

PACE (PAKISTAN) LIMITED
FINANCIAL STATEMENTS

HALF YEARLY ACCOUNTS (UN-AUDITED)

DECEMBER 31, 2025

Pace (Pakistan) Limited

Company Information

Board of Directors

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

Chief Financial Officer

Muhammad Waheed Asghar

Audit Committee

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

Human Resource and Remuneration (HR&R) Committee

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

Risk Management Committee

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

Company Secretary

Sajjad Ahmad

Auditors

M/s Junaidy Shoaib Asad,
Chartered Accountants

Legal Advisers

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

Bankers

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

Registrar and Shares Transfer Office

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

Registered Office

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



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

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

The Board of Directors is pleased to present a concise overview of the financial and operational performance of the Company for the six months period ended 31st December 2025 is as under.

Financial Highlights

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

	Period End Dec 31 2025	Period End Dec 31 2024
	Rupees in '000'	
Revenue	409,600	989,891
Cost of Revenue	(89,540)	(564,386)
Gross Profit	320,060	425,505
Admin & Selling Expenses	(117,982)	(120,764)
Impairment Reversal/ (loss)	23,748	(5,699)
Other Income	456,715	11,296
Exchange Gain/(loss) on foreign currency convertible bond	63,823	(3660)
Finance Cost	(76,052)	(82,462)
Gain/(loss) from change in FV of investment property	(3,912)	2,421
Net profit/(loss) before tax	666,400	226,637
Net profit/(loss) after tax	548,111	214,374
Earnings per share- Basic (PKR)	1.97	0.77
Earnings per share- Diluted (PKR)	1.77	0.69

During the six months period under review, the revenue of the Company amounted to Rs. 409.60 million as compared to Rs. 989.891 million corresponding period last year. The cost of revenue is Rs. 89.54 million as compared to Rs. 564.386 million last year. The Gross profit is Rs. 320.060 million as compared to Rs. 425.505 million last year. The Administrative & Selling expenses are Rs. 117.982 million against Rs. 120.760 million. Other income of the company is Rs. 456.715 million as compared to Rs. 11.296 million last year. The company earned an exchange gain of Rs. 63.823 million on Foreign Currency Convertible Loan due to appreciation of Pak Rupee against dollars during period under review. The Finance cost is Rs.76.052 million as compared to Rs. 82.462 million the last corresponding period.

As a result of aforementioned factors, the Profit for the period under review amounted to Rs. 548.111 million as compared to a profit of Rs. 214.374 million, resulting in Earning Per Share

Sector Review

During the period under review, Pakistan's real estate sector continued to operate in a challenging geopolitical and economic environment. Global uncertainties, regional developments, and domestic economic adjustments contributed to cautious market sentiment and moderated investment activity.

Transaction volumes across the sector remained subdued, with buyers demonstrating prudence in decision-making. Developers continued to prioritize completion of existing projects and optimization of available inventory.

Despite these challenges, the sector demonstrated resilience, supported by underlying demand in key urban centers. However, sustained improvement in activity levels will depend on greater economic stability and enhanced investor confidence.

Company Performance and Overview

During the six months ended 31 December 2025, the Company delivered improved profitability despite lower revenue, primarily driven by higher margins and significant other income recognized during the period.

A major development during the period was the disposal of 56.79% shareholding in Pace Super Mall (Private) Limited for a consideration of Rs. 452.85 million, resulting in a gain of Rs. 361.64 million. The transaction strengthened the Company's liquidity position, enhanced profitability, and enabled greater strategic focus on core operations.

Subsequent to the period end, the Company enhanced its paid-up capital through the issuance of 30,986,289 ordinary shares under the Employees' Share Option Scheme (ESOS), in accordance with applicable legal and regulatory requirements. Consequently, the paid-up capital increased from 278,876,604 shares to 309,862,893 shares, resulting in a corresponding dilution in earnings per share.

Earlier the Shareholders of the Company in their Extraordinary General Meeting held on 24 September 2025 approved the issuance of shares other wise than right, against certain properties, conversion of financial liability and TFCs. In this respect the company has applied regulatory approval to Securities and Exchange Commission of Pakistan, which is currently in process of review by the regulator.

The Path Forward

The Company continues to pursue strategic initiatives aimed at strengthening its operational base and improving long-term sustainability.

During the period, the Company, together with its subsidiary Pace Barka Properties Limited (50% joint participation), entered into a Memorandum of Understanding (MOU) with DHA Gujranwala as a development partner for the development and management of a mixed-use commercial hub over approximately 161.8 Kanals. This collaboration represents a significant strategic initiative and reflects the Company's continued focus on expanding its footprint in established urban developments.

In addition, the Company completed the acquisition of certain print and digital media businesses, including brand names, publishing rights, and digital media platforms, from Media Times Limited for a total consideration of Rs. 860 million. The diversification into

media operations is expected to broaden the Company's revenue base and contribute to future operating cash flows

The Company is also pursuing expansion into Dubai, U.A.E., including the proposed development of a commercial project and incorporation of a subsidiary to undertake overseas operations. Management is currently evaluating suitable development arrangements in this regard.

The Company has also continued its efforts toward financial restructuring, including settlements with TFC holders and other lenders. These arrangements are aimed at reducing financing costs and aligning repayment obligations with projected cash flows, thereby supporting improved liquidity management.

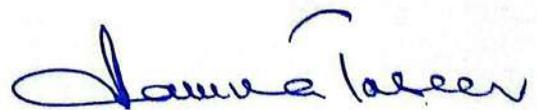
Going forward, management remains focused on disciplined execution of development projects, monetization of existing inventory, prudent financial management, and strengthening of recurring income streams. The Directors believe that these measures collectively position the Company to enhance operational performance and financial stability over the medium term.

For and on behalf of Board of directors

26 February 2026



Director



Chief Executive Officer

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pace (Pakistan) Limited

Review Report on Condensed Interim Unconsolidated Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **Pace (Pakistan) Limited (the "Company")** as at **December 31, 2025** and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows, and notes to the condensed interim unconsolidated financial Statements for the six-month period then ended (here-in-after referred to as the "condensed interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these interim unconsolidated financial Statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim unconsolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim unconsolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to note 2 to the accompanying condensed interim unconsolidated financial statements which indicates that the Company's current liabilities exceeded its current assets by Rs. 6,777.32 million and accumulated losses of the Company stand at Rs. 3,792.41 million as at 31 December 2025. The Company's equity has eroded and the accumulated losses exceed the share capital, share premium, revaluation surplus and share based payment reserves by Rs. 657.70 million as at 31 December 2025. As stated in note 2, these conditions, along with other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Other Matter

The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended December 31, 2025.

The engagement partner on the review resulting in this independent review report is Shoab Ahmad Waseem.



Junaidy Shoaib Asad
Chartered Accountants

Lahore.

Date: February 27, 2026

UDIN: RR202510196tqlkDC84P

Suite No. 9-A, 3rd Floor, Imtiaz Plaza, 85-Shahrah-e-Quaid-e-Azam, Lahore.

Ph: +92 (042) 36360253, +92 (042) 36369408 | Fax: +92 (042) 36369407 | E-mail: info.lhr@jsa.com.pk | URL: www.jsa.com.pk

Other Offices: Karachi & Islamabad

Pace (Pakistan) Limited

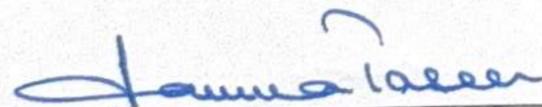
Condensed Interim unconsolidated Statement of Financial Position (Un-audited)

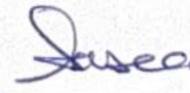
As at 31 December 2025

		Un-audited 31 December 2025 --- (Rupees in thousand) ---	Audited 30 June 2025 ---		Un-audited 31 December 2025 --- (Rupees in thousand) ---	Audited 30 June 2025 ---	
EQUITY AND LIABILITIES				ASSETS			
<u>Share capital and reserves</u>				<u>Non-current assets</u>			
Authorised capital		6,000,000	6,000,000	Property, plant and equipment	13	653,482	505,595
Issued, subscribed and paid-up capital	6	2,788,766	2,788,766	Intangible assets	14	861,248	1,496
Share premium	7	273,265	273,265	Investment property		2,286,231	1,963,462
Share-based payment reserve		25,640	19,202	Long term investments	15	2,513,409	2,602,965
Revaluation surplus		47,037	47,037	Long term advances and deposits		13,619	13,619
Accumulated loss		(3,792,411)	(4,340,522)	Financial asset		70,985	73,979
		(657,703)	(1,212,252)			6,398,974	5,161,116
<u>Non-current liabilities</u>				<u>Current assets</u>			
Long term finances - secured	8	-	-	Stock-in-trade	16	1,481,370	1,541,852
Redeemable capital - secured (non-participatory)	9	-	-	Trade debts	17	710,139	646,408
Lease liability		215,120	212,966	Advances, deposits, prepayments and other receivables		122,703	83,681
Foreign currency convertible bonds - unsecured	10	-	-	Income tax refundable - net		54,933	59,934
Deferred liabilities		64,240	60,793	Financial asset		10,478	5,809
		279,360	273,759	Cash and bank balances	18	57,843	18,871
<u>Current liabilities</u>						2,437,466	2,356,556
Contract liability		112,175	174,082			8,836,440	7,517,672
Current maturity of long term liabilities		5,800,377	5,867,130				
Creditors, accrued and other liabilities	11	1,540,312	711,552				
Accrued finance cost		1,761,919	1,703,401				
		9,214,783	8,456,165				
<u>Contingencies and commitments</u>							
	12	-	-				
		8,836,440	7,517,672				

The annexed notes from 1 to 32 form an integral part of these condensed interim unconsolidated financial statements.




Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

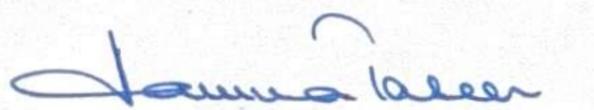
Condensed Interim Unconsolidated Statement of Profit or Loss (Un-audited)

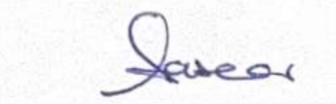
For the six months ended 31 December 2025

	Note	For the half year ended		For the quarter ended	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		--- (Rupees in thousand) ---		--- (Rupees in thousand) ---	
Revenue	19	409,600	989,891	258,033	515,752
Cost of Revenue	20	(89,540)	(564,386)	(24,677)	(312,920)
Gross Profit		320,060	425,505	233,356	202,832
Administrative and selling expenses		(117,982)	(120,764)	(37,997)	(81,033)
Impairment Reversal/ (loss) on trade and other receivables		23,748	(5,699)	23,748	-
Other income	21	456,715	11,296	92,946	1,593
Profit from operations		682,541	310,338	312,053	123,392
Finance cost	22	(76,052)	(82,462)	(26,715)	(42,596)
Exchange gain/ (loss) on foreign currency convertible bonds		63,823	(3,660)	20,931	(14,669)
Gain/ (loss) from change in fair value of investment property		(3,912)	2,421	(3,912)	3,412
Profit before income tax and minimum taxes		666,400	226,637	302,357	69,539
Minimum Tax	23	-	(12,374)	1,895	(6,447)
Profit before income tax		666,400	214,263	304,252	63,092
Taxation	24	(118,289)	-	(118,289)	-
Profit for the period after taxation		548,111	214,263	185,963	63,092
			Restated		Restated
Earning per share - basic	25	1.97	0.77	0.67	0.23
Earning per share - Diluted	26	1.77	0.69	0.60	0.20

The annexed notes from 1 to 32 form an integral part of these condensed interim unconsolidated financial statements.

Jm


 Chief Executive Officer


 Director


 Chief Financial Officer

Pace (Pakistan) Limited

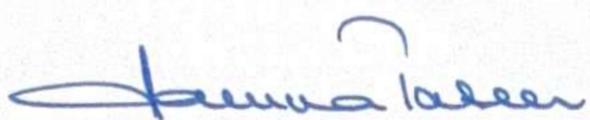
Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the six months ended 31 December 2025

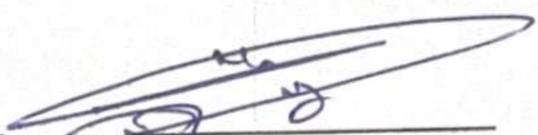
	For the half year ended		For the quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	--- (Rupees in thousand) ---		--- (Rupees in thousand) ---	
Profit for the period	548,111	214,263	185,963	63,092
Other comprehensive income for the period				
Items that will not be reclassified to statement of profit or loss:				
Remeasurement of net defined benefit liability	-	-	-	-
Total comprehensive profit for the period	548,111	214,263	185,963	63,092

The annexed notes from 1 to 32 form an integral part of these condensed interim unconsolidated financial statements.

js


 Chief Executive Officer


 Director


 Chief Financial Officer

Pace (Pakistan) Limited

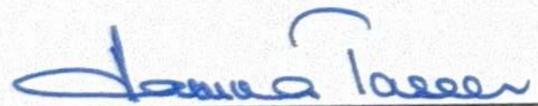
Condensed Interim Unconsolidated Statement of Changes In Equity (Un-audited)

For the six months ended 31 December 2025

	Issued, subscribed and paid-up capital	Capital reserve			Revenue reserve	Total
		Share premium	Revaluation surplus	Share-based payment reserve	Accumulated loss	
--- (Rupees in thousand) ---						
As at 01 July 2024 (Audited)	2,788,766	273,265	47,037	-	(4,258,412)	(1,149,345)
<i>Total comprehensive income for the year ended 30 June 2024</i>						
Profit 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
	-	-	-	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)
Profit after taxation	-	-	-	-	548,111	548,111
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	548,111	548,111
Transactions with Others:						
Share based payment reserves	-	-	-	6,438	-	6,438
	-	-	-	6,438	-	6,438
Balance as at 31 December 2025 (Un-audited)	2,788,766	273,265	47,037	25,640	(3,792,411)	(657,703)

The annexed notes from 1 to 32 form an integral part of these condensed interim unconsolidated financial statements.

Jr


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

	Note	Half year ended	
		31 December 2025	31 December 2024
--- (Rupees in thousand) ---			
<u>Cash flows from operating activities</u>			
Cash (used in)/ generated from operations	27	90,231	(76,255)
Finance cost paid		-	-
Taxes paid		(11,859)	(8,989)
Net cash (used in)/ generated from operating activities		78,372	(85,244)
<u>Cash flow from investing activities</u>			
Investment disposed during the period		452,854	-
Lease receivable		-	121,515
Addition in investment property		(326,682)	(126,720)
Deletion in investment property		-	78,660
Purchase of operating fixed assets		(160,000)	-
Income on bank deposits received		16	456
Net cash (used in)/ generated from investing activities		(33,812)	73,911
<u>Cash flow from financing activities</u>			
Long term loan paid during the period		-	-
Payments of lease liability		(5,588)	-
Net cash used in financing activities		(5,588)	-
Net (decrease)/increase in cash and cash equivalents		38,972	(11,333)
Cash and cash equivalents - at beginning of the period		18,871	32,410
Cash and cash equivalents - at end of the period	18	57,843	21,077

The annexed notes from 1 to 32 form an integral part of these condensed interim unconsolidated financial statements.

Jr


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

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

For the six months ended 31 December 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-1, M.M Alam Road, Gulberg III, Lahore
5	Gujranwala Plaza	Mouza Dhola Zarri, Main GT Road Gujranwala
6	Gujrat Plaza	Mouza Ado-Wal, G.T Road, Tehsil & District, Gujrat
7	Pace Tower	27-H College Road Gulberg II Lahore

2 Going Concern Assumption

The Company has earned profit before tax of Rs. 666.40 million. The Company has entered into profit in this period mainly because of sale of its inventory located at First Capital Tower. In addition, the company has also increased service charges rate of First Capital Tower resulting in increase of sale revenue.

At the reporting date, current liabilities of the Company have exceeded its current assets by Rs. 6,777.32 million (30 June 2025: Rs. 6,099.61 million), and accumulated losses of the Company stand at Rs. 3,792.41 million (30 June 2025: Rs. 4,340.522 million). The Company's equity has eroded and the accumulated losses exceed the share capital, share premium, share based Payment reserves and revaluation surplus by Rs. 657.70 million (30 June 2025: 1,212.252 million). 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. Despite the accumulated losses, Company's liquidity position is getting better during the period ended December 31, 2025. The Company has also started meeting various obligations towards its lenders.

Construction of Pace Tower lobby is complete and finishing work of remaining units mainly on 16th to 21st Floors is in process. The company is actively seeking to complete the remaining units of this project within next 06 months. The management is actively engaged to find buyers for the sale of remaining floors/ apartments in Pace Tower. The proceeds from sale of inventory shall be used for new project.

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

During the period, the Company acquired certain print and digital media businesses, including brand names, publishing rights, and digital media platforms, from Media Times Limited for a total cash consideration of Rs. 860 million, following approval by the Board of Directors and shareholders. These acquired brand and media rights have been recognized as intangible assets in accordance with IAS 38 – Intangible Assets. Management expects that these media operations will contribute to future revenue generation and operating cash flows through diversified income streams, including advertising, digital content, and brand monetisation. The acquisition is therefore considered a positive factor in management's assessment of the Company's ability to improve its cash flow position and support ongoing operations.

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 08 September 2025 to the Company wherein they have committed to support the Company to continue as a going concern.

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

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

3 Basis of preparation and statement of compliance

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

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

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

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

These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual unconsolidated financial statements as at and for the year ended 30 June 2025. Comparative condensed interim unconsolidated statement of financial position is stated from annual audited financial statements as of 30 June 2025, whereas comparatives for condensed interim unconsolidated statement of profit or loss and other comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows and related notes are extracted from condensed interim unconsolidated financial statements of the Company for the six months ended 31 December 2024.

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

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

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

4 Use of estimates and judgments

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

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual audited unconsolidated financial statements for the year ended 30 June 2025.

5 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of the condensed interim unconsolidated financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 30 June 2025.

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

	Un-audited 31 December 2025 --- (Rupees in thousand) ---	Audited 30 June 2025	Un-audited 31 December 2025 --- (Number of Shares) ---	Audited 30 June 2025
--	---	----------------------------	---	----------------------------

6 Share capital and reserves

6.1 Authorised capital

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>
--------------------------------	------------------	------------------	--------------------	--------------------

The members of the Company, in the Extraordinary General Meeting held on September 24, 2025, approved an increase in the authorised share capital of the Company. However, the approval of the Securities and Exchange Commission of Pakistan (SECP) is still pending. Accordingly, the effect of this matter has not been incorporated in these Condensed Interim Unconsolidated Financial Statements for the period ended December 31, 2025.

6.2 Issued, subscribed and paid-up capital

Ordinary shares of Rs. 10 each fully paid in cash	2,017,045	2,017,045	201,704,516	201,704,516
Ordinary shares of Rs. 10 each issued as bonus shares	<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>

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

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

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

6.5 Issuance of shares against consideration of other than cash:

The members of the Company, at the Extraordinary General Meeting held on September 24, 2025, approved the issuance of ordinary shares of Pace Pakistan Limited against consideration other than cash, i.e., immovable properties.

The approval of the Securities and Exchange Commission of Pakistan (SECP) in respect of the said issuance is pending as at December 31, 2025. Accordingly, no effect of this transaction has been incorporated in these Condensed Interim Unconsolidated Financial Statements for the period ended December 31, 2025.

	Un-audited 31 December 2025 --- (Rupees in thousand) ---	Audited 30 June 2025
--	---	----------------------------

7 Share premium

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.

P2

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

		Un-audited 31 December 2025	Audited 30 June 2025
		--- (Rupees in thousand) ---	
8 Long term finances - secured	<i>Note</i>		
PAIR Investment Company Limited	8.1	56,626	56,626
Less: Current maturity presented under current liabilities		(56,626)	(56,626)
Non current portion		-	-

8.1 PAIR Investment Company Limited

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

8.1.1 Reconciliation of outstanding dues:

	Un-audited 31 December 2025	Audited 30 June 2025	
		--- (Rupees in thousand) ---	
As at beginning of the year	56,626	58,695	
Adjustment on account of service charges	-	(2,069)	
Adjustment on account of default	-	-	
As at end of the year	56,626	56,626	

8.1.2 Security

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

8.2 The members of the Company, in its Extraordinary General Meeting held on September 24, 2025, approved the settlement of outstanding dues payable to PAIR Investment Company Limited through issuance of ordinary shares of Pace Pakistan Limited.

The issuance of shares is subject to approval from the Securities and Exchange Commission of Pakistan (SECP), which is currently pending. Accordingly, the shares have not yet been issued as of December 31, 2025.

These Condensed Interim Unconsolidated Financial Statements for the period ended December 31, 2025 do not include the effect of this transaction.

	Un-audited 31 December 2025	Audited 30 June 2025	
		--- (Rupees in thousand) ---	
9 Redeemable capital - secured (non-participatory)			
Term finance certificates	805,118	805,118	
Less: Current maturity presented under current liabilities	(805,118)	(805,118)	
Non current portion	-	-	

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

9.1 Terms finance certificate

This represents term finance certificates (TFC's) listed on Lahore Stock Exchange before integration of Pakistan Stock Exchange issued for a period of 5 years. On 27 September 2010, the Company completed the restructuring of its term finance certificates. Restructuring was duly approved by majority of TFC holders holding certificates in aggregate of 51.73 %, through extraordinary resolution passed in writing. Consequent to the approval of TFC holders, addendum to the trust deed was executed between the Company and trustee 'IGI Investment Bank Limited' (now 'IGI Holdings Limited') under which the Company was allowed one and a half year grace period along with an extension of four years in the tenure of TFC issue and consequently, the remaining tenure of TFC shall be six and a half years effective from 15 August 2010. The TFC's carry a markup of 6 months KIBOR plus 2% (June 30, 2025: 6 months KIBOR plus 2%) and is payable semi-annually in arrears. The Company could not repay on a timely basis, the instalments due as per the revised schedule of repayment and is not compliant with certain debt covenants which represents a breach of the respective agreement, therefore, the entire outstanding amount has been classified as a current liability under guidance contained in IAS 1 - Presentation of Financial Statements. The Company is in negotiation with the TFC holders and the trustee for relaxation in payment terms and certain other covenants.

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

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

Security

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

9.2 The members of the Company, at the Extraordinary General Meeting held on September 24, 2025, approved the settlement of Term Finance Certificates through the issuance of ordinary shares of Pace Pakistan Limited in favor of various Term Finance Certificate holders.

The issuance of shares is subject to approval from the Securities and Exchange Commission of Pakistan (SECP), which is currently pending. Accordingly, the shares have not been issued as of December 31, 2025.

Consequently, these Condensed Interim Unconsolidated Financial Statements for the period ended December 31, 2025 do not include the effect of this matter.

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

		Un-audited 31 December 2025	Audited 30 June 2025
10 Foreign currency convertible bonds - unsecured	<i>Note</i>	--- (Rupees in thousand) ---	
Opening balance		4,973,574	4,878,519
Mark-up accrued during the period		<u>4,973,574</u>	<u>4,878,519</u>
Exchange (gain)/loss for the period	10.2	<u>(63,823)</u>	<u>95,055</u>
		4,909,751	4,973,574
Less: Current portion shown under current liabilities		<u>(4,909,751)</u>	<u>(4,973,574)</u>
Non Current Portion		-	-

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. During the year 2008, USD 13 million bonds have been converted into the ordinary shares of the Company and remaining USD 12 million bonds along with related interest have not been repaid by the Company.

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

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

		Un-audited 31 December 2025	Audited 30 June 2025
11 Creditors, accrued and other liabilities	<i>Note</i>	--- (Rupees in thousand) ---	
Trade creditors		83,071	137,198
Provisions and accrued liabilities		301,284	402,282
Payable to statutory bodies		66,721	61,158
Security deposits	11.1	21,448	18,413
Rentals against investment property received in advance		34,170	47,859
Retention money		3,461	5,461
Income tax payable		101,429	-
Others	11.2	<u>928,728</u>	<u>39,181</u>
		<u>1,540,312</u>	<u>711,552</u>

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

JK

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

11.2 This includes the following amounts payable to related parties:

Related Party	Relationship	Un-audited	Audited
		31 December 2025	30 June 2025
		--- (Rupees in thousand) ---	
Media Times Limited	Common Directorship	860,000	-
First Capital Securities Corporation Limited	Common Directorship	33,760	-
		<u>893,760</u>	<u>-</u>

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 Condensed Interim 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 Honorable Senior Civil Court. The case is under adjudication and the maximum exposure to the Company is of Rs. 57.96 million. As per legal advisors and management of the Company there are meritorious grounds to defend the Company's claim and consequently no provision has been made in these Condensed Interim 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 31 December 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 Condensed Interim Unconsolidated Financial Statements.

12.2 Commitments

There is no commitment as at December 31, 2025 (June 30, 2025: Nil)

JZ

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

	Un-audited 31 December 2025	Audited 30 June 2025
	--- (Rupees in thousand) ---	
13 Property, plant and equipment		
Operating fixed assets	506,155	355,883
Capital work in progress	58,847	58,847
Right-of-use assets	88,480	90,865
	<u>653,482</u>	<u>505,595</u>
13.1 Operating fixed assets		
Net book value at beginning of the period	355,883	373,435
Additions during the period	160,000	-
Disposals during the period	-	-
Transfers	-	-
Depreciation charged during the period	(9,728)	(17,552)
Impairment charge	-	-
Net book value at end of the period	<u>506,155</u>	<u>355,883</u>
13.2 Right-of-use assets		
Net book value at beginning of the period	90,865	95,635
Additions during the period	-	-
Disposals during the period	-	-
Depreciation charged during the period	(2,385)	(4,770)
	<u>88,480</u>	<u>90,865</u>

14 Intangible assets

During the period, the Company entered into an agreement dated December 26, 2025 for the acquisition of certain print and digital media businesses, including related brand names, publishing rights and digital media platforms, from Media Times Limited (a related party) for a total cash consideration of PKR 860 million, pursuant to approval of the Board of Directors and shareholders through a Special Resolution, with the transaction becoming effective from December 31, 2025.

The acquired brand and media rights relating to Daily Times English Newspaper, Aaj Kal Urdu Newspaper, Sunday Times Magazine, and digital media platforms including Business Plus, Zaiga TV, Wikid TV, and TGIF Magazine.

The transaction has been accounted for as an asset acquisition, and the acquired brand and media rights have been recognised as intangible assets at cost in accordance with IAS 38 – Intangible Assets. No goodwill has arisen from the transaction.

Management has assessed that the acquired brand and media rights have indefinite useful lives, as there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows. Accordingly, these intangible assets are not amortised and are tested for impairment annually, or more frequently if indicators of impairment exist, in accordance with IAS 36 – Impairment of Assets.

	Un-audited 31 December 2025	Audited 30 June 2025
	--- (Rupees in thousand) ---	
15 Long term investments		
Investment in subsidiaries - unquoted:	2,506,802	2,598,014
Share options issued to employees of Pace Barka Properties Limited	6,607	4,951
	<u>2,513,409</u>	<u>2,602,965</u>



Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

15.1 The members of the Company, at the Extraordinary General Meeting held on September 24, 2025, approved the disinvestment in Pace Super Mall (Private) Limited. During the period ended December 31, 2025, the Company completed the disposal of 9,161,528 ordinary shares, representing 56.79% of the entire shareholding in Pace Super Mall (Private) Limited, to First Capital Securities Corporation Limited (FCSC), (a related party) for a consideration of Rs. 452.85 million. As a result of the disposal, the Company recognized a gain of Rs. 361.64 million, which has accordingly been included in these Condensed Interim Unconsolidated Financial Statements.

15.2 During the period ended December 31, 2025, the members of the Company, at the Extraordinary General Meeting held on 24 September 2025, approved the proposal for the disposal of the Company's entire shareholding comprising 250,617,631 ordinary shares, representing 52.21% of the total shareholding, in Pace Barka Properties Limited to First Capital Securities Corporation Limited, Media Times Limited and Evergreen Water Valley (Private) Limited, at a consideration not less than the fair value, to be determined through an independent valuation, on such terms and conditions as may be considered appropriate and in the best interest of the Company. As at 31 December 2025, the disposal transaction had not been completed.

	Un-audited 31 December 2025	Audited 30 June 2025
Note	--- (Rupees in thousand) ---	
16 Stock-in-trade		
Land not under development	21,600	21,600
Land purchased for resale	518,400	518,400
Work in progress		
<i>Pace Tower</i>	521,953	582,435
<i>Pace Circle</i>	86,486	86,486
Completed units - shops	332,931	332,931
	<u>1,481,370</u>	<u>1,541,852</u>
17 Trade debts		
<i>Secured</i>		
Considered good	878,428	877,165
<i>Unsecured</i>	508,511	469,791
	<u>1,386,939</u>	<u>1,346,956</u>
Less: Impairment allowance	<u>(676,800)</u>	<u>(700,548)</u>
	<u>710,139</u>	<u>646,408</u>
18 Cash and bank balances		
Cash in hand	-	-
<i>Cash at banks</i>		
- Current accounts	55,683	8,746
- Saving accounts	2,160	10,125
	<u>57,843</u>	<u>18,871</u>
	<u>57,843</u>	<u>18,871</u>

18.1 This includes Rs. 7 million (30 June 2025: Rs. 7 million) on which lien is marked against sale of property to MCB for further development charges at Pace Tower.



Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

	Un-audited 31 December 2025	Un-audited 31 December 2024
19 Revenue		
Sale of Shops / plots	236,280	865,912
Display of advertisements	472	460
Service charges income	105,961	95,522
Revenue from contract with customers	<u>342,713</u>	<u>961,894</u>
Other revenue		
Rental income from lease of investment property	66,887	27,997
Total revenue	<u>409,600</u>	<u>989,891</u>

20 Cost of revenue		
Shops and commercial buildings sold - at percentage of completion basis - at completion of project basis	-	-
	63,656	524,836
Stores operating expenses	25,884	39,550
	<u>89,540</u>	<u>564,386</u>

21 Other income
This represents finance income from lease & Financial Asset, scrap sales, mark up on bank accounts, gain on disposal of subsidiary, liabilities written back and other income.

	Un-audited 31 December 2025	Un-audited 31 December 2024
22 Finance cost		
Interest and mark-up on:		
- Long term finances - secured	5,072	4,455
- Redeemable capital - secured (non-participatory)	53,446	64,904
- Notional interest on lease liability	17,184	12,895
	<u>75,702</u>	<u>82,254</u>
Bank charges and processing fee	350	208
	<u>76,052</u>	<u>82,462</u>

23 Minimum Tax		
Minimum Tax	23.1	12,374

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

	Un-audited 31 December 2025	Un-audited 31 December 2024
24 Taxation		
Income Tax		
- Current Year	113,288	-
- Prior Year	5,001	-
	<u>118,289</u>	<u>-</u>

24.1 The provision for tax has been provided as per the provision of section 113C (Alternate Corporate Tax) of the Income Tax Ordinance, 2001.(2024: Minimum Tax Regime under section Section 113 of Income Tax Ordinance, 2001).

JZ

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

	Un-audited 31 December 2025	Un-audited 31 December 2024
	--- (Rupees in thousand) ---	
25 Basic Earnings Per Share		
Profit for the period	<u>548,111</u>	<u>214,263</u>
Weighted average number of ordinary shares outstanding	-----Number----- <u>278,877</u>	<u>278,877</u>
Basic Earnings Per Share	<u>1.97</u>	<u>0.77</u>
	Un-audited 31 December 2025	Un-audited 31 December 2024
	--- (Rupees in thousand) ---	
		Restated
26 Diluted Earning Per Share		
Profit for the period	<u>548,111</u>	<u>214,263</u>
Weighted average number of ordinary shares outstanding (in thousands)	-----Number----- <u>309,863</u>	<u>309,863</u>
Diluted Earnings Per Share	<u>1.77</u>	<u>0.69</u>
26.1 Reconciliations of basic and dilued earning per share	-----Number----- in thousands	
Weighted average number of ordinary shares	278,877	278,877
Add: Diluted impact of Employee Stock Option Scheme	30,986	30,986
Dilutive potential ordinary Shares	<u>309,863</u>	<u>309,863</u>

26.2 The company has issued 30,986,289 ordinary shares subsequent to the reporting date .

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

	Un-audited 31 December 2025	Un-audited 31 December 2024
	--- (Rupees in thousand) ---	
27 Cash (used in) / generated from operations		
Profit before tax	666,400	226,637
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	(63,823)	3,660
Provision for gratuity and leave encashment	3,447	2,372
Depreciation on property, plant and equipment	12,113	11,161
Share Based Payment expense	4,782	-
Amortisation on intangible assets	248	249
Impairment loss/(reversal) on Trade debts	(23,748)	5,699
Changes in fair value of investment property	3,912	(2,421)
Non cash income	(95,072)	(4,650)
Gain on disposal of Investment in Subsidiary	(361,643)	-
Finance costs	75,702	82,254
Mark-up income	(16)	(456)
Gain before working capital changes	216,764	324,505
<i>Effect on cash flow due to working capital changes:</i>		
(Increase)/ decrease in stock-in-trade	60,482	(270,880)
Increase in trade debts	(39,983)	(16,374)
(Increase)/ Decrease in advances, deposits and other receivables	(43,097)	11,705
Increase/ (Decrease) in contract liability	(61,907)	(81,106)
Increase/ (Decrease) in creditors, accrued and other liabilities	(42,028)	(44,105)
	(126,533)	(400,760)
cash (used in)/ generated from operating activities	90,231	(76,255)

Jr

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

28 Transactions with related parties

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

Name of Company	Relationship	Nature of Transactions	Un-Audited 31-Dec-25 -- (Rupees in thousand) --	Unaudited 31-Dec-24
Pace Barka Properties Limited	Subsidiary	Further investment	-	-
		Share options issued to employees of the subsidiary	6,607	-
First Capital Securities Corporation Limited	Common Directorship	Sale of Property (Pace Tower)	45,887	-
		Sale of Pace Super Mall Private Limited investment	452,854	-
		Purchase of Pland and machinery	160,000	-
		Purchase of Pace Tower (IP)	284,250	-
		Purchase of Pace Circle (Ip)	42,432	-
First Capital Investment Limited	Common Directorship	Sale of Property (Pace Tower)	16,020	-
Evergreen Water Valley (Private) Limited	Common Directorship	Payment against purchase of property	-	8,179
Media Times Limited	Common Directorship	Rental income	-	2,873
		Payment received	-	16,500
		Acquisition of intellectual property rights	860,000	-
		Receivables	12,598	-
Post employment benefits plan	Employee Fund	Gratuity and leave encashment	3,447	2,372
Key management personnel	Key Management Personnel	Salaries and other benefits	22,850	21,775



Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

29 Fair value measurement of financial instruments

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

		31 December 2025 (Un-audited)					
		Carrying amount	Fair value				
	Note	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3
--- (Rupees in thousand) ---							
Financial instruments							
31 December 2025							
<u>Financial assets not measured at fair value</u>							
Financial Assets		81,463	-	81,463	-	-	-
Long term advances and deposits		13,619	-	13,619	-	-	-
Trade debts		710,139	-	710,139	-	-	-
Cash and bank balances		57,843	-	57,843	-	-	-
	29.2	863,064	-	863,064	-	-	-
<u>Financial liabilities not measured at fair value</u>							
Long term finances - secured		-	56,626	56,626	-	-	-
Redeemable capital - secured (non-participatory)		-	805,118	805,118	-	-	-
Lease liability		-	244,001	244,001	-	-	-
Foreign currency convertible bonds - unsecured		-	4,909,751	4,909,751	-	-	-
Creditors, accrued and other liabilities		-	1,404,713	1,404,713	-	-	-
Accrued finance cost		-	1,761,919	1,761,919	-	-	-
	29.2	-	9,182,128	9,182,128	-	-	-

js

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

29.1 Fair value measurement of financial instruments

		30 June 2025 (Audited)					
		Carrying amount		Fair value			
	Note	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3
		--- (Rupees in thousand) ---					
Financial instruments							
<u>30 June 2025</u>							
<u>Financial assets not measured at fair value</u>							
Financial assets		79,788	-	79,788	-	-	-
Long term advances and deposits		13,619	-	13,619	-	-	-
Trade debts		646,408	-	646,408	-	-	-
Cash and bank balances		18,871	-	18,871	-	-	-
	29.2	<u>758,687</u>	<u>-</u>	<u>758,687</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Financial liabilities not measured at fair value</u>							
Long term finances - secured		-	56,626	56,626	-	-	-
Redeemable capital - secured (non-participatory)		-	805,118	805,118	-	-	-
Lease liability		-	244,778	244,778	-	-	-
Foreign currency convertible bonds - unsecured		-	4,973,574	4,973,574	-	-	-
Creditors, accrued and other liabilities		-	663,693	663,693	-	-	-
Accrued finance cost		-	1,703,401	1,703,401	-	-	-
	29.2	<u>-</u>	<u>8,447,190</u>	<u>8,447,190</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Pace (Pakistan) Limited

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

For the six months ended 31 December 2025

30 Financial risk management

The Company's financial risk management objective and policies are consistent with that of disclosed in the annual audited financial statements of the Company for the year ended 30 June 2025.

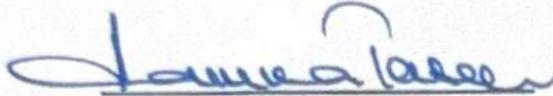
31 Date of authorization for issue

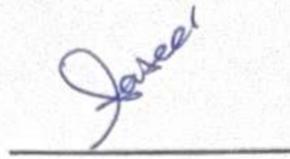
These condensed interim unconsolidated financial statements were authorized for issue on 26-02-2026 by the Board of Directors of the Company.

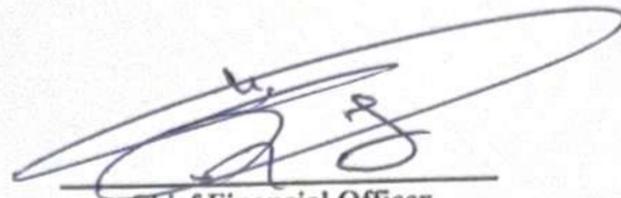
32 General

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

js


Chief Executive Officer


Director


Chief Financial Officer

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

EQUITY AND LIABILITIES	Note	Un-audited	Audited
		31 December 2025	June 30, 2025
— (Rupees in thousand) —			
<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	25,640	19,202
Revaluation Surplus		47,037	47,037
Accumulated loss		(1,786,761)	(2,347,741)
		<u>1,347,947</u>	<u>780,529</u>
Non-controlling interests		4,082,982	4,103,537
		<u>5,430,929</u>	<u>4,884,066</u>

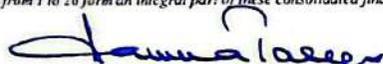
Non-current liabilities

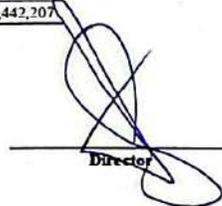
Long term finances - secured	8	-	-
Redeemable capital - secured (non-participatory)	9	-	-
Lease liability		222,950	222,449
Contract Liability		-	8,277
Foreign currency convertible bonds - unsecured	10	-	-
Deferred liabilities		123,012	119,565
Financial Liabilities		463,198	695,658
Consideration payable to customers		37,821	37,821
Deferred Taxation		-	-
		<u>852,011</u>	<u>1,083,770</u>

Current liabilities

Contract liability		112,175	647,925
Current maturity of long term liabilities		6,142,660	6,229,559
Creditors, accrued and other liabilities	11	2,280,232	1,429,853
Provision for onerous contracts		457,316	457,316
Accrued finance cost		1,768,236	1,709,718
		<u>10,760,678</u>	<u>10,474,371</u>
Down payment against sale of investment properties classified as held for sale		-	-
		<u>10,760,678</u>	<u>10,474,371</u>
Contingencies and commitments	12	-	-
		<u>17,043,619</u>	<u>16,442,207</u>

The annexed notes from 1 to 26 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director

ASSETS

Non-current assets

ASSETS	Note	Un-audited	Audited
		31 December 2025	June 30, 2025
— (Rupees in thousand) —			
<u>Non-current assets</u>			
Property, plant and equipment	13	8,022,651	7,846,407
Intangible assets	14	861,248	1,496
Right of use		12,743	14,563
Goodwill		45	45
Investment property		3,108,803	2,785,833
Deferred Taxation		151,087	151,087
Financial Assets		29,026	9,592
Long term advances and deposits	15	99,379	99,379
		<u>12,284,982</u>	<u>10,908,402</u>

Current assets

Stock-in-trade	16	3,205,201	3,626,985
Trade debts		1,101,610	1,258,085
Contract Assets		-	420,395
Advances, deposits, prepayments and other receivables		206,643	113,124
Income tax refundable - net		175,528	59,987
Financial Assets		10,478	5,809
Cash and bank balances		59,177	47,420
		<u>4,758,637</u>	<u>5,533,805</u>

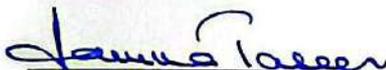
17,043,619 16,442,207

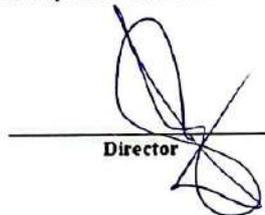

Chief Financial Officer

Pace (Pakistan) Limited
Condensed Interim Consolidated Profit and Loss Account (Un-audited)
For the six months ended 31 December 2025

	Note	For the half year ended		For the quarter ended	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		--- (Rupees in thousand) ---		--- (Rupees in thousand) ---	
CONTINUED OPERATIONS					
Revenue		1,014,420	989,891	570,016	513,501
Cost of Revenue		(565,052)	(566,506)	(262,300)	(304,920)
Gross Profit		449,368	423,385	307,716	208,581
Administrative and selling expenses		(149,271)	(159,381)	(44,138)	(100,215)
Impairment Reversal/ (loss) on trade and other receivables		23,748	-	23,748	-
Other income	17	482,162	12,693	119,672	2,073
Other expenses		-	-	21,964	-
Profit/ (Loss) from operations		806,008	276,698	428,963	110,439
Finance cost		(112,323)	(97,924)	(32,198)	(42,617)
Exchange (loss)/ gain on foreign currency convertible bonds		63,823	(3,660)	20,931	(14,669)
Loss from change in fair value of investment property		(3,912)	2,421	(3,912)	3,412
Profit / (Loss) before income tax and minimum taxes		753,596	177,535	413,783	(120,969)
Minimum Tax	18	-	(12,374)	34,199	(6,447)
Profit/(Loss) before income tax		753,596	165,161	447,983	(127,416)
Taxation	19	(163,126)	-	(163,126)	-
Profit/ (Loss) after Taxation		590,470	165,161	284,857	(127,416)
DISCONTINUED OPERATIONS					
Profit after taxation from discontinued operations		-	-	-	-
Profit after Taxation for the period		590,470	165,161	284,857	(127,416)
Attributable to:					
Owners of the Parent Company		560,980	191,351	237,525	56,319
Non-controlling interests		29,490	(26,190)	47,332	(6,201)
		590,470	165,161	284,857	(77,298)
			Restated		Restated
Earning per share - basic - from continued operations	20	2.12	0.69	1.02	(0.28)
Earning per share - diluted - from continued operations	21	1.91	0.62	0.77	(0.25)
Earning per share - basic and diluted - from discontinued operations		-	-	-	-

The annexed notes from 1 to 26 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

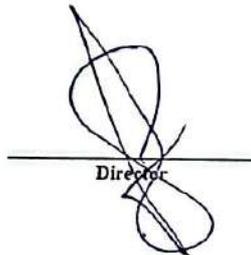
Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the six months ended 31 December 2025

	July to December		July to December	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	Note		---	
	--- (Rupees in thousand) ---		--- (Rupees in thousand) ---	
Profit/(Loss) for the period	590,470	165,161	284,857	(127,416)
<u>Other comprehensive income for the period</u>				
Items that will not be reclassified to statement of profit or loss:				
Remeasurement of net defined benefit liability	-	-	-	-
Revaluation Surplus on transfer	-	-	-	-
Total comprehensive Income/(loss) for the period	590,470	165,161	284,857	(127,416)
Attributable to:				
Owners of the Parent Company	560,980	191,351	237,525	(101,226)
Non-controlling interests	29,490	(26,190)	47,332	(26,190)
	590,470	165,161	284,857	(127,416)

The annexed notes from 1 to 26 form an integral part of these consolidated financial statements.


Chief Executive Officer

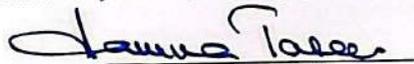

Director

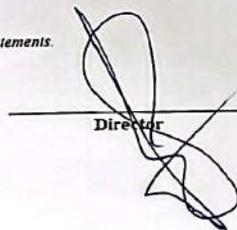

Chief Financial Officer

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

	Capital reserve			Revenue reserve		Total equity attributable to owners of the Parent Company	Non-controlling Interests	Total Equity
	Issued, subscribed and paid-up capital	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	-	-	-	-	560,980	560,980	29,490	590,470
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	560,980	560,980	29,490	590,470
Derecognition of NCI on disposal	-	-	-	-	-	-	(50,045)	(50,045)
Transactions with Others: Share based payment reserves	-	-	-	6,438	-	-	-	6,438
Balance as at 31 December 2025 (Un-audited)	2,788,766	273,265	47,037	25,640	(1,786,761)	1,322,307	4,082,982	5,430,929

The annexed notes from 1 to 26 form an integral part of these consolidated financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

Pace (Pakistan) Limited

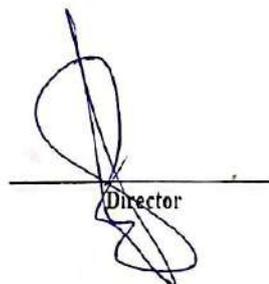
Condensed Interim Consolidated Statement of Cash Flows (Un-audited)

For the six months ended 31 December 2025

		<u>July to December</u>	
		<u>2025</u>	<u>2024</u>
	<i>Note</i>	<i>--- (Rupees in thousand) ---</i>	
<u>Cash flows from operating activities</u>			
Cash generated/ (used in) operations	19	265,909	6,698
Finance costs paid		(120)	(15,440)
Taxes paid		(11,859)	(1,778)
Net cash generated/ (used in) from operating activities		253,930	(10,520)
<u>Cash flow from investing activities</u>			
Purchase of property, plant and equipment		(198,936)	(306)
Investment disposed during the period		452,854	
Addition in investment property		(326,682)	
Addition in Capital work in progress		-	(3,616)
Income on bank deposits received		16	376
Net cash used in from investing activities		(72,748)	(3,546)
<u>Cash flow from financing activities</u>			
Receipts under financing arrangements		68	996
Decrease in financial liability		(171,493)	
Payments of lease liability		-	-
Net cash used in financing activities		(171,425)	996
Net increase/ (decrease) in cash and cash equivalents		9,757	(13,069)
Cash and cash equivalents - at beginning of the period		49,420	35,792
Cash and cash equivalents - at end of the quarter		59,177	22,722

The annexed notes from 1 to 26 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 six months ended 31 December 2025

1 The Group and its operations

31-Dec-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-1 Main Boulevard Gulberg III, Lahore
2	Model Town Plaza	38, 38/A, 39 & 40, Block P, Model Town Link Road, Lahore
3	Fortress Plaza	Bridge Point Plaza, Fortress Stadium, Lahore Cantt.
4	MM Alam Road Plaza	96-B-I, M.M Alam Road, Gulberg III, Lahore
5	Gujranwala Plaza	Mouza Dhola Zarri, Main GT Road Gujranwala
6	Gujrat Plaza	Mouza Ado-Wal, G.T Road, Tehsil & District, Gujrat
7	Pace Tower	27-H College Road Gulberg II Lahore

1.2 Pace Supermall (Private) Limited

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. 342.29 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 six months ended 31 December 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 Anjad 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. 6,002.041 million (2025: Rs. 4,940.57 million), and accumulated (losses) of the Group stand at Rs. (1,786.761) 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:

Construction of Pace Tower lobby is complete and finishing work of remaining units mainly on 16th to 21st Floors is in process. The company is actively seeking to complete the remaining units of this project within next 06 months. The management is actively engaged to find buyers for the sale of remaining floors/ apartments in Pace Tower. The proceeds from sale of inventory shall be used for new project.

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

During the period, the Company acquired certain print and digital media businesses, including brand names, publishing rights, and digital media platforms, from Media Times Limited for a total cash consideration of Rs. 860 million, following approval by the Board of Directors and shareholders. These acquired brand and media rights have been recognized as intangible assets in accordance with IAS 38 – Intangible Assets. Management expects that these media operations will contribute to future revenue generation and operating cash flows through diversified income streams, including advertising, digital content, and brand monetisation. The acquisition is therefore considered a positive factor in management's assessment of the Company's ability to improve its cash flow position and support ongoing operations.

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 08 September 2025 to the Company 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 six months ended 31 December 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 31 December 2025.

3.2 Statement of compliance

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

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

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

3.3 Basis of measurement

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

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

3.4 Functional and presentation currency

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

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

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

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

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
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 six months ended 31 December 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 31 December 2025 — (Rupees in thousand) —	Audited 30 June 2025	Un-Audited 31 December 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
Ordinary shares of Rs. 10 each issued as bonus shares	771,721	771,721	77,172,088	77,172,088
	<u>2,788,766</u>	<u>2,788,766</u>	<u>278,876,604</u>	<u>278,876,604</u>

7.3 Share premium

	Un-Audited 31 December 2025 — (Rupees in thousand) —	Audited 30 June 2025
Share premium reserve	273,265	273,265
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.

8 Long term finances - secured

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 Consolidated Financial Statements

For the six months ended 31 December 2025

	Un-Audited 31 December 2025	Audited 30 June 2025
	— (Rupees in thousand) —	
9 Redeemable capital - secured (non-participatory)		
Term finance certificates	805,118	815,691
Settlement during the year	-	(10,573)
	<u>805,118</u>	<u>805,118</u>
Less: Current maturity presented under current liabilities	<u>(805,118)</u>	<u>(805,118)</u>
Non Current portion	-	-
10 Foreign currency convertible bonds - unsecured		
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 gain/(loss) for the period	<u>(63,823)</u>	<u>95,055</u>
	<u>4,909,751</u>	<u>4,973,574</u>
Less: Current portion shown under current liabilities	<u>(4,909,751)</u>	<u>(4,973,574)</u>
Non Current portion	-	-

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 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.

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

	Unaudited 31 December 2025	Audited June 30 2025
	— (Rupees in thousand) —	
11 Creditors, accrued and other liabilities		
Trade creditors	504,254	505,627
Provisions and accrued liabilities	503,321	475,669
Payable to statutory bodies	66,730	204,639
Advance against sale of investment property	-	375
Security deposits	25,768	22,733
Rentals against investment property received in advance	34,170	47,859
Retention money	8,742	10,742
Token Money	157	157
Sales tax payable	41,369	37,349
Income tax payable	101,429	-
Worker Welfare fund	763	763
Others	<u>993,589</u>	<u>123,940</u>
	<u>2,280,292</u>	<u>1,429,853</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended 31 December 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 consolidated 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 consolidated 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

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 31 December 2025	Audited June 30 2025
Note	--- (Rupees in thousand) ---	

13 Property, plant and equipment

Operating fixed assets	5,861,575	5,695,199
Capital work in progress	2,072,596	2,060,343
Right-of-use assets	88,480	90,865
	<u>8,022,651</u>	<u>7,846,407</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended 31 December 2025

14 Intangible assets

During the period, the Company entered into an agreement dated December 26, 2025 for the acquisition of certain print and digital media businesses, including related brand names, publishing rights and digital media platforms, from Media Times Limited (a related party) for a total cash consideration of PKR 860 million, pursuant to approval of the Board of Directors and shareholders through a Special Resolution, with the transaction becoming effective from December 31, 2025.

The acquired brand and media rights relating to Daily Times English Newspaper, Aaj Kal Urdu Newspaper, Sunday Times Magazine, and digital media platforms including Business Plus, Zaiga TV, Wikid TV, and TGIF Magazine.

The transaction has been accounted for as an asset acquisition, and the acquired brand and media rights have been recognised as intangible assets at cost in accordance with IAS 38 – Intangible Assets. No goodwill has arisen from the transaction.

Management has assessed that the acquired brand and media rights have indefinite useful lives, as there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows. Accordingly, these intangible assets are not amortised and are tested for impairment annually, or more frequently if indicators of impairment exist, in accordance with IAS 36 – Impairment of Assets.

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	Audited June 30, 2025
	--- (Rupees in thousand) ---	
Land purchased for resale	630,872	630,872
Work in progress		
- Pace Tower	521,953	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	3,747,032	3,747,032
- Borrowing cost	425,197	425,197
- Direct costs	617,295	613,895
Cost incurred to date	5,835,053	5,831,653
Cost of sales to date	(4,202,094)	(4,202,094)
Completed units - shops	332,931	332,931
	3,205,201	3,626,985
Stores inventory	-	-
	3,205,201	3,626,985

17 Other income

This represents finance income from lease & financial Asset, scrap sales, mark up on bank accounts, gain on disposal of subsidiary, liabilities written back and other income.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended 31 December 2025

18 Minimum tax

Minimum Tax	-	5,927
-------------	---	-------

18.1 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.

19 Taxation

Income Tax	158,125	-
- Current Year	5,001	-
- Prior Year	-	-
	<u>163,126</u>	<u>-</u>

The provision for tax has been provided as per the provision of section 113C (Alternate Corporate Tax) of the Income Tax Ordinance, 2001. (2024: Minimum Tax Regime under section Section 113 of Income Tax Ordinance, 2001).

20 Basic Earnings Per Share

	Un-Audited	
	31 December 2025	31 December 2024
	— (Rupees in thousand) —	
Profit/(Loss) for the year from continued operations	<u>590,470</u>	<u>191,351</u>
Profit/(Loss) for the year from discontinued operations	<u>-</u>	<u>-</u>
Weighted average number of ordinary shares outstanding during the year	<u>278,877</u>	<u>278,877</u>
Earning per share - basic - from continued operations	<u>2.12</u>	<u>0.69</u>
Earning per share - basic - from discontinued operations	<u>-</u>	<u>-</u>

21 Diluted Earning Per Share

	Restated	
	31 December 2025	31 December 2024
Profit for the period	<u>590,470</u>	<u>191,351</u>
Weighted average number of ordinary shares outstanding (in thousands)	<u>309,863</u>	<u>309,863</u>
Diluted Earnings Per Share - from continued operations	<u>1.91</u>	<u>0.62</u>

21.1 Reconciliations of basic and diluted earning per share

	Number in thousands	
Weighted average number of ordinary shares	278,877	278,877
Add: Diluted impact of Employee Stock Option Scheme	30,986	30,986
Dilutive potential ordinary Shares	<u>309,863</u>	<u>309,863</u>

21.2 The company has issued 30,986,289 ordinary shares subsequent to the reporting date .

Diluted Earnings Per Share - from discontinued operations	<u>-</u>	<u>-</u>
---	----------	----------

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended 31 December 2025

	July to December	
	2025	2024
	--- (Rupees in thousand) ---	
22 Cash generated/ (used in) from operations		
Profit before tax	753,596	120,969
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	(63,823)	(11,009)
Provision for gratuity and leave encashment	3,447	1,186
Share based payment expense	4,782	-
Depreciation on owned assets	20,106	9,348
Depreciation on right-of-use assets	2,385	1,193
Amortisation on intangible assets	2,068	125
Impairment loss on trade debts and other receivables	(23,748)	-
Discounting gain on financing arrangement	(1,039)	
Changes in fair value of investment property	3,912	991
Finance costs	112,609	55,191
Gain on disposal of Investment in Subsidiary	(342,293)	
Mark-up income	(16)	(376)
Other non cash items	(95,072)	(9,327)
(Loss) / Gain before working capital changes	376,914	168,290
<i>Effect on cash flow due to working capital changes:</i>		
(Increase)/ Decrease in stock-in-trade	57,082	3,407
(Increase)/ Decrease in trade debts	153,708	(108,458)
(Increase)/ Decrease in contract assets	420,394	-
(Increase)/ Decrease in advances, deposits and other receivables	(283,136)	28,612
Increase/ (Decrease) in contract liability	(534,750)	(47,721)
Increase/ (Decrease) in creditors, accrued and other liabilities	75,697	(37,430)
	(111,005)	(161,592)
	265,909	6,698

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended 31 December 2025

23 Transactions with related parties

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

Name of Company	Relationship	Nature of Transactions	Un-Audited 31 December 2025 -- (Rupees in thousand) --	Un-Audited 31 December 2024
Pace Barka Properties Limited	Subsidiary	Further investment	-	-
		Share options issued to employees of the subsidiary	6,607	-
First Capital Securities Corporation Limited	Common Directorship	Sale of Property (Pace Tower)	45,887	-
		Sale of Pace Super Mall Private Limited investment	452,854	-
		Purchase of Pland and machinery	160,000	-
		Purchase of Pace Tower (IP)	284,250	-
		Purchase of Pace Circle (IP)	42,432	-
First Capital Investment Limited	Common Directorship	Sale of Property (Pace Tower)	16,020	-
Evergreen Water Valley (Private) Limited	Common Directorship	Payment against purchase of property	-	8,179
Media Times Limited	Common Directorship	Rental income	-	2,873
		Payment received	-	16,500
		Acquisition of intellectual property rights	860,000	-
		Receivables	12,598	-

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended 31 December 2025

24 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.

24.1 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.

24.2 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.

24.3 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.

24.4 Currency risk

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

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

	Un-Audited 31 December 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 six months ended 31 December 2025

24.5 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.

24.6 Other price risk

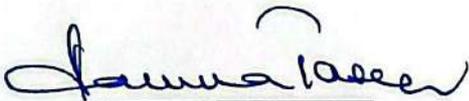
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

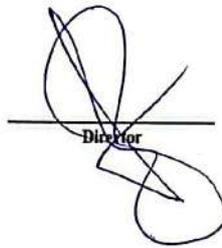
25 Date of authorization for issue

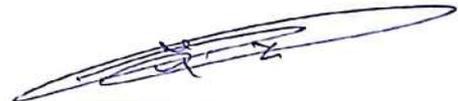
These unconsolidated financial statements were authorized for issue on 26-02-2026 by the Board of Directors of the Holding Company.

26 Corresponding figures

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


Chief Executive Officer


Director


Chief Financial Officer