

**PACE (PAKISTAN) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED  
30 SEPTEMBER 2025**

## **Pace (Pakistan) Limited**

### **Company Information**

#### **Board of Directors**

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

#### **Chief Financial Officer**

Muhammad Waheed Asghar

#### **Audit Committee**

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

#### **Human Resource and Remuneration (HR&R) Committee**

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

#### **Risk Management Committee**

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

#### **Company Secretary**

Sajjad Ahmad

#### **Auditors**

M/s Junaidy Shoaib Asad,  
Chartered Accountants

#### **Legal Advisors**

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

#### **Bankers**

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

#### **Registrar and Shares Transfer Office**

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

#### **Registered Office**

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



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

## **Directors' Report (Period Ended September-2025)**

**Pace (Pakistan) Limited ("The Company" or "Pace")**

### **General Economic Overview**

During the quarter under review, Pakistan's economy continued to consolidate its recovery, supported by consistent fiscal and monetary policies, improved investor confidence, and ongoing reforms under the government's engagement with the IMF for a new medium-term program. Economic indicators reflected gradual strengthening in activity across major sectors, underpinned by a stable macroeconomic environment.

GDP growth remained steady during the quarter, with momentum observed in the industrial and services sectors, while agriculture recorded a moderate seasonal increase. The Pakistan Stock Exchange sustained its positive trend, with the KSE-100 Index maintaining levels above 160,000 points by the end of September 2025, reflecting improved investor sentiment and stable corporate performance across sectors.

Inflation stayed contained at around 4.1% during the quarter, compared to double-digit levels in the corresponding period last year. The policy rate was maintained at 11%, ensuring stability in financial markets and supporting lower borrowing costs. Improved liquidity conditions and relative exchange rate stability further contributed to maintaining confidence in the business environment.

The real estate and construction sectors continued to experience stable activity, supported by lower financing costs, steady input prices for cement and steel, and better availability of construction materials. Demand for residential and commercial properties remained firm, aided by sustained inflows of remittances and increased interest from both domestic and overseas investors.

Investor confidence was further reinforced by the government's adherence to fiscal discipline, transparent governance measures, and ongoing efforts to encourage investment and infrastructure development.

The real estate sector is expected to maintain a steady pace of activity in the coming months, contingent upon consistent policy implementation, stable macroeconomic conditions, and continued access to affordable financing. However, regulatory adjustments and changes in property taxation may influence the pace of new project development and transaction volumes.

During the quarter, the Company remained focused on strengthening its operational and financial foundation. Efforts were directed toward optimizing resource utilization, maintaining stringent cost controls, and ensuring timely progress across ongoing development projects. Emphasis was also placed on improving cash flow management, enhancing customer engagement, and reinforcing compliance with regulatory and taxation requirements. The management continued to monitor market trends closely to align business strategies with emerging opportunities and potential risks, ensuring sustainable performance in a changing economic environment.



### Company Performance and Financial Overview

The comparison of the financial results for the period ended 30<sup>th</sup> September 2025, with previous financial year is as under:

	Sep End 2025	Sep End 2024
	Rupees in '000'	
Sales	151,567	474,139
Cost of Sales	(64,863)	(251,466)
Gross Profit	86,704	222,672
Admin & Selling Expenses	(79,985)	(39,731)
Other Income	363,769	9703
Exchange Gain/(loss) on foreign currency convertible bond	(95,055)	11009
Finance Cost	(49,337)	(39,866)
Other Operating expenses	-	-
Gain from change in FV of investment property	-	(991)
Net profit/(loss) before tax	364,043	162,796
Net profit/(loss) after tax	362,148	156,870
Earnings per share (PKR)	1.30	0.56

During the period under review, the revenue of the Company amounted to Rs. 151.567 Million as compared to Rs. 474.139 Million last period. Cost of sales correspondingly decreased to Rs. 64.8 million from Rs. 251 million last period. Administrative expenses were Rs 39.7 million against Rs 79.9 million. Other income of the company stands at PKR 363.7 Million as compared to Rs. 09 million last year. The Company recorded an exchange gain of Rs.42 million on its foreign currency convertible bond due to the appreciation of the Pakistani Rupee against the foreign currency.

Finance costs during the period increased from Rs. 39 million to Rs. 49 million, due to change in KIBOR rate.

As a result of aforementioned factors, the profit for the period under consideration amounted to Rs. 362.14 million as compared to profit of last period of Rs. 156.87 million, resulting in Earning Per Share of Rs. 1.30 as compared to Earning per share of Rs. 0.56 last year.

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

The management is continuously engaged with its lenders for settlements of Company's borrowings. In addition, the management of the company has changed its shopping mall structure to shared office structure. This results in high inflows in form of rentals.

The Company has partial completed its Pace Tower project. The management of the Company is also trying to increase revenue through renting out vacant spaces available at different floors of projects on co-working space basis. In this regard, the Company has rented out all floors of Pace MM Alam Road, Pace Model Town Link Road Phase 2 and Pace Fortress. The Company has also started sale of its allocated unit in Shadman project through zameen.com, one of the leading real estate sale agency of Pakistan.



The Company has also started focusing on one of the main revenue stream i.e advertisement income. The management has already rented all its advertisement spots on Pace MM Alam and further it is in talks with advertisement agencies for Pace Fortress, Model town Phase 2 and First Capital Tower.

In addition, the Company has still saleable inventory in the form of Islamabad plots, the palm and various shops in pace shopping malls. The management is expected to generate good revenue over the period of three years from sale of these inventories. The proceeds from these sales will help to improve the operating cash flows of the Company and to settle its obligations.

At the Extraordinary General Meeting (EOGM) held during the year, shareholders approved a series of important measures to strengthen the Company's capital base and broaden its business portfolio. These include:

**Employee Stock Option Scheme:** The shareholders of the Company have approved issuance of new shares through Employee Stock Option Scheme in February 2025. The vesting period will be ended in February 2026. The shares will be issued at a 10% discount to the par value.

This step will help reduce leverage, strengthen the balance sheet, and provide the liquidity required to support ongoing operations and new growth initiatives.

**Diversification into New Business Lines:** The Company will expand into the Print and Social Media business, while also strengthening its service offerings to create additional and more stable revenue streams.

**Settlement of TFC's:** The Company has initiated settlement arrangements with lenders, aimed at reducing financing costs, extending repayment periods, and aligning the capital structure with long-term cash flow generation. This includes settlement of TFC's outstanding liability through conversion of TFC's into ordinary shares at a discounted price of Rs.9.00 i.e. 10% discount.

**Disposal of Shareholdings:** The Shareholders approved disinvestments in Pace Super Mall (Pvt.) Limited and Pace Barka Properties Limited.

## **Board of Directors**

Since the last report there is no change in the composition of the Board during the year.

**The composition of Board is as under:**

<b>Total number of Directors</b>	<b>07</b>
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a) Male:	05
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b) Female:	02
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### **Composition:**

Independent Directors	02
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Other Non-Executive	02
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Directors

Executive Directors	03
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## The Path Forward

At the Extraordinary General Meeting (EOGM), shareholders approved key measures to strengthen the Company's financial position and diversify its portfolio:

The Issuance of New Shares through Employees Stock Option Scheme to reduce leverage, improve liquidity, and support growth.

Diversification into Print and Social Media, creating additional and stable revenue streams.

The settlements with TFC holders and lenders to lower financing costs and align repayments with cash flows.

The Management firmly believes these measures will not only address the near-term financial challenges but also position the Company for sustainable growth in the medium to long term. With a stronger capital base, diversified revenue streams, and a more efficient debt profile, the Company is confident of returning to profitability and enhancing shareholder value in FY2026 and beyond.

While we will continue to focus on improving our capital structure over the coming years, we will also look to make diligent and sound investment decisions when compelling opportunities arise.

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

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

For and on behalf of Board of directors



Director



CEO/Director

Lahore: 23 October 2025

Pace (Pakistan) Limited  
Condensed Interim Unconsolidated Statement of Financial Position  
As at 30th September 2025

As at 30th September 2025

		Un-audited September 30, 2025	Audited June 30, 2025
		— (Rupees in thousand) —	
<b>EQUITY AND LIABILITIES</b>			
<u>Share capital and reserves</u>			
Authorised capital	7	6,000,000	6,000,000
Issued, subscribed and paid-up capital	7	2,788,766	2,788,766
Share premium	7	273,265	273,265
Share-based payment reserve	7	41,028	19,202
Revaluation Surplus		47,037	47,037
Accumulated loss		(3,978,374)	(4,340,522)
		(828,278)	(1,212,252)
<u>Non-current liabilities</u>			
Long term finances - secured	8	-	-
Redeemable capital - secured (non-participatory)	9	-	-
Lease liability		219,264	212,966
Foreign currency convertible bonds - unsecured	10	-	-
Deferred liabilities		55,086	60,793
		274,350	273,759
<u>Current liabilities</u>			
Contract liability		107,156	174,082
Current maturity of long term liabilities		5,821,372	5,867,130
Creditors, accrued and other liabilities	11	734,516	711,552
Accrued finance cost		1,741,748	1,703,401
		8,404,793	8,456,165
Contingencies and commitments	12		
		7,850,865	7,517,672

**ASSETS**

Non-current assets

Property, plant and equipment	13	500,688	505,595
Intangible assets		1,475	1,496
Investment property		1,963,462	1,963,462
Long term investments	14	2,514,724	2,602,965
Long term advances and deposits	15	13,619	13,619
Financial asset		76,173	73,979
Deferred taxation		-	-
		5,070,141	5,161,116

Current assets

Stock-in-trade	16	1,501,696	1,541,852
Trade debts	17	649,233	646,408
Advances, deposits, prepayments and other receivables		541,506	83,681
Income tax refundable - net		63,650	59,934
Financial assets		5,733	5,809
Cash and bank balances	18	18,905	18,871
		2,780,724	2,356,556

	Un-audited September 30, 2025	Audited June 30, 2025
Note	— (Rupees in thousand) —	
13	500,688 1,475 1,963,462	505,595 1,496 1,963,462
14	2,514,724	2,602,965
15	13,619 76,173 -	13,619 73,979 -
	5,070,141	5,161,116
16	1,501,696	1,541,852
17	649,233 541,506 63,650 5,733	646,408 83,681 59,934 5,809
18	18,905	18,871
	2,780,724	2,356,556
	7,850,865	7,517,672

The annexed notes from 1 to 29 form an integral part of these unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# Pace (Pakistan) Limited

## Condensed Interim Unconsolidated Profit and Loss Account (Un-audited)

For the quarter ended 30 September 2025

	Note	July to September	
		2025	2024
		--- (Rupees in thousand) ---	
Revenue	19	151,567	474,139
Cost of Revenue	20	(64,863)	(251,466)
<b>Gross Profit</b>		<b>86,704</b>	<b>222,673</b>
Administrative and selling expenses		(79,985)	(39,731)
Other income	21	363,769	9,703
<b>Profit from operations</b>		<b>370,488</b>	<b>192,645</b>
Finance cost	22	(49,337)	(39,866)
Exchange Gain/ (Loss) on foreign currency convertible bonds		42,892	11,009
Loss from change in fair value of investment property		-	(991)
<b>Profit before income tax and minimum taxes</b>		<b>364,043</b>	<b>162,796</b>
Minimum Tax	23	(1,895)	(5,927)
<b>Profit before income tax</b>		<b>362,148</b>	<b>156,870</b>
Taxation	24	-	-
<b>Profit after Taxation</b>		<b>362,148</b>	<b>156,870</b>
<b>Earning per share - basic and diluted</b>	25	<b>1.30</b>	<b>0.56</b>

The annexed notes from 1 to 29 form an integral part of these unconsolidated financial statements.

  
  
 Chief Executive Officer

  
 Director

  
 Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited)

For the quarter ended 30 September 2025

	July to September	
	2025	2024
Note	--- (Rupees in thousand) ---	
Profit for the period	362,148	156,870
<b><u>Other comprehensive income for the period</u></b>		
Items that will not be reclassified to statement of profit or loss:		
Remeasurement of net defined benefit liability	-	-
Revaluation Surplus on transfer	-	-
Total comprehensive income for the period	362,148	156,870

The annexed notes from 1 to 29 form an integral part of these unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

Pace (Pakistan) Limited  
Condensed Interim Unconsolidated Statement of Changes In Equity  
For the quarter ended 30 September 2025

	Capital reserve				Revenue reserve	
	Issued, subscribed and paid-up capital	Share premium	Revaluation Surplus	Share-based payment reserve	Accumulated loss	Total
	--- (Rupees in thousand) ---					
Balance as at 30 June 2024	2,788,766	273,265	47,037	-	(4,258,412)	(1,149,344)
Total comprehensive loss for the year ended 30 June 2025						
Loss after taxation	-	-	-	-	(87,324)	(87,324)
Other comprehensive income	-	-	-	-	5,215	5,215
	-	-	-	-	(82,109)	(82,109)
Transactions with Others:						
Share based payment reserves	-	-	-	19,202	-	19,202
Balance as at 30 June 2025 (Audited)	2,788,766	273,265	47,037	19,202	(4,340,522)	(1,212,252)
Total comprehensive loss for the period ended 30 September 2025						
Profit after taxation	-	-	-	-	362,148	362,148
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	362,148	362,148
Transactions with Others:						
Share based payment reserves	-	-	-	21,826	-	21,826
Balance as at 30 September 2025 (Un-audited)	2,788,766	273,265	47,037	41,028	(3,978,374)	(828,278)

The annexed notes from 1 to 29 form an integral part of these unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# Pace (Pakistan) Limited

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

For the quarter ended 30 September 2025

		July to September	
		2025	2024
		--- (Rupees in thousand) ---	
Note			
<u>Cash flows from operating activities</u>			
	25	5,637	(11,782)
		(5,611)	(1,472)
		26	(13,254)
<u>Cash flow from investing activities</u>			
		-	-
		8	376
		8	376
<u>Cash flow from financing activities</u>			
		-	-
		-	-
		34	(12,877)
		18,871	32,410
		18,905	19,533

The annexed notes from 1 to 29 form an integral part of these unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

### 1 The Company and its operations

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

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

### 2 Going Concern Assumption

At the reporting date, current liabilities of the Company have exceeded its current assets by Rs. 5624.07 million (June 30, 2025: Rs. 6,099.61 million), and accumulated losses of the Company stand at Rs. 3978.37 million (June 30, 2025: Rs. 4,340.52 million). Due to liquidity issues the Company has not been able to meet various obligations towards its lenders, including repayment of principal and mark-up thereon in respect of its borrowings. These conditions indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of the business.

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

During the current year, the Company has achieved reasonable sale and completion of its on going projects. The Company has partial completed its Pace Tower project. The management of the Company is also trying to increase revenue through renting out vacant spaces available at different floors of projects on co-working space basis. In this regard, the Company has rented out all floors of Pace MM Alam Road, Pace Model Town Link Road Phase 2 and Pace Fortress. The Company has also started sale of its allocated unit in Shadman project through zameen.com, one of the leading real estate sale agency of Pakistan.

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

### 3 Basis of preparation

#### 3.1 Separate financial statements

These unconsolidated financial statements are the separate financial statements of the Company in which investments in subsidiaries and associates are accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investees. Consolidated financial statements of the Company are prepared separately.

The Company has following investments:

<u>Subsidiaries</u>	Country of incorporation	Shareholding
Pace Gujrat (Private) Limited	Pakistan	100%
Pace Woodland (Private) Limited	Pakistan	52%
Pace Barka Properties Limited	Pakistan	52.21%
Pace Multiplierz (Private) Limited	Pakistan	100%

The principal activity of all the subsidiaries 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, develop, sell rent out shopping malls, apartments, villas, commercial buildings, etc. and to carry on business of hospitality.



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

### 3.2 Statement of compliance

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

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

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

### 3.3 Basis of measurement

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

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

### 3.4 Functional and presentation currency

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

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

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

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

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IAS 21 - Lack of Exchangeability (Amendments to IAS 21)	January 1, 2025
IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
IFRS 19 - Subsidiaries without Public Accountability	January 1, 2027
IFRS 18 - Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS 17 Insurance Contracts (Notified by SECP for the period commencing from 1st January 2026)	January 1, 2023
The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.	

## 5 Use of estimates and judgments

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

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

## 6 Significant accounting policies

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



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

	Un-Audited 30 September 2025 --- (Rupees in thousand) ---	Audited 30 June 2025	Un-Audited 30 September 2025 --- (Number of Shares) ---	Audited 30 June 2025
<b>7 Share capital and reserves</b>				
<b>7.1 Authorised capital</b>				
Ordinary shares of Rs. 10 each	<u>6,000,000</u>	<u>6,000,000</u>	<u>600,000,000</u>	<u>600,000,000</u>
<b>7.2 Issued, subscribed and paid-up capital</b>				
Ordinary shares of Rs. 10 each fully paid in cash	2,017,045	2,017,045	201,704,516	201,704,516
Ordinary shares of Rs. 10 each issued as bonus shares	<u>771,721</u>	<u>771,721</u>	<u>77,172,088</u>	<u>77,172,088</u>
	<u>2,788,766</u>	<u>2,788,766</u>	<u>278,876,604</u>	<u>278,876,604</u>
			Un-Audited 30 September 2025 --- (Rupees in thousand) ---	Audited 30 June 2025
<b>7.3 Share premium</b>				
Share premium reserve			<u>273,265</u>	<u>273,265</u>
This reserve can only be utilized by the Company for the purpose specified in Section 81 (2) of the Companies Act, 2017.				
			2025	2025
			--- (Rupees in thousand) ---	
<b>8 Long term finances - secured</b>				
PAIR Investment Company Limited			56,626	58,695
Less: Current maturity presented under current liabilities			<u>(56,626)</u>	<u>(58,695)</u>
Non Current portion			<u>-</u>	<u>-</u>

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

	Un-Audited 30 September 2025 --- (Rupees in thousand) ---	Audited 30 June 2025 ---
<b>9 Redeemable capital - secured (non-participatory)</b>		
Term finance certificates	805,118	805,118
Settlement during the year	-	-
	<u>805,118</u>	<u>805,118</u>
Less: Current maturity presented under current liabilities	<u>(805,118)</u>	<u>(805,118)</u>
Non Current portion	<u>-</u>	<u>-</u>
<b>10 Foreign currency convertible bonds - unsecured</b>		
Opening balance	4,973,574	4,878,519
Mark-up accrued during the year	-	-
	<u>4,973,574</u>	<u>4,878,519</u>
Exchange loss/ (gain) for the year	<u>(42,892)</u>	<u>95,055</u>
	<u>4,930,681</u>	<u>4,973,574</u>
Less: Current portion shown under current liabilities	<u>(4,930,681)</u>	<u>(4,973,574)</u>
Non Current portion	<u>-</u>	<u>-</u>
<b>10.1</b>	On 27 December 2007, BNY Corporate Trustee Services Limited incorporated in United Kingdom with its registered office at One Canada Square, London E14 5AL and the Company entered into an agreement that the Company issue 25,000 convertible bonds of USD 1,000 each amounting to USD 25 million. The foreign currency convertible bonds (FCCB) were listed on the Singapore Stock Exchange and became redeemable on 28 December 2012 at the accreted principal amount. The bonds carry a mark-up of 5.5% per annum, compounded semi-annually, accretive (up till 28 December 2012) and cash interest of 1% per annum to be paid in arrears. The holders of the bonds had an option to convert the bonds into equity shares of the Company at any time following the issue date till the maturity date at a price calculated as per terms of arrangement. As at 30 June 2022, USD 13 million bonds have been converted into the ordinary shares of the Company and remaining USD 12 million bonds along with related interest have not been repaid by the Company.	
	As the fair value calculated for the financial instrument is quite subjective and cannot be measured reliably, consequently the bonds have been carried at cost and include accreted mark-up.	
<b>10.2</b>	This represents exchange loss/ (gain) arising on translation of foreign currency convertible bonds.	
	Unaudited September 30, 2025 --- (Rupees in thousand) ---	Audited June 30, 2025 ---
<b>11 Creditors, accrued and other liabilities</b>		
Trade creditors	172,018	137,198
Provisions and accrued liabilities	378,771	402,282
Payable to statutory bodies	61,176	61,158
Security deposits	23,048	18,413
Rentals against investment property received in advance	48,925	47,859
Retention money	5,461	5,461
Others	<u>45,117</u>	<u>39,181</u>
	<u>734,516</u>	<u>711,552</u>



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

### 12 Contingencies and commitments

#### 12.1 Contingencies

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

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 unconsolidated financial statements.

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

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

- 12.1.3** In view of legal opinion obtained by the legal advisor of the Company, the Company has stopped charging cash interest of 1% per annum on the outstanding FCCB amounting USD 15.7 Million (Principal plus accumulated markup till maturity). As of 30 June 2025, there is a liability provided amounting USD 1.8 Million with regard to 1% cash coupon. As per balance confirmation received from BNY Corporate Trustee Services Limited the liability outstanding does not include the aforesaid amount of 1% cash coupon. The management of the Company is confident that the final liability at the time of settlement would not exceed the amount already provided in these financial statements.

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

#### 12.2 Commitments

There were no commitments as at September 30, 2025 ( June 30 2025: NIL).

### 13 Property, plant and equipment

	Note	Unaudited September 30, 2025 --- (Rupees in thousand) ---	Audited June 30, 2025
Operating fixed assets	13.1	351,933	355,883
Capital work in progress		58,847	58,847
Right-of-use assets	13.2	89,909	90,865
		<u>500,688</u>	<u>505,595</u>



Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

13.1 Operating fixed assets

	Freehold land *	Leasehold land **	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Electrical equipment	Office equipment and appliances	Furniture and fixtures	Computers	Vehicles	Total
	(Rupees in thousand)										
Net carrying value basis											
Period ended 30 September 2025											
Opening net book value	155,152	-	107,188	-	8,260	71,385	1,501	1,591	67	10,738	355,883
Additions (at cost)	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	(1,340)	-	(207)	(1,785)	(38)	(40)	(6)	(537)	(3,951)
Impairment charge	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	155,152	-	105,848	-	8,054	69,601	1,464	1,551	62	10,201	351,933
Gross carrying value basis											
Period ended 30 September 2025											
Cost	155,152	-	221,948	-	78,794	207,078	12,060	11,801	10,280	67,732	764,845
Accumulated depreciation	-	-	(116,100)	-	(70,266)	(126,172)	(10,588)	(10,126)	(10,218)	(57,531)	(400,999)
Accumulated impairment	-	-	-	-	(475)	(11,305)	(8)	(124)	(0)	-	(11,913)
Net book value	155,152	-	105,848	-	8,054	69,601	1,464	1,551	62	10,201	351,933
Depreciation % per annum	0%	0%	5%	3%	10%	10%	10%	10%	33%	20%	
Net carrying value basis											
Year ended 30 June 2025											
Opening net book value	155,152	-	112,829	-	9,178	79,317	1,668	1,768	101	13,422	373,436
Additions (at cost)	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	(5,641)	-	(918)	(7,932)	(167)	(177)	(34)	(2,684)	(17,553)
Impairment charge	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	155,152	-	107,188	-	8,260	71,385	1,501	1,591	67	10,738	355,883
Gross carrying value basis											
As at June 2025											
Cost	155,152	-	221,948	-	78,794	207,078	12,060	11,801	10,280	67,732	764,846
Accumulated depreciation	-	-	(114,760)	-	(70,060)	(124,388)	(10,550)	(10,087)	(10,213)	(56,994)	(397,051)
Accumulated impairment	-	-	-	-	(475)	(11,305)	(8)	(124)	(0)	-	(11,912)
Net book value	155,152	-	107,187	-	8,260	71,385	1,501	1,591	67	10,738	355,883
Depreciation % per annum	0%	0%	5%	3%	10%	10%	10%	10%	33%	20%	

\* Freehold land represents the uncovered area of Main Boulevard Project, M.M Alam Road Project, Model Town Link Road Project, Gujranwala Project, Gujrat Project and Woodland Project which is not saleable in the ordinary course of business.

\*\* Leasehold land represents a piece of land transferred in the name of the Company by the Ministry of Defence, measuring 20,354 square yards situated at Survey No. 131/A, Airport Road, near Allama Iqbal International Airport, Lahore Cantt. The Company secured the bid for the said piece of land on behalf of Pace Barka Properties Limited (PBPL), an associated undertaking, since at the time of bidding PBPL was in the process of incorporation. Subsequent to the bidding, payment was made by PBPL but the Ministry of Defence refused to transfer the said piece of land in the name of PBPL as it was not the original bidder, therefore the legal ownership has been transferred in the name of the Company. Consequently, to avoid additional transaction costs relating to transfer of legal ownership, the Company has entered into an agreement with PBPL, whereby the possession of the land and its beneficial ownership has been transferred to PBPL through an Irrevocable General Power of Attorney dated 15 May 2007.

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

	Un-Audited 30 September 2025	Audited 30 June 2025
	--- (Rupees in thousand) ---	
<b>13.2 Right-of-use assets</b>		
<b>Land</b>		
<i>Cost</i>		
Balance as at 01 July	119,496	119,496
Additions / (deletions) during the year	-	-
Balance as at 30 September	119,496	119,496
<i>Accumulated depreciation</i>		
Balance as at 01 July	(28,631)	(19,091)
Depreciation charge during the year	(956)	(4,770)
Balance as at 30 September	(29,587)	(23,861)
<b>Closing net book value</b>	<b>89,909</b>	<b>95,635</b>
<b>Rate of depreciation</b>	<b>4%</b>	<b>4%</b>
<b>Electrical equipment</b>		
<i>Cost</i>		
Balance as at 01 July	15,339	15,339
Additions / (deletions) during the year	-	-
Balance as at 30 September	15,339	15,339
<i>Accumulated depreciation</i>		
Balance as at 01 July	(15,339)	(12,017)
Depreciation charge during the year	-	(3,322)
Balance as at 30 September	(15,339)	(15,339)
<b>Closing net book value</b>	<b>-</b>	<b>-</b>
<b>Rate of depreciation</b>	<b>33%</b>	<b>33%</b>

# Pace (Pakistan) Limited

## Notes to the Unconsolidated Financial Statements

For the year ended 30 June 2025

### 14 Long term investments

Equity instruments of:

- Subsidiaries - unquoted
- Associated undertakings - unquoted
- Share options issued to employees of Pace Barka Properties Limited

14.1

Un-Audited  
30 September  
2025  
--- (Rupees in thousand) ---

Audited  
30 June  
2025

2,506,802 2,598,014

- -

7,921 4,951

2,514,724 2,602,965

#### 14.1 Subsidiaries - unquoted

##### Pace Woodlands (Private) Limited

3,000 fully paid ordinary shares of Rs.10 each

30 30

Equity held 52%

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

(30)	(30)
-	-
(30)	(30)
-	-

##### Pace Super Mall (Private) Limited

9,161,528 fully paid ordinary shares of Rs.10 each

91,615 91,615

Equity held 56.79%

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

(403)	(403)
-	-
(403)	(403)

Less: Disposal during the period

14.2

(91,212)

- 91,212

##### Pace Gujrat (Private) Limited

2,450 fully paid ordinary shares of Rs.10 each

25 25

Equity held 100%

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

-	-
-	-
-	-
25	25



# Pace (Pakistan) Limited

## Notes to the Unconsolidated Financial Statements

For the year ended 30 June 2025

Note	Un-Audited 30 September 2025	Audited 30 June 2025
	--- (Rupees in thousand) ---	
<b><u>Pace Barka Properties Limited</u></b>		
250,617,631 fully paid ordinary shares of Rs. 10 each	2,506,077	2,506,077
Equity held: 52.21%		
Opening Provision for impairment	-	-
Add: Charge for the year	-	-
Closing Provision for impairment	-	-
	<b>2,506,077</b>	<b>2,506,077</b>
<b><u>Pace Multiplierz (Private) Limited</u></b>		
100,000 fully paid ordinary shares of Rs. 10 each	1,000	1,000
Equity held: 100%		
Opening Provision for impairment	(300)	(215)
Add: Charge for the year	-	(85)
Closing Provision for impairment	(300)	(300)
	<b>700</b>	<b>700</b>
<b>Long term investments -Total</b>	<b>2,506,802</b>	<b>2,598,014</b>

### 14.2 Disinvestment in Pace Super Mall (Private) Limited:

During the period, the Company disposed of its entire 56.79% shareholding in Pace Super Mall (Private) Limited comprising 9,161,528 fully paid ordinary shares of Rs. 10 each, to First Capital Securities Corporation Limited for a total consideration of Rs. 452.854 million.

The disposal resulted in the loss of control over the subsidiary, and accordingly, the investment has been derecognized from the books. The gain on disposal of Rs. 361.64 million has been recognized in the statement of profit or loss under the head "Other income." The members at the Extra Ordinary General Meeting held on September 24, 2025 approved this matter.

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

### 15 Long term advances and deposits

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

### 16 Stock-in-trade

	Unaudited September 30, 2025 --- (Rupees in thousand) ---	Audited June 30, 2025 ---
Land not under development	21,600	21,600
Land purchased for resale	518,400	518,400
Work in progress		
- Pace Tower	542,279	582,435
- Pace Circle	86,486	86,486
Completed units - shops	332,931	332,931
	<u>1,501,696</u>	<u>1,541,852</u>
Stores inventory	-	-
	<u>1,501,696</u>	<u>1,541,852</u>

### 17 Trade debts

#### Secured

Considered good

Unsecured

Less: Impairment allowance

	876,212	877,165
	<u>493,724</u>	<u>469,791</u>
	<u>1,369,936</u>	<u>1,346,956</u>
	<u>(720,703)</u>	<u>(700,548)</u>
	<u>649,233</u>	<u>646,408</u>

### 18 Cash and bank balances

Cash in hand

Cash at banks

- Current accounts

- Saving accounts

	9,134	8,746
	<u>9,771</u>	<u>10,125</u>
	<u>18,905</u>	<u>18,871</u>
	<u>18,905</u>	<u>18,871</u>

	Un-Audited 30 September 2025	30 September 2024
	---	---
	(Rupees in thousand) ---	

Note

### 19 Revenue

Sale of Pace Tower units

Sale of Completed Units - Others

Sale of Land

Display of advertisements

Service charges

Revenue from contract with customers

Other revenue

Rental income from lease of investment property

Total revenue

	66,926	408,942
	-	-
	-	-
	236	224
	<u>60,987</u>	<u>43,225</u>
	<u>128,149</u>	<u>452,391</u>
	<u>23,418</u>	<u>21,748</u>
	<u>151,567</u>	<u>474,139</u>

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

		Un-Audited	
		30 September 2025	30 September 2024
		--- (Rupees in thousand) ---	
<b>20</b>	<b>Cost of revenue</b>		
	Shops and commercial buildings sold		
	- at percentage of completion basis	40,155	225,575
	- at completion of project basis	-	-
	Stores operating expenses	24,708	25,891
		<u>64,863</u>	<u>251,466</u>
<b>21</b>	<b>Other income</b>		
	<u>Income from financial assets</u>		
	Mark-up on bank accounts	8	376
	Commission on guarantee	-	-
	Finance Income from Lease Receivable	-	2,874
	Finance Income from financial assets	2,118	-
	<u>Income from non-financial assets</u>		
	Gain on sale of property, plant and equipment	-	-
	<u>Others</u>		
	Others	-	6,453
	Gain on disposal of investment in Pace Super Mall (Pvt.) Limited	361,643	
	Liabilities Written-back	-	-
		<u>363,769</u>	<u>9,703</u>
<b>22</b>	<b>Finance cost</b>		
	Interest and mark-up on:		
	- Long term finances - secured	2,077	2,807
	- Foreign currency convertible bonds - unsecured		-
	- Redeemable capital - secured (non-participatory)	36,269	30,650
	- Notional interest on lease liability	10,851	6,294
		<u>49,197</u>	<u>39,751</u>
	Bank charges and processing fee	140	116
		<u>49,337</u>	<u>39,866</u>
<b>23</b>	<b>Minimum Tax</b>		
	Minimum Tax	<u>1,895</u>	<u>5,927</u>
<b>23.1</b>	This represents minimum taxes paid under section 113 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.		
<b>24</b>	<b>Taxation</b>		
	Income Tax		
	- Current Year	-	-
		<u>-</u>	<u>-</u>



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

	July to September	
	2025	2024
	--- (Rupees in thousand) ---	
Note		
25 Cash generated/ (used in) from operations		
Profit before tax	364,043	162,796
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	(42,892)	(11,009)
Provision for gratuity and leave encashment	-	1,186
Share based payment expense	18,856	-
Depreciation on owned assets	3,951	4,388
Depreciation on right-of-use assets	956	1,193
Amortisation on intangible assets	21	125
Impairment loss on trade debts and other receivables	20,155	-
Changes in fair value of investment property	-	991
Finance costs	49,197	39,751
Mark-up income	(8)	(376)
Other non cash items	(363,769)	(9,327)
Gain before working capital changes	50,510	189,717
Effect on cash flow due to working capital changes:		
(Increase)/ Decrease in stock-in-trade	-	(146,487)
(Increase)/ Decrease in trade debts	2,825	549
(Increase)/ Decrease in advances, deposits and other receivables	(3,736)	13,546
Increase/ (Decrease) in contract liability	(66,926)	(53,956)
Increase/ (Decrease) in creditors, accrued and other liabilities	22,964	(15,151)
	(44,873)	(201,500)
	5,637	(11,782)

## Pace (Pakistan) Limited

### Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

#### 26 Transactions with related parties

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

Name of Company	Relationship	Nature of Transactions	Un-Audited 30 September 2025 — (Rupees in thousand) —	Un-Audited 30 September 2024
Pace Barka Properties Limited	Subsidiary (equity held 52.21%)	Guarantee commission income Share options issued to employees of the subsidiary	- 7,921	309
Ever Green Water Valley (Private) Limited	Common Directorship	Purchase of goods and services	-	8,539
First Capital Securities Corporation Limited	Common Directorship	Receivable against disposal of Entire shareholding in Pace Super Mall (Private) Limited	452,854 -	- -
Media Times Limited	Common Directorship	Rental income Payment received during the period	- 1,500	1,267 1,500

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

### 27 Financial instruments

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

- Credit risk
- Liquidity risk
- Market risk

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

#### Risk management framework

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

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

#### 27.1 Credit risk

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

The carrying amounts of financial assets and contract assets represent the maximum credit exposure. The maximum exposure to credit risk at the statement of financial position date was:

	Un-Audited 30 September 2025	Audited 30 June 2025
Note	--- (Rupees in thousand) ---	
Long term advances and deposits	13,619	13,619
Trade debts	649,233	646,408
Advances, deposits, prepayments and other receivables	541,506	83,681
Bank balance	18,905	18,871
Lease Receivable	-	-
Financial Assets	81,906	79,788
	<u>1,305,169</u>	<u>842,367</u>

#### 27.2 Liquidity risk

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

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

#### 27.3 Market risk

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



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

### 27.4 Currency risk

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

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

	Un-Audited 30 September 2025	Audited 30 June 2025
	--- (USD in thousand) ---	
Foreign Currency Convertible Bonds - USD	17,527	17,527

Following is the Company's exposure to currency risk:

### 27.5 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	Un-Audited 30-Sep-25		Audited 30-Jun-25	
	Financial asset	Financial liability	Financial asset	Financial liability
--- (Rupees in thousand) ---				
<u>Non-derivative financial - instruments</u>				
<b>Fixed rate instruments</b>				
Long term finances - secured	-	56,626	-	56,626
Foreign currency convertible bonds	-	4,930,681	-	4,973,574
Lease liability	-	248,211	-	244,778
Cash at bank	9,771	-	10,125	-
<b>Variable rate instruments</b>				
Redeemable capital - secured	-	805,118	-	805,118
	9,771	6,040,636	10,125	6,080,096

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect statement of profit or loss.

### 27.6 Other price risk

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

### 27.7 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. The Company monitors capital using a ratio of 'net debt' to 'equity'. Net debt is calculated as total liabilities (as shown in the statement of financial position) less cash and cash equivalents.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

	Un-Audited 30 September 2025 — (Rupees in thousand) —	Audited 30 June 2025 — (Rupees in thousand) —
Total liabilities	8,679,142	8,729,924
Less: cash and cash equivalents	(18,905)	(18,871)
Net debt	8,660,237	8,711,053
Total equity	(828,278)	(1,212,252)
Net debt to equity ratio	(10.46)	(7.19)

28 Date of authorization for issue

These unconsolidated financial statements were authorized for issue on 23-10-2025 by the Board of Directors of the Company.

29 Corresponding figures

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**Pace (Pakistan) Limited**  
**Condensed Interim Consolidated Statement of Financial Position**  
*As at 30th September 2025*

		Un-audited September 30, 2025	Audited June 30, 2025
		--- (Rupees in thousand) ---	
<b>EQUITY AND LIABILITIES</b>	<b>Note</b>		
<u><b>Share capital and reserves</b></u>			
Authorised capital	7	6,000,000	6,000,000
Issued, subscribed and paid-up capital	7	2,788,766	2,788,766
Share premium	7	273,265	273,265
Share-based payment reserve	7	41,028	19,202
Revaluation Surplus		47,037	47,037
Accumulated loss		(2,024,287)	(2,347,741)
		1,125,809	780,529
Non-controlling interests		4,035,651	4,103,537
		5,161,460	4,884,066

**Non-current liabilities**

Long term finances - secured	8	-	-
Redeemable capital - secured (non-participatory)	9	-	-
Lease liability		227,946	222,449
Contract Liability		-	8,277
Foreign currency convertible bonds - unsecured	10	-	-
Deferred liabilities		113,858	119,565
Financial Liabilities		772,335	695,658
Consideration payable to customers		58,987	37,821
Deferred Taxation		-	-
		1,173,125	1,083,770

**Current liabilities**

Contract liability		578,720	647,925
Current maturity of long term liabilities		6,189,369	6,229,559
Creditors, accrued and other liabilities	11	1,488,341	1,429,853
Provision for onerous contracts		457,316	457,316
Accrued finance cost		1,748,065	1,709,718
		10,461,811	10,474,371

Down payment against sale of investment properties  
classified as held for sale

		-	-
		10,461,811	10,474,371

Contingencies and commitments	12	-	-
		16,796,396	16,442,207

**ASSETS**

**Non-current assets**

Property, plant and equipment	13	7,835,394	7,846,407
Intangible assets		1,475	1,496
Right of use		13,653	14,563
Goodwill		45	45
Investment property		2,785,833	2,785,833
Deferred Taxation		151,087	151,087
Financial Assets		9,592	9,592
Long term advances and deposits	14	118,833	99,379
		10,915,912	10,908,402

**Current assets**

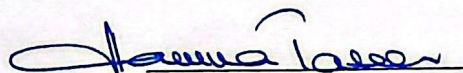
Stock-in-trade	15	3,247,533	3,626,985
Trade debts		1,950,204	1,258,085
Contract Assets		-	420,395
Advances, deposits, prepayments and other receivables		574,935	113,124
Income tax refundable - net		63,703	59,987
Financial Assets		5,733	5,809
Cash and bank balances		38,375	49,420
		5,880,484	5,533,805

Investment properties classified  
as held for sale

		-	-
		5,880,484	5,533,805

		16,796,396	16,442,207
--	--	------------	------------

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**



# Pace (Pakistan) Limited

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

For the quarter ended 30 September 2025

		July to September	
		2025	2024
Note		— (Rupees in thousand) —	
<b><u>CONTINUED OPERATIONS</u></b>			
		444,404	476,390
		<u>(302,752)</u>	<u>(261,586)</u>
		141,652	214,804
		(105,133)	(59,166)
	16	362,490	10,620
		<u>(21,964)</u>	<u>-</u>
		377,045	166,258
		(80,125)	(55,307)
	10.2	42,892	11,009
		<u>-</u>	<u>(991)</u>
		339,812	120,969
	17	<u>(34,199)</u>	<u>(5,927)</u>
		305,613	115,042
	18	<u>-</u>	<u>-</u>
		305,613	115,042
<b><u>DISCONTINUED OPERATIONS</u></b>			
		-	-
		<u>305,613</u>	<u>115,042</u>
<b><u>Earning per share - basic and diluted - from continued operations</u></b>			
	19	<u>1.10</u>	<u>0.41</u>
<b><u>Earning per share - basic and diluted - from discontinued operations</u></b>			
	19	<u>-</u>	<u>-</u>
<b>Attributable to:</b>			
		323,454	135,031
		<u>(17,841)</u>	<u>(19,989)</u>
		305,613	115,042

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# Pace (Pakistan) Limited

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

For the quarter ended 30 September 2025

	July to September	
	2025	2024
Note	--- (Rupees in thousand) ---	
Profit/(Loss) for the period	305,613	115,042
<b><u>Other comprehensive income for the period</u></b>		
Items that will not be reclassified to statement of profit or loss:		
Remeasurement of net defined benefit liability	-	-
Revaluation Surplus on transfer	-	-
Total comprehensive Income/(loss) for the period	305,613	115,042
<b>Attributable to:</b>		
Owners of the Parent Company	323,454	135,032
Non-controlling interests	(17,841)	(19,989)
	305,613	115,042

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

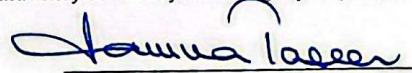
  
Director

  
Chief Financial Officer

Pace (Pakistan) Limited  
Consolidated Statement of Changes In Equity  
For the quarter ended 30 September 2025

	Issued, subscribed and paid-up capital	Capital reserve			Revenue reserve	Total equity attributable to owners of the Parent Company	Non-controlling Interests	Total Equity
		Share premium	Revaluation Surplus	Share based payment reserves	Accumulated loss			
	--- (Rupees in thousand) ---							
Balance as at 30 June 2024	2,788,766	273,265	47,037	-	(3,393,058)	(283,990)	3,071,290	2,787,300
<i>Total comprehensive income for the year ended 30 June 2025</i>								
Profit/ (Loss) after taxation	-	-	-	-	(317,773)	(317,773)	(210,672)	(528,445)
Other comprehensive income	-	-	-	-	1,363,090	1,363,090	1,242,919	2,606,009
	-	-	-	-	1,045,317	1,045,317	1,032,247	2,077,564
Transactions with Others:								
Share based payment reserves	-	-	-	19,202	-	-	-	19,202
Balance as at 30 June 2025 (Audited)	2,788,766	273,265	47,037	19,202	(2,347,741)	761,327	4,103,537	4,884,066
<i>Total comprehensive incomes for the period ended 30 September 2025</i>								
Profit after taxation	-	-	-	-	323,454	323,454	(17,841)	305,613
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	323,454	323,454	(17,841)	305,613
Derecognition of NCI on disposal	-	-	-	-	-	-	(50,045)	(50,045)
Transactions with Others:								
Share based payment reserves	-	-	-	21,826	-	-	-	21,826
Balance as at 30 September 2025 (Un-audited)	2,788,766	273,265	47,037	41,028	(2,024,287)	1,084,781	4,035,651	5,161,460

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# Pace (Pakistan) Limited

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

For the quarter ended 30 September 2025

		July to September	
		2025	2024
Note		--- (Rupees in thousand) ---	
<u>Cash flows from operating activities</u>			
Cash generated/ (used in) operations	19	27,566	6,698
Finance costs paid		-	(15,440)
Taxes paid		(37,916)	(1,778)
Net cash generated/ (used in) from operating activities		(10,350)	(10,520)
<u>Cash flow from investing activities</u>			
Purchase of property, plant and equipment		(8,129)	(306)
Addition in Capital work in progress		-	(3,616)
Income on bank deposits received		-	376
Net cash used in from investing activities		(8,129)	(3,546)
<u>Cash flow from financing activities</u>			
Receipts under financing arrangements		7,433	996
Payments of lease liability		-	-
Net cash used in financing activities		7,433	996
Net increase/ (decrease) in cash and cash equivalents		(11,045)	(13,069)
Cash and cash equivalents - at beginning of the period		49,420	35,792
Cash and cash equivalents - at end of the quarter		38,375	22,722

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 1 The Group and its operations

30-Sep-25 30-Jun-25  
(Direct holding percentage)

The Group comprises of :

#### Parent Company

Pace (Pakistan) Limited

1.1

#### Subsidiary Companies

Pace Gujrat (Private) Limited

100%

100%

Pace Supermall (Private) Limited

-

56.79%

Pace Woodland (Private) Limited

52%

52%

Pace Barka Properties Limited

52.21%

0%

Pace Multiplierz ( Private Limited)

100%

0%

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

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

#### 1.2 Pace Supermall (Private) Limited

During the period, the Group disposed of its entire 56.79% shareholding in Pace Super Mall (Private) Limited comprising 9,161,528 fully paid ordinary shares of Rs. 10 each, to First Capital Securities Corporation Limited for a total consideration of Rs. 452.854 million.

The disposal resulted in the loss of control over the subsidiary, and accordingly, the investment has been derecognized from the books. The gain on disposal of Rs. 342.44 million has been recognized in the statement of profit or loss under the head "Other income." The members at the Extra Ordinary General Meeting held on September 24, 2025 approved this matter.

#### 1.3 Pace Woodlands (Private) Limited

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

#### 1.4 Pace Gujrat (Private) Limited

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



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 1.5 Pace Barka Properties Limited

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

### 1.6 Pace Multiplierz ( Private Limited)

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

## 2 Going Concern Assumption

At the reporting date, current liabilities of the Group have exceeded its current assets by Rs. 4,581.32 million (2025: Rs. 4,940.57 million), and accumulated (losses) of the Group stand at Rs. (2,024.286) million (2025: Rs. (2,347.74) million). Due to liquidity issues the Group 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 indicate the existence of a material uncertainty related to events or conditions that may cast significant doubts on the Group's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

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

During the current year, the Group has achieved reasonable sale and completion of its on going projects. The Group has partial completed its Pace Tower project. The management of the Group is also trying to increase revenue through renting out vacant spaces available at different floors of projects on co-working space basis. In this regard, the Group has rented out all floors of Pace MM Alam Road, Pace Model Town Link Road Phase 2 and Pace Fortress. The Group has also started sale of its allocated unit in Shadman project through zameen.com, one of the leading real estate sale agency of Pakistan. In addition, the Group has also started focusing on one of the main revenue stream i.e advertisement income. The management has already rented all its advertisement spots on Pace MM Alam and further it is in talks with advertisement agencies for Pace Fortress, Model town Phase 2 and First Capital Tower.

The Group has saleable inventory comprising of shops and apartments at Pace Circle project having an estimated sales value aggregating Rs 9,589.031 million against which sale agreements aggregating Rs 6,896.967 million have been executed as of the reporting date. Against these sale agreements, the Group has future contractual cashflows aggregating Rs 3,192.169 million as of the reporting date. The Group also has unsold inventory comprising of shops and apartments at Pace Circle project having sales value aggregating Rs 2,692.064 million for which it is actively engaged in finding new buyers.

On the other hand, the management estimates the future cost to complete the Pace Circle project at Rs 2,802.595 million against which the abovementioned future cash inflows aggregating Rs 5,884.233 million will enable the Group to fully complete its Pace Circle project by June 30, 2027.

Furthermore, the Chief Executive, Mrs. Aamna Taseer and Directors, Mr. Shahbaz Ali Taseer and Mr. Shehryar Ali Taseer have jointly provided a letter of support dated 26 September 2025 to the Group wherein they have committed to support the Company to continue as a going concern.

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



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 3 Basis of preparation

#### 3.1 Consolidated financial statements

These consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary companies as at 30 September 2024.

#### 3.2 Statement of compliance

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

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

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

#### 3.3 Basis of measurement

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

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

#### 3.4 Functional and presentation currency

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

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

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

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

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IAS 21 - Lack of Exchangeability (Amendments to IAS 21)	January 1, 2025
IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
IFRS 19 - Subsidiaries without Public Accountability	January 1, 2027
IFRS 18 - Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS 17 Insurance Contracts (Notified by SECP for the period commencing from 1st January 2026)	January 1, 2023

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

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 5 Use of estimates and judgments

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

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

### 6 Significant accounting policies

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

### 7 Share capital and reserves

#### 7.1 Authorised capital

	Un-Audited 30 September 2025 --- (Rupees in thousand) ---	Audited 30 June 2025	Un-Audited 30 September 2025 --- (Number of Shares) ---	Audited 30 June 2025
Ordinary shares of Rs. 10 each	6,000,000	6,000,000	600,000,000	600,000,000

#### 7.2 Issued, subscribed and paid-up capital

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

Un-Audited  
30 September  
2025  
--- (Rupees in thousand) ---

#### 7.3 Share premium

Share premium reserve	273,265	273,265
Share premium reserve	273,265	273,265

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

2025 2025  
--- (Rupees in thousand) ---

### 8 Long term finances - secured

PAIR Investment Company Limited	56,626	58,695
Less: Current maturity presented under current liabilities	(56,626)	(58,695)
Non Current portion	-	-



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

	Un-Audited 30 September 2025	Audited 30 June 2025
	--- (Rupees in thousand) ---	
<b>9 Redeemable capital - secured (non-participatory)</b>		
Term finance certificates	805,118	815,691
Settlement during the year	-	(10,573)
	<u>805,118</u>	<u>805,118</u>
Less: Current maturity presented under current liabilities	<u>(805,118)</u>	<u>(805,118)</u>
Non Current portion	<u>-</u>	<u>-</u>
<b>10 Foreign currency convertible bonds - unsecured</b>		
Opening balance	4,973,574	4,878,519
Mark-up accrued during the year	-	-
	<u>4,973,574</u>	<u>4,878,519</u>
Exchange loss/ (gain) for the period	<u>(42,892)</u>	<u>95,055</u>
	<u>4,930,681</u>	<u>4,973,574</u>
Less: Current portion shown under current liabilities	<u>(4,930,681)</u>	<u>(4,973,574)</u>
Non Current portion	<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 an agreement that the Company issue 25,000 convertible bonds of USD 1,000 each amounting to USD 25 million. The foreign currency convertible bonds (FCCB) were listed on the Singapore Stock Exchange and became redeemable on 28 December 2012 at the accreted principal amount. The bonds carry a mark-up of 5.5% per annum, compounded semi-annually, accretive (up till 28 December 2012) and cash interest of 1% per annum to be paid in arrears. The holders of the bonds had an option to convert the bonds into equity shares of the Company at any time following the issue date till the maturity date at a price calculated as per terms of arrangement. As at 30 June 2022, USD 13 million bonds have been converted into the ordinary shares of the Company and remaining USD 12 million bonds along with related interest have not been repaid by the

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 include accreted mark-up.

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

	Unaudited September 30, 2025	Audited June 30, 2025
	--- (Rupees in thousand) ---	
<b>11 Creditors, accrued and other liabilities</b>		
Trade creditors	553,671	505,627
Provisions and accrued liabilities	504,788	475,669
Payable to statutory bodies	61,185	204,639
Advance against sale of investment property	-	375
Security deposits	27,368	22,733
Rentals against investment property received in advance	48,925	47,859
Retention money	10,742	10,742
Token Money	157	157
Sales tax payable	47,624	37,349
Worker Welfare fund	763	763
Others	<u>233,118</u>	<u>123,940</u>
	<u>1,488,341</u>	<u>1,429,853</u>



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 12 Contingencies and commitments

#### 12.1 Contingencies

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

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 unconsolidated financial statements.

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

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

- 12.1.3** In view of legal opinion obtained by the legal advisor of the Company, the Company has stopped charging cash interest of 1% per annum on the outstanding FCCB amounting USD 15.7 Million (Principal plus accumulated markup till maturity). As of 30 June 2025, there is a liability provided amounting USD 1.8 Million with regard to 1% cash coupon. As per balance confirmation received from BNY Corporate Trustee Services Limited the liability outstanding does not include the aforesaid amount of 1% cash coupon. The management of the Company is confident that the final liability at the time of settlement would not exceed the amount already provided in these financial statements.

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

#### 12.2 Commitments

- 12.2.1** Purchase orders for capital expenditure aggregating Rs 19.103 million.

- 12.2.2** Letters of credit and purchase orders for other than capital expenditure aggregating Rs 10.674 million.

	Unaudited September 30, 2025	Audited June 30, 2025
Note	--- (Rupees in thousand) ---	

### 13 Property, plant and equipment

Operating fixed assets	5,614,451	5,695,199
Capital work in progress	2,055,792	2,060,343
Right-of-use assets	165,151	90,865
	<u>7,835,394</u>	<u>7,846,407</u>

# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 14 Long term advances and deposits

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

### 15 Stock-in-trade

	Unaudited September 30, 2025	Audited June 30, 2025
	--- (Rupees in thousand) ---	
Land purchased for resale	652,472	630,872
Work in progress		
- Pace Tower	542,279	582,435
- Pace Circle	86,486	86,486
- Pace Supermall	-	364,702
Shopping mall and apartments:		
- Leasehold land	1,045,529	1,045,529
- Building and construction cost	3,746,927	3,747,032
- Borrowing cost	425,197	425,197
- Direct costs	617,806	613,895
Cost incurred to date	5,835,459	5,831,653
Cost of sales to date	(4,202,094)	(4,202,094)
Completed units - shops	332,931	332,931
	3,247,533	3,626,985
Stores inventory	-	-
	3,247,533	3,626,985

### 16 Other income

#### Income from financial assets

Mark-up on bank accounts	13	1,293
Commission on guarantee	-	-
Finance Income from Lease Receivable	-	2,874
Finance Income from financial assets	2,118	-

#### Others

Others	17,400	6,453
Gain on disposal of investment in Pace Super Mall (Pvt.) Limited	342,440	
Rental income	520	-
	362,490	10,620

- 15.1 During the period, the Group recognized a gain of Rs. 342.440 million on the disposal of its entire 56.79% shareholding in Pace Super Mall (Private) Limited. The investment, comprising 9,161,528 ordinary shares of Rs. 10 each, was sold to First Capital Securities Corporation Limited for a total consideration of Rs. 452.854 million.



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 17 Minimum tax

Minimum Tax

34,199	5,927
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17.1 This represents minimum taxes paid under section 113 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

### 18 Taxation

Income Tax  
- Current Year

-	-
-	-

The provision for current taxation for the year represents the tax liability under Minimum Tax Regime under Section 113 of Income Tax Ordinance, 2001 (30 September 2021: Minimum Tax Regime under section Section 113 of Income Tax Ordinance, 2001.

### 19 Earning/ (Loss) per share - basic and diluted

	Un-Audited	
	30 September 2025	30 September 2024
	--- (Rupees in thousand) ---	
Profit/(Loss) for the year from continued operations	305,613	115,042
Profit/(Loss) for the year from discontinued operations	-	-
Weighted average number of ordinary shares outstanding during the year	278,877	278,877
Earning/ (Loss) per share - basic and diluted - continued operations	1.10	0.41
Earning/ (Loss) per share - basic and diluted - discontinued operations	-	-



# Pace (Pakistan) Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

### 20 Cash generated/ (used in) from operations

	July to September	
	2025	2024
	— (Rupees in thousand) —	
Profit before tax	339,812	120,969
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	(42,892)	(11,009)
Provision for gratuity and leave encashment	-	1,186
Share based payment expense	18,856	-
Depreciation on owned assets	18,186	9,348
Depreciation on right-of-use assets	956	1,193
Amortisation on intangible assets	931	125
Impairment loss on trade debts and other receivables	42,119	-
Changes in fair value of investment property	-	991
Finance costs	80,125	55,191
Mark-up income	(8)	(376)
Other non cash items	(362,490)	(9,327)
<b>(Loss) / Gain before working capital changes</b>	<b>95,596</b>	<b>168,290</b>
Effect on cash flow due to working capital changes:		
(Increase)/ Decrease in stock-in-trade	(3,806)	3,407
(Increase)/ Decrease in trade debts	(63,483)	(108,458)
(Increase)/ Decrease in advances, deposits and other receivables	10,069	28,612
Increase/ (Decrease) in contract liability	(76,482)	(47,721)
Increase/ (Decrease) in creditors, accrued and other liabilities	65,673	(37,430)
	(68,029)	(161,592)
	<b>27,566</b>	<b>6,698</b>

## Pace (Pakistan) Limited

### Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2025

#### 21 Transactions with related parties

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

Name of Company	Relationship	Nature of Transactions	Un-Audited 30 September 2025	Un-Audited 30 September 2024
			— (Rupees in thousand) —	
Ever Green Water Valley (Private) Limited	Common Directorship	Purchase of goods and services	-	-
First Capital Securities Corporation Limited	Common Directorship	Receivable against disposal of Entire shareholding in Pace Super Mall (Private) Limited	452,824	
Media Times Limited	Common Directorship	Rental income	-	1,752
		Payment received during the period	1,500	-

## 22 Financial instruments

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

- Credit risk
- Liquidity risk
- Market risk

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

### Risk management framework

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

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

#### 22.1 Credit risk

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

#### 22.2 Liquidity risk

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

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

#### 22.3 Market risk

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

#### 22.4 Currency risk

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

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

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



**Pace (Pakistan) Limited**

**Notes to the Condensed Interim Consolidated Financial Statements**

*For the quarter ended 30 September 2025*

**22.5 Interest rate risk**

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

**22.6 Other price risk**

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

**23 Date of authorization for issue**

These unconsolidated financial statements were authorized for issue on 23-10-2025 by the Board of Directors of the Holding Company.

**24 Corresponding figures**

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer