



REGISTERED OFFICE:
FIRST CAPITAL HOUSE
96-B/1, Lower Ground Floor,
M.M. Alam Road, Gulberg-III, Lahore.
Tel: +92-42-35778217-8

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of the Shareholders of Pace (Pakistan) Limited ("the Company" or "Pace") will be held on Friday, 28 October 2022 at 11:00 a.m. at Company's Registered Office, First Capital House, 96-B-1, M.M. Alam Road, Gulberg-III Lahore to transact the following business:

Ordinary Business

1. To confirm the minutes of last Annual General Meeting held on 28 October 2021;
2. To receive, consider and adopt the audited financial statements of the Company for the year ended 30 June 2022 together with the Chairman's Review, Directors' Report and Auditors' reports thereon;
3. To appoint the Auditors of the Company for the year ending 30 June 2023 and to fix their remuneration;

4 Special Businesses:

(I) To make additional equity investment in Pace Barka Properties Limited, in this regard to pass the following special resolutions with or without modifications;

"RESOLVED THAT the Chief Executive of the Company be and is hereby authorized to take all necessary steps to make additional equity investment(s) in the Share Capital of Pace Barka Properties Limited ("Pace Barka"), up to the extent of 1,750 million (Rupees one thousand seven hundred fifty million only) in accordance with the provisions of section 199 of the Companies Act, 2017, on such terms and conditions as to be authorized by the Board of Directors of the Company. Further, the Chief Executive of the Company is also authorized to disinvest such investments, from time to time on terms and conditions to be authorized by the Board of Directors of the Company:

"RESOLVED FURTHER THAT the Chief Executive/the Company Secretary of the Company be and is hereby authorized to complete all necessary required corporate and legal formalities for the completion of subject investments, including necessary filings etc."

(II) To make an investment as Loan/Advance in Pace Barka Properties Limited, in this regard to pass the following special resolutions with or without modifications;

RESOLVED THAT the Chief Executive of the Company be and is hereby authorized to take all necessary steps to make an investment as Loan/Advance to Pace Barka an associated company, up to Rs. 500.00 Million (Rupees five hundred million only) in accordance with the provisions of section 199 of the Companies Act, 2017 and to disinvest such investments, from time to time."



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RESOLVED FURTHER THAT the above loan/advance to Pace Barka as to be given from time to time shall be subject to such mark-up rate not less than the borrowing cost of the Company in accordance with the criteria laid down in Section 199 of the Companies Act, 2017. The mark up shall be charged on quarterly basis and paid to the Company within one month of the close of the quarter. In case it is not paid by Pace Barka within one month of the close of quarter, then the mark up shall be automatically settled after one month by adding the same in the principal for calculation of mark-up for the next quarter. The total outstanding loan/advance amount (including principal and any mark-up added in the same, which in total shall not exceed the approved limit) shall be repaid after completion of two years, from the dates of disbursement of loan/advance or at any earlier date, as may be practical based on cash flows of Pace Barka.”

“**RESOLVED FURTHER THAT** the Chief Executive/the Company Secretary of the Company be and is hereby authorized to complete all necessary required corporate and legal formalities for the completion of subject investments, including necessary filings etc.”

(III) Disposal of 75,875,000 ordinary shares of Rs. 10.00 each, the existing Shareholding of the Company in Pace Barka Properties Limited, in this regard to pass the following special resolutions with or without modifications;

“**RESOLVED THAT** the Chief Executive Officer of the Company be and is hereby authorized to take all necessary steps to make disinvestment up to 75,875,000 ordinary shares of Rs. 10/- each of Pace Barka Properties Limited to any prospective buyer on such terms and conditions as may be approved by the Board of Directors”.

“**RESOLVED FURTHER THAT** the Chief Executive officer / the Company Secretary of the Company be and is hereby authorized to complete any or all necessary required corporate, regulatory and legal formalities for the completion of aforesaid disposal of shares.”

By order of the Board


Sajjad Ahmad
Company Secretary

Lahore:
07 October 2022

Notes:-

- 1) The Members Register will remain closed from 21 October 2022 to 28 October 2022 (both days inclusive). Transfers received at Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, the Registrar and Shares Transfer Office of the Company, by the close of business on 20 October 2022 will be treated in time for the purpose of Annual General Meeting.

- 2) A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company not later than 48 hours before the time for holding the meeting.
- 3) In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Company's Registered Office, First Capital House, 96-B-1, M.M. Alam Road, Gulberg-III Lahore, not less than 48 hours before the time of the meeting.
- 4) Pursuant to Companies (Postal Ballot) Regulations, 2018, the shareholders will be allowed to exercise their right to vote through postal ballot for election of directors
- 5) Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the meeting.

The demand for video-link facility shall be received by the Share Registrar of the Company or directly to the Company at the email address given herein blow at least 7 (seven) days prior to the date of the meeting on the Standard Form which can be downloaded from the company's website: www.pacepakistan.com

Further, Securities & Exchange Commission of Pakistan vide its Circular No.5 dated March 17, 2020, has directed the listed companies to modify their usual planning for General Meetings for the wellbeing of shareholders in light of the threat posed by the evolving COVID -19 situation.

Accordingly, the shareholders of the Company can opt to attend the meeting through Video/Webex. The shareholders whose names appear in the Books of the Company by the close of business on 20 October 2022 and who are interested to attend AGM through online platform are hereby requested to get themselves, registered with the Company Secretary Office by providing the following details at least 7 (seven) days prior before the meeting; through following means;

Email; sajjadahmad@pacepakistan.com, asattar@pacepakistan.com,
WhatsApp Number 0303-4444800, 0301-8449940

Please mention your Name, CNIC No, Folio / CDC A/C No & Number of shares for your identification.

Upon receipt of the above information from interested shareholders, the Company will send the login details / password at their email addresses. On the AGM day, shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices from any convenient location.

The members can also send their comments/suggestions related to the agenda items of the meeting on the above mentioned email and Whats App number .The login facility will be opened 30 minutes before the meeting time to enable the participants to join the meeting.

- 6) Address of Independent Share Registrar of the Company: Name : **Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, (042) 35839182**
- 7) The Notice of Annual General Meeting has been placed on the Company's website: www.pacepakistan.com
- 8)
 - a) Individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolution of the Board of Directors/Power of attorney with specimen signatures of nominees shall be produced (unless provided earlier) at the time of meeting.
 - b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub-account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Director/Power of attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.
- 9) Members are requested to notify any change in their registered address immediately;

STATEMENT UNDER SECTION (3) OF SECTION 134 OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the special business as to be transacted at the Annual General Meeting of the Company to be held on 28 October 2022.

INVESTMENT IN PACE BARKA PROPERTIES LIMITED (“PACE BARKA”)

The Company intends to make additional long term investment in the share capital of Pace Barka Properties Limited (“Pace Barka”) up to Rs. 1,750 million (Rupees one thousand seven hundred fifty million only) through subscription of right shares / purchase from existing shareholders on such terms and conditions as to be authorized by the Board of Directors of the Company. Further, the Chief Executive of the Company is also authorized to disinvest such investments, from time to time as and when considered appropriate on such terms and conditions as to be approved by the Board of Directors of the Company.

Pace Barka was incorporated on 22 November 2005 as a public company. The main objectives of Pace Barka are to acquire/purchase, construct and develop properties, hotels, shopping malls, apartment buildings, office blocks, commercial buildings, etc. and sales and management thereof. The registered office of Pace Barka is located at First Capital House, 96-B-1, M.M. Alam Road, Gulberg-III Lahore,. The existing Authorized Share Capital of Pace Barka is Rs. 4,800,000,000 divided into 480,000,000 ordinary shares of Rs.10/- each. The issued, subscribed and paid up capital is Rs. 3,052,573,630/- divided into 305,257,363 ordinary shares of Rs.10/- each.

The Shareholders of Pace Barka consists of the Company holds 75,875,000 shares (24.86%), Parkview Holdings Corporation holds 68,331,363 shares (22.39%), Late Sheikh

Sulieman Ahmed Said Al-Hoqani holds 73,924,500 shares (24.22%), Saudi Pak Industrial & Agricultural Investment Co. Limited holds 16,875,000 shares (5.53%), Faysal Bank Limited holds 5,200,000 (1.70%), Tawasul Healthcare (Pvt.) Limited holds 4,500,000 shares (1.47%), First Capital Securities Corporation Limited holds 54,791,061 shares (17.95%), and other shareholders hold 5,763,939 shares (1.89%) of the total paid up capital of Pace Barka.

Pace Barka is developing a premium multiuse project near Alama Iqbal International Airport Lahore which comprises a proposed 5-star hotel, a world class shopping mall, proposed serviced & Pace-managed apartments. The project is located near Lahore International Airport and is surrounded by number of high-end housing societies like Army Housing Scheme and Defence Housing Authority.

In addition to the above, Pace Barka also owns a lake-side premium property at a short distance from Islamabad. Pace Barka is planning to develop large commercial project(s) thereon. Pace Barka also holds 48% of the shareholding in Pace Woodlands (Pvt.) Limited, a residential housing scheme, located at Bedian Road, Lahore Cantt. The housing scheme is comprised of 160 houses on a total area of 160 kanals.

The management of the Company considers this investment to be beneficial. The Company has already holds 75,875,000 shares of par value of Rs. 10.00/- each, 24.86 % of the total shareholding of Pace Barka.

The investments in Pace Barka shares shall be made from the available cash resources and/or the future internal cash generations of the Company including through sale of assets available. The benefits likely to accrue to the Company shall include income on equity investment in the shape of dividends and capital gains. The Company shall comply the requirements of section 199 of the Companies Act, 2017 for the purpose of these investments. All the benefits accrued to Pace Barka, through growth in its business operations will become part of the returns of the Company and its shareholders

INFORMATION AS REQUIRED UNDER REGULATION 3(A) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017

The Company is fully authorized by its Memorandum of Association to make such investment. The investment would be made at such time(s), as the Chief Executive may think appropriate on behalf of the Company and would disinvest(s) as and when appropriate. The Chief Executive of the Company or the Company Secretary are also authorized to take all the necessary corporate and legal formalities in connection with the proposed investment where required.

The information required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017:

Investment in the form of Equity;

(i)	Name of the associated company or associated undertaking	Pace Barka Properties Limited,
(ii)	Basis of relationship	Common Directorship
(iii)	Earnings per share for the last three years	June 2020 2021 2022 RS. (0.51) RS (0.77) RS (1.02)
(iv)	Break-up value per shares, based on latest financial statements	PKR 17.62 /- per share
(v)	Financial Position, including main items of statement of financial position and profit & Loss account on the bases of latest financial statements; and	Financial Year ended 2022 Share Capital & Reserves PKR 5,379,782,000 million Non-Current Liabilities RS 985,715,000 Current Liabilities RS 922,168,000 Non-Current Assets RS 5,147,306,000 Current Assets RS 2,140,359,000 Operating Loss RS 354,691,000 Net Loss for F/Y 2022 is RS 311,003,000
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information;	
	(l) Description of the project and its history since conceptualization;	Currently, Pace Barka is focusing on completion of development of Pace Circle Project, a premium multiuse project near Alama Iqbal International Airport Lahore which comprises a 5-star proposed hotel, a world class shopping mall, proposed serviced & Pace-managed apartments. The project is located near Lahore International Airport and is surrounded by number of high-end housing societies like Army Housing Scheme and Defence Housing Authority. Total planned constructed area consists of

		around 1.67 million square feet (including basement). The civil work on Serviced Apartment and Shopping Mall Building has been almost completed
	(II) Starting date and expected date of completion of work; (III) Time by which such project shall become commercially operational; (IV) Expected time by which the project shall start paying return on investments and; (V) Funds invested or to be invested by the promoters, sponsors, associated company or undertaking distinguishing between cash and non cash amounts.	Starting date is 2005 and expected date of completion for Retail and Apartments is 30-06-24 and for Hotel is 30-06-25. 01.07.2024 RS. 3,052,573,630 has been invested by all shareholders in Pace Barka, the Company has further plan to invest Rs. 1,500,000,000 as equity.
	Maximum amount of investment to be made	PKR 1,750,000,000 only
	Purpose, benefits likely to accrue to the investing company its members from such investment and period of investments;	Utilization of the Company's available/future cash resources including sale of assets for better prospective returns to shareholders
	Sources of funds to be utilized for investment;	Available cash resources and/or future internal cash generation from the operations of Company or through sale of other assets
	Salient features of the agreement(s), if any with associated company or associated undertaking with regards to the proposed investment;	NA
	Direct or indirect interest of Directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	Mr. Salmaan Taseer (late) holds 2,613,701 (0.86%) of the total shareholding, which is under succession. Rest the Directors of the Company and their relatives (if any) are interested to the extent of their shareholdings.
	In case any investment in associated company or associated has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and;	The investment was made, from time to time at Par value of Rs. 10.00 each, now the break-up value of the shares is Rs. 17.62 per share.
	Any other important details necessary for the members	Additional Equity Investment

to understand the transaction	in Associated Company
Maximum price at which securities will be acquired	The fair value at the date of acquisition to be determined in accordance with law.
In case the purchase price is higher than market value in the case of listed entity and fair value in case of unlisted securities, justification thereof;	NA
Maximum number of securities to be acquired	Tentatively 175,000,000 shares at a rate of Rs 10/-per share
Number of securities and percentage thereof held before and after the proposed investment;	Before =75,875,000= 24.86% After =250,875,000= 52.00%
Fair value determined in terms of sub regulation (1) of regulation 05 for investments in unlisted securities.	The fair value is to be determined at the time of Investment. The break up value is Rs. 17.62/ - per share as at 30 June 2022

Investment in the form of Loan/Advance;

The Company is fully authorized by its Memorandum of Association to make such investment. The investment would be made at such time(s), as the Chief Executive may think appropriate on behalf of the Company and would disinvest(s) as and when appropriate. The Chief Executive of the Company or the Company Secretary are also authorized to take all the necessary corporate and legal formalities in connection with the proposed investment where required.

The information required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017:

(i)	Category wise amount of investment	Loan/Advance up to Rs.500 million only
(ii)	Average borrowing cost of the Company, the KIBOR for relevant period, rate of return for shariah compliant products, rate of return for unfunded facilities, as the case may be, for the relevant period	6 month KIBOR+2.00% p.a. (30 June 2022)
(iii)	Rate of interest, mark-up, profit, fees or commission, etc.to be charged by the Company	Not less than borrowing cost of the Company. CEO is authorized to charge a premium over and above the borrowing cost of the Company as he may deems fit in the best interest of the Company
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	No collateral security is required as Pace Barka is an associated of the Company
(v)	If the investment carries conversion features i.e. it	Not applicable

	is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place when the time when the conversion may be exercisable and	
(vi)	Repayment schedule and terms and conditions of loans or advance to be given to the associated company or associated undertaking	The total outstanding loan/advance amount (including principal and any mark-up added in the same, which in total shall not exceed the approved limit) shall be repaid after completion of two years, from the dates of disbursement of loan/advance or at any earlier date, as may be practical based on cash flows of Pace Barka

DISPOSAL OF 75,875,000 ORDINARY SHARES OF RS. 10.00 EACH, THE ENTIRE SHAREHOLDING OF THE COMPANY IN PACE BARKA PROPERTIES LIMITED (“PBPL”)

The Board of Directors of the Company in their meeting held on 07 October 2022, decided to dispose off the entire shareholding of the Company in PBPL to any prospective buyer at a price of not less than the fair value of PBPL’s shares on the date of sale.

The break-up value per share of PBPL is Rs. 17.62 per share as per latest available Annual Audited Accounts as at 30 June 2022. An extract of Profit & Loss Account of PBPL for last three years is as under:

Particulars	June 2022 (Rupees in thousands)	June 2021 (Rupees in thousands)	June 2020 (Rupees in thousands)
Operating Profit/(Loss)	(354,691)	(273,211)	(103,494)
Net Profit/(Loss) after Tax	(311,003)	(234,917)	(156,675)
Earnings/(Loss) per Share – Basic and Diluted	(1.02)	(0.77)	(0.51)

The financial position of PBPL for last three years is as under:

Particulars	June 2022 (Rupees in thousands)	June 2021 (Rupees in thousands)	June 2020 (Rupees in thousands)

Non-Current Assets	5,147,306	4,146,191	4,033,986
Current Assets	2,140,359	2,657,607	2,581,543
Total Assets	7,287,665	6,803,798	6,615,529
Total Equity (Share Capital and Reserves)	5,379,782	4,664,410	4,890,855
Non-Current Liabilities	985,715	604,845	253,144
Current Liabilities	922,168	1,534,543	1,471,530
Total Liabilities	7,287,665	6,803,798	6,615,529

The fair value of PBPL share is to be determined in accordance with law prior to the sale of shares on the bases of latest financial statements of the BPL as at 30 June 2022 or latest accounts available. The rationale behind the disposal of this disinvestment is that the Company intends to put the proceeds to be realized from sale of shares in alternate profitable ventures.

It is proposed to authorize Chief Executive Officer to take necessary steps to make disinvestment up to 75,875,000, the entire shareholding of the Company in PBPL.

The Board of Directors in their meeting held on 07 October 2022 recommended to the Shareholders that an authority be given to the Chief Executive of the Company to negotiate terms and conditions of the sale with the buyer and recommend terms and conditions of disposal to the Board of Directors for final decision on the sale of shares of PBPL.

The sale price per share of PBPL shall be equal to fair value of the shares to be determined in accordance with law.

It is also approved in the aforesaid Board of Directors meeting that an authorization of Shareholders be obtained for providing an authorization to Chief Executive officer or the Company Secretary of the Company to complete all necessary corporate and legal formalities for the purpose of the disposal of shares of PBPL.

UNDER S.R.O. 423(1)/2018 MATERIAL FACTS TO BE DISCLOSED WHERE SPECIAL RESOLUTION OF MEMBERS IS REQUIRED FOR:

Special business relating to members' approval for sale, lease or disposal of the undertaking or sizeable part thereof or sale / disposal of subsidiary that is to be transacted under clause (a) or (b) of sub-section (3) of section 183 of the Act,

In case of sale, lease or disposal of sizeable part of undertaking:		
I. Detail of assets to be sold, leased or disposed of shall include the following;		
a)	Description / Name of assets;	Ordinary Shares of Pace Barka Properties Limited
b)	Acquisition date of the asset;	22-11-2005
c)	Cost;	Rs.10.00 per share at par value
d)	Re-valued amount and date of revaluation (if applicable);	Not applicable
e)	Book value;	Rs. 17.62
f)	Approximate current market price / fair value;	Not available as these shares are not traded on PSX/ tentative fair value may be equal to break-up value
g)	in case of sale, if the expected sale price is lower than book value or fair value, then the reason thereof;	The shares will be disposed off at fair value to be determined according to law and to be approved by the Board of Directors of the Company.
h)	In case of lease of assets, tenure, lease rentals, increment rate; mode / basis of determination of lease rentals; and other important terms and conditions of the lease;	Not applicable
i)	The proposed manner of disposal of the said assets:	Through cash against transfer of shares
ii)	In case the Company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts;	Not applicable
iii)	Purpose of the sale, lease or disposal of assets along with following details;	
	a) Utilization of proceeds from the transaction	the Company intends to put the proceeds to be realized from sale of shares in alternate profitable ventures
	b) Effect on operational capacity of the Company, if any, and;	No effect
	c) Quantitative and qualitative benefits expected to accrue to the members	The company is expecting a capital gain on sale of shares plus higher returns from alternate projects identified by the Company
II.	The above sale of shares may not lead to closure of business / winding up of the Company.	

INSPECTION OF DOCUMENTS

Copies of the Memorandum and Articles of Association, Statement under section 134(3) of the Companies Act, 2017, latest pattern of shareholding and variation in shareholding of the shareholders, having 10% or more in the Company during the last six months, financial projections/plan of the Company, audited annual accounts for the last three years of the

Company and PBPL and all other related information of the Company may be inspected during the business hours at the Registered Office of the Company from the date of the publications of the this notice till the conclusion of the Extraordinary General Meeting.

INTEREST OF DIRECTORS AND THEIR RELATIVES

All the directors of Pace Barka including the Chief Executive are (nominated by the Company) and their relatives (if any) are interested to the extent of their shares that are held by them. Mr. Salmaan Taseer (late) holds 2,613,701 (0.86%) of the total shareholding, which is under succession. Rest the Directors of the Company and their relatives (if any) are interested to the extent of their shareholdings. The effect of the resolutions on the interest of these directors including the Chief Executive and their relatives (if any) does not differ from its effect on the like interest of other shareholders. They have no other interest in the special business and / or resolutions except as specified herein.