

**PACE (PAKISTAN) LIMITED**  
**FINANCIAL STATEMENTS FOR THE PERIOD ENDED**  
**31 MARCH 2021**

## 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, 2021.

### Operating Results:

During period under review, the sales of the Company amounted to Rs. 126.310 million as compared to Rs. 144.079 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. 106.172 million last year to Rs. 46.143 current year. Administrative expenses decreased by 12% to Rs. 86.979 million. Other income of the company also showed a decrease of 75% to arrive at Rs. 12.150 million as compared with Rs. 48.097 million of last year due to classification of service charges from Pace Tower to revenue. The company received an exchange gain of Rs 242.97 million on Foreign Currency Convertible Loan due to appreciation of Pak-Rupee against dollar. Finance costs during the period under review decreased from Rs. 144.401 million to Rs. 104.850 million, due to decrease in KIBOR.

As a result of aforementioned factors, the profit for the period under consideration amounted to Rs. 135.455 million as compared to loss of last year at Rs. 244.272 million, resulting in Earning Per Share (EPS) of Rs. 0.49 as compared to LPS of Rs. 0.88 in corresponding period last year.

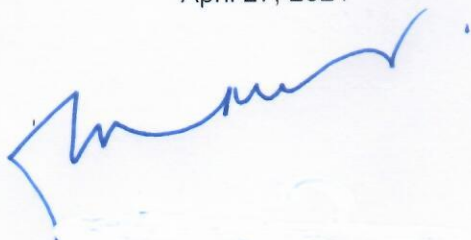
The comparison of the financial results for the nine months ended 31<sup>st</sup> March 2021, with corresponding period of the previous financial year is as under:

	Nine Months 2021	Nine Months 2020
	Rupees in '000'	
Sales	126,310	144,079
Cost of Sales	(46,143)	(106,172)
Gross Profit	80,167	37,907
Admin & Selling Expenses	(86,979)	(99,013)
Other Income	12,150	48,097
Exchange Gain/(loss) on foreign currency convertible bond	242,970	(38,373)
Impairment loss on receivables	(6,108)	(44,188)
Finance Cost	(104,850)	(144,401)
Net profit/(loss) before tax	137,350	(239,971)
Net profit/(loss) after tax	135,455	(244,272)
Earnings/(Loss) per share (PKR)	0.49	(0.88)

The Board of Directors 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 Company.

For and on behalf of the Board of Directors

**Lahore**  
April 27, 2021

A handwritten signature in blue ink, appearing to be a stylized name, possibly "M. Khan".

Director

A handwritten signature in blue ink, appearing to be "Amna Iqbal".

Chief Executive Officer

**PACE (PAKISTAN) LIMITED**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT MARCH 31, 2021**

	Unaudited March 31, 2021 (Rupees in thousand)	Audited June 30, 2020		Unaudited March 31, 2021 (Rupees in thousand)	Audited June 30, 2020
Note			Note		
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
<b>CAPITAL AND RESERVES</b>			<b>NON-CURRENT ASSETS</b>		
Authorized capital 600,000,000 (2019: 600,000,000) ordinary shares of Rs 10 each	6,000,000	6,000,000	Property, plant and equipment	12 569,484	601,264
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	Intangible assets	3,754	4,008
Reserves	273,265	273,265	Investment property	13. 1,745,251	1,745,251
Accumulated loss	(2,329,095)	(2,464,550)	Long term investments	14. 850,321	850,321
	732,936	597,481	Long term advances and deposits	13,619	13,619
			Deferred taxation	-	-
				3,182,429	3,214,463
<b>NON-CURRENT LIABILITIES</b>					
Long term finances - secured	8. -	-			
Redeemable capital - secured (non-participatory)	9. -	-			
Liabilities against assets subject to finance lease	142,518	136,572			
Foreign currency convertible bonds - unsecured	10. -	-			
Deferred liabilities	53,412	45,934			
	195,930	182,506			
<b>CURRENT LIABILITIES</b>			<b>CURRENT ASSETS</b>		
Advances against sale of property	276,616	228,256	Stock-in-trade	15 2,846,572	2,821,179
Current portion of long term liabilities	3,715,626	3,940,406	Trade debts - unsecured	462,003	406,985
Creditors, accrued and other liabilities	876,926	845,135	Advances, deposits, prepayments and other receivables	514,939	493,245
Accrued finance cost	1,264,990	1,189,058	Income tax recoverable	29,998	23,845
	6,134,158	6,202,855	Cash and bank balances	27,083	23,125
				3,880,595	3,768,379
<b>CONTINGENCIES AND COMMITMENTS</b>					
	11 -	-			
	7,063,024	6,982,842			
	7,063,024	6,982,842			

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**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR QUARTER AND NINE MONTH ENDED MARCH 31, 2021**

	Reserves		Accumulated Loss	Total	
	Share Capital	Share Premium Reserve			Reserve for changes in fair value of investments
	------(Rupees in thousand)-----				
<b>Balance as on June 30, 2019</b>	2,788,766	273,265	-	(2,075,583)	986,448
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	(397,879)	(397,879)
Other comprehensive income for the year	-	-	-	8,912	8,912
<b>Transferred to profit and loss account on disposal of investments</b>				(388,967)	(388,967)
<b>Balance as on June 30, 2020</b>	<u>2,788,766</u>	<u>273,265</u>	-	<u>(2,464,550)</u>	<u>597,481</u>
<b>Total comprehensive loss for the Period</b>					
Loss for the year	-	-	-	135,455	135,455
Other comprehensive income for the year:	-	-	-	135,455	135,455
<b>Balance as on March 31, 2021</b>	<u><u>2,788,766</u></u>	<u><u>273,265</u></u>	-	<u><u>(2,329,095)</u></u>	<u><u>732,936</u></u>

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

**Chief Executive**

**Chief Financial Officer**

**Director**

**PACE (PAKISTAN) LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR QUARTER AND NINE MONTH ENDED MARCH 31,2021**

	Note	Quarter Ended		Nine month ended	
		March 31, 2021 Unaudited	March 31, 2020 Unaudited	March 31, 2021 Unaudited	March 31, 2020 Unaudited
(Rupees in thousand)					
Sales	16	<b>32,473</b>	56,220	<b>126,310</b>	144,079
Cost of sales	17	<b>(13,635)</b>	(36,047)	<b>(46,143)</b>	(106,172)
<b>Gross profit</b>		<b>18,838</b>	20,173	<b>80,167</b>	37,907
Administrative and selling expenses		<b>(6,689)</b>	(23,959)	<b>(86,979)</b>	(99,013)
Other income		<b>8,108</b>	24,656	<b>12,150</b>	48,097
Impairment loss		-	-	<b>(6,108)</b>	(44,188)
Exchange Gain / (loss) on foreign currency convertible bond		<b>103,618</b>	(194,426)	<b>242,970</b>	(38,373)
<b>Profit/(Loss) from operations</b>		<b>123,875</b>	(173,556)	<b>242,200</b>	(95,570)
Finance costs		<b>(30,912)</b>	(47,476)	<b>(104,850)</b>	(144,401)
<b>Profit / (loss) before tax</b>		<b>92,963</b>	(221,032)	<b>137,350</b>	(239,971)
Taxation		<b>(206)</b>	(2,983)	<b>(1,895)</b>	(4,301)
<b>Profit / (loss) for the year</b>		<b>92,757</b>	(224,015)	<b>135,455</b>	(244,272)
<b>Other comprehensive income/ (loss)</b>		-	-	-	-
<b>Total comprehensive income / (loss) for the year</b>		<b>92,757</b>	(224,015)	<b>135,455</b>	(244,272)
Earnings / (loss) per share attributable to ordinary shareholders					
- basic earnings / (loss) per share		<b>0.33</b>	(0.80)	<b>0.49</b>	(0.88)

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 31,2021**

	Note	Nine month ended	
		March 31, 2021 Unaudited	March 31, 2020 Unaudited
<b>(Rupees in thousand)</b>			
<b>Cash flow from operating activities</b>			
Cash (used in) / generated from operations	18	15,681	(96,073)
Finance costs paid		(78)	-
Gratuity and leave encashment paid		-	(125)
Taxes paid		(5,812)	(7,477)
<b>Net cash used in operating activities</b>		<b>9,791</b>	<b>(103,675)</b>
<b>Cash flow from investing activities</b>			
Fixed capital expenditure		(3,134)	(4,659)
Proceeds from disposal of property, plant and equipment		-	1,900
Markup received		54	37
<b>Net cash generated from investing activities</b>		<b>(3,080)</b>	<b>(2,722)</b>
<b>Cash flow from financing activities</b>			
Repayment on long term finances		-	(22,535)
Lease rental paid		(2,753)	(3,875)
<b>Net decrease in cash and cash equivalents</b>		<b>3,958</b>	<b>(132,807)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>23,125</b>	<b>165,393</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>27,083</b>	<b>32,586</b>

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, 2021 (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 2<sup>nd</sup> floor Pace Mall, Fortress Stadium, Lahore.

<b>Sr. No</b>	<b>Business Units</b>	<b>Geographical Location</b>
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 2,248.631 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 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.

#### **4. 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 2021 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 2021 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 2020. Comparative condensed interim unconsolidated statement of financial position is stated from annual audited financial statements as of 30 June 2020, 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 2020.

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.

## 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 2020.

### 5.1 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 2020.

## 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.

		<b>Un-Audited March 31, 2021 (Rupees in thousand)</b>	Audited June 30, 2020
<b>8. Long term finances - secured</b>	<b>Note</b>		
Pak Iran Loan	8.1	<u>66,860</u>	<u>66,860</u>
		<b>66,860</b>	66,860
Less: Current portion shown under current liabilities		<u>(66,860)</u>	<u>(66,860)</u>
		<u>-</u>	<u>-</u>

### 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	<b>66,860</b>	66,860
Add: unwinding of interest	-	-
As at end	<b>66,860</b>	<b>66,860</b>

**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.

	Note	Un-Audited March 31, 2021 (Rupees in thousand)	Audited June 30, 2020
<b>9. Redeemable capital - secured (non-participatory)</b>			
Term finance certificates		935,571	935,571
Less: Current portion shown under current liabilities	9.1	<u>(935,571)</u>	<u>(935,571)</u>
		<u>-</u>	<u>-</u>

#### 9.1 Term Finance Certificates

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 mark-up of 6 months KIBOR plus 2% (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 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 the previous year, Pakistan Stock Exchange through its letter (Ref No. PSX/Gen-5683) dated 19 November 2019 instructed the company to appraise 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 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 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.

#### 10. Foreign currency convertible bonds - unsecured

Opening balance	2,895,217	2,805,535
Markup accrued during the year	18,190	24,873
	<u>2,913,407</u>	<u>2,830,408</u>
Exchange (gain) / loss for the year	(242,970)	64,809
	<u>2,670,437</u>	<u>2,895,217</u>
Less: Current portion shown under current liabilities	(2,670,437)	(2,895,217)
	<u>-</u>	<u>-</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 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 (2020: 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** 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. 98.24 million (2020: Rs. 101.28 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 (2020: Rs. 900 million) as per the approval of shareholders through the special resolution dated 29 July 2006.

		<b>Un-Audited March 31, 2021</b>	<b>Audited June 30, 2020</b>
		<b>(Rupees in thousand)</b>	
<b>12</b>	<b>Property, plant and equipment</b>		
	Operating fixed assets	<b>420,638</b>	440,226
	Right to use asset	<b>126,808</b>	129,298
	Capital work-in-progress	<b>22,038</b>	31,740
		<b>569,484</b>	601,264
<b>12.1</b>	<b>Operating fixed assets</b>		
	Book value at beginning of the period / year	<b>440,226</b>	439,657
	Add:		
	- Additions during the period / year	-	28,950
		-	28,950
		<b>440,226</b>	468,607
	Less:		
	- Disposals during the period / year - at book value	-	1,224
	- Depreciation charged during the period / year	<b>19,588</b>	27,157
		<b>19,588</b>	28,381
	Book value at end of the period / year	<b>420,638</b>	440,226

		<b>Un-Audited March 31, 2021</b>	<b>Audited June 30, 2020</b>
		<b>(Rupees in thousand)</b>	
<b>13.</b>	<b>Investment property</b>		
	Opening Fair value	<b>1,745,251</b>	1,668,741
	Gain on initial application of IFRS 16 at period start		27,186
	FV Gain on initial recognition of RTU at period start	-	38,426
	FV gain recorded during the period		10,898
	Closing Fair Value	<b>1,745,251</b>	1,745,251



	Note	Un-Audited March 31, 2021 (Rupees in thousand)	Audited June 30, 2020
<b>14. Long term investments</b>			
Equity instruments of:			
- subsidiaries - unquoted	14.1	91,670	91,670
- associate - unquoted	14.2	758,651	758,651
		<u>850,321</u>	<u>850,321</u>
<b>14.1 Subsidiaries - unquoted</b>			
Pace Woodlands (Private) Limited			
3,000 (June 2020: 3,000) fully paid ordinary shares of Rs 10 each Equity held 52% (June 2020: 52%)		30	30
Pace Super Mall (Private) Limited			
9,161,528 (June 2020: 9,161,528) fully paid ordinary shares of Rs 10 each Equity held 57% (June 2020: 57%)		91,615	91,615
Pace Gujrat (Private) Limited			
2,450 (June 2020: 2,450) fully paid ordinary shares of Rs 10 each Equity held 100% (June 2020: 100%)		25	25
		<u>91,670</u>	<u>91,670</u>
<b>14.2 Associate - unquoted</b>			
Pace Barka Properties Limited			
75,875,000 (June 2020: 75,875,000) fully paid ordinary shares of Rs 10 each Equity held 24.9% (June 2020: 24.9%)		758,651	758,651
<b>15 Stock-in-trade</b>			
Land not under development		21,600	21,600
Land purchased for resale		930,765	930,765
<b>Work in progress</b>			
Pace Tower		647,709	626,269
Pace Circle		702,187	699,140
Completed units - shops		<u>541,744</u>	<u>542,244</u>
		<u>2,844,005</u>	<u>2,820,018</u>
Stores inventory		2,567	1,161
		<u>2,846,572</u>	<u>2,821,179</u>

		Un-Audited March <b>2021</b>	Un-Audited March 2020
	Note	(Rupees in thousand)	
<b>16</b>	<b>Revenue</b>		
Development services		2,342	76,401
Display of advertisements		22,025	15,166
Service charges - net	16.1	79,037	27,041
<b>Revenue from contract with customers</b>		<b>103,404</b>	118,608
<b>Other revenue</b>			
Rental income from lease of investment property		22,906	25,471
<b>Total revenue</b>		<b>126,310</b>	144,079
<b>16.1</b>	<b>Services charges - net</b>		
The breakup of costs against service income recorded during the period is as follows:			
Insurance		-	798
Fuel and power		79,080	88,813
Janitorial and security charges		5,331	4,959
		<b>84,411</b>	94,570
<b>17</b>	<b>Cost of revenue</b>		
Shops and commercial buildings sold			
- at completion of project basis		-	-
- at percentage of completion basis		3,665	48,400
Stores and operating expenses		42,478	57,772
		<b>46,143</b>	106,172
<b>18</b>	<b>Cash generated from operations</b>		
Profit / (loss) before tax		137,350	(239,971)
Adjustment for:			
Exchange loss / (gain) on foreign currency convertible bonds	10	(242,970)	38,373
Provision for gratuity and leave encashment		7,479	8,823
Impairment loss on trade and other receivables		6,108	44,188
Depreciation on:			
- owned assets	12.1	19,588	19,454
- assets subject to finance lease		2,490	3,606
Amortization on intangible assets		254	383
Gain on sale of PPE			(580)
Markup income		(54)	(37)
Finance costs		104,850	144,401
Profit before working capital changes		<b>35,095</b>	18,640
Effect on cash flow due to working capital changes:			
(Increase) in stock-in-trade		(25,393)	(17,082)
Decrease / (increase) in trade debts		(47,546)	(64,172)
(Increase) / Decrease in advances, deposits and other receivables		(21,694)	(59,457)
Net (decrease) / increase in contract liability		48,360	51,851
Increase in creditors, accrued and other liabilities		26,859	(25,853)
		<b>(19,414)</b>	<b>(114,713)</b>
		<b>15,681</b>	(96,073)



**21. Date of authorization**

These financial statements were authorized for issue on \_\_\_\_\_, 2021 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**

## 19 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 2021 (Un-audited)					
		Carrying amount		Fair value			
		Loans and receivables	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3
		----- (Rupees in thousand) -----					
<b>Financial instruments</b>							
<b><u>31 March 2021</u></b>							
<b><u>Financial assets not measured at fair value</u></b>							
Long term advances and deposits		13,619	-	13,619	-	-	-
Trade debts		462,003	-	462,003	-	-	-
Advances, deposits, prepayments and other receivables		164,198	-	164,198	-	-	-
Cash and bank balances		27,083	-	27,083	-	-	-
	23.2	<b>639,820</b>	<b>-</b>	<b>639,820</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Financial liabilities not measured at fair value</u></b>							
Long term finances - secured		-	66,860	66,860	-	-	-
Redeemable capital - secured (non-participatory)		-	935,571	935,571	-	-	-
Liability against right of use assets		-	142,518	142,518	-	-	-
Foreign currency convertible bonds - unsecured		-	2,670,437	2,670,437	-	-	-
Trade and other payables		-	876,926	876,926	-	-	-
Accrued finance cost		-	1,264,990	1,264,990	-	-	-
	23.2	<b>-</b>	<b>5,957,302</b>	<b>5,957,302</b>	<b>-</b>	<b>-</b>	<b>-</b>