)	**(245,990)**	(465,698)