

PACE (PAKISTAN) LIMITED
FINANCIAL STATEMENTS

FOR THE PERIOD ENDED (UN-AUDITED)
SEPTEMBER 30, 2026

Pace (Pakistan) Limited

Company Information

Board of Directors

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

Chief Financial Officer

Muhammad Waheed Asghar

Audit Committee

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

Human Resource and Remuneration (HR&R) Committee

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

Risk Management Committee

Umair Fakhar Alam (Chairman)
Aamna Taseer (Member)
M. Waheed Asghar (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
MCB Bank Limited
United Bank Limited

Registrar and Shares Transfer Office

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

Registered Office

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

PACE (PAKISTAN) LIMITED

Directors' Review Report

For the Three Months Period Ended September 30, 2026
(Un-Audited)

The Board of Directors of Pace (Pakistan) Limited ("the Company" or "Pace") is pleased to present the Directors' Review Report together with the Condensed Interim Unconsolidated Financial Statements of the Company for the three months period ended September 30, 2026.

1. Financial Highlights

A summary of the financial results for the three-month period ended September 30, 2026, compared to the corresponding period last year, is set out below:

Particulars	September 2026	September 2025
	(Rs. In Thousands)	(Rs. In Thousands)
Revenue	303,712	151,567
Cost of Revenue	(151,335)	(64,863)
Gross Profit	152,377	86,704
Admin & Selling Expenses	(67,083)	(79,985)
Other Income	588,818	363,769
Profit from Operations	674,114	370,488
Finance Cost	(26,645)	(49,337)
Exchange Gain / (Loss) on FCCB	18,351	42,892
Profit Before Income Tax & Minimum Tax	665,820	364,043
Minimum Tax	(6,429)	(1,895)
Profit Before Income Tax	659,391	362,148
Taxation	(89,762)	—
Profit After Tax	569,628	362,148
EPS – Basic & Diluted (Rs.)	1.19	0.76

The Company reported revenue of Rs. 303.712 million during the three months period under review, compared to Rs. 151.567 million in the corresponding period last year.

Cost of revenue increased to Rs. 151.335 million from Rs. 64.863 million, in proportion to the increase in revenue.

Other income for the period amounted to Rs. 588.818 million (September 2025: Rs. 363.769 million). An exchange gain of Rs. 18.351 million (September 2025: Rs. 42.892 million) was recognized on the translation of the Company's outstanding Foreign Currency Convertible Bonds (FCCBs).

Finance cost decreased to Rs. 26.645 million from Rs. 49.337 million in the corresponding period, mainly on account of lower mark-up on redeemable capital (TFCs) of Rs. 14.985 million (September 2025: Rs. 36.269 million).

As a result of the aforementioned factors, the profit for the period under consideration amounted to Rs. 569.628 million as compared to profit of last period of Rs. 362.148 million, an increase of approximately 57%, resulting in Earning Per Share of Rs. 1.19 as compared to Earning Per Share of Rs. 0.76 last year. The Earning Per Share of the prior period has been restated.

2. Operational Performance & Key Developments

2.1 Disposal of Investments – Strategic Restructuring

During the period, the Company completed the following disposals of its investment in Pace Barka Properties Limited ("Pace Barka") as part of its broader portfolio rationalization strategy:

- Sale of 90,158,613 ordinary shares of Pace Barka Properties Limited.
- Sale of 8,414,827 ordinary shares of Pace Barka Properties Limited to Media Times Limited.

2.2 Media Operations

The Company's print and digital media operations continued to contribute to the revenue base during the period, with advertising-related revenue of Rs. 39.176 million. Management remains focused on expanding the Company's revenue base through advertising, digital content monetization and brand collaborations.

2.3 Investment in Additional Property Assets

During the period, the Company acquired investment properties amounting to Rs. 970.486 million, taking the carrying value of investment property to Rs. 4,151.528 million (June 30, 2026: Rs. 3,181.042 million), further strengthening the Company's asset base and future revenue-generating capacity.

2.4 Share Capital Enhancement – ESOS

During the period, the Company issued 34,429,210 ordinary shares of Rs. 10 each under the Employees' Share Option Scheme (ESOS) in accordance with applicable legal and regulatory requirements, against which proceeds of Rs. 309.863 million were received. As a result, the paid-up capital of the Company increased from 450,021,219 shares to 484,450,429 shares.

3. Strategic Initiatives & Future Plans

3.1 Proposed Special Business

The Board has recommended the following matters for the approval of members at the forthcoming general meeting:

- Equity investment of up to Rs. 1,500 million in Ever Green Water Valley (Pvt.) Limited ("EGWV"), an associated company, in accordance with the provisions of section 199 of the Companies Act, 2017, on such terms and conditions as may be authorized by the Board of Directors, together with authority to disinvest such investment from time to time.
- Disinvestment of up to 73,861,873 ordinary shares of Rs. 10 each (15.40%) in Pace Barka Properties Limited to First Capital Securities Corporation Limited, an associated company, or to any prospective buyer in the market, on such terms and conditions as may be approved by the Board of Directors.

The Chief Executive/any Director and the Company Secretary, as applicable, will be authorized to complete all necessary corporate and legal formalities for the completion of the above transactions.

3.2 Financial Restructuring

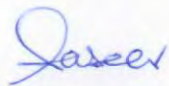
The Company continues to pursue the resolution of its remaining legacy financial obligations, including the settlement of outstanding Term Finance Certificates (TFCs) of Rs. 485.003 million and the Foreign Currency Convertible Bonds (FCCBs).

4. Changes in the Board of Directors

The Board wishes to inform the members that Mr. Shehryar Ali Taseer has resigned from the position of Executive Director of the Company, and Mr. Muhammad Waheed Asghar has been appointed as Executive Director in his place. The Board places on record its appreciation for the valuable contributions and services rendered by Mr. Shehryar Ali Taseer during his tenure, and welcomes Mr. Muhammad Waheed Asghar to the Board.

For and on behalf of the Board of Directors

Pace (Pakistan) Limited



Director



Chief Executive Officer

Lahore

16 October 2026

Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Financial Position

As at 30th September 2026

		Un-audited September 30, 2026	Audited June 30, 2026
		--- (Rupees in thousand) ---	
EQUITY AND LIABILITIES	Note		
<u>Share capital and reserves</u>			
Authorised capital	6	6,000,000	6,000,000
Issued, subscribed and paid-up capital	6	4,844,504	4,500,212
Share premium	6	99,006	133,435
Share-based payment reserve		-	39,598
Revaluation Surplus		47,037	47,037
Accumulated loss		(2,389,680)	(2,998,907)
		2,600,867	1,721,376
<u>Non-current liabilities</u>			
Long term finances - secured		-	-
Redeemable capital - secured (non-participatory)	7	-	-
Lease liability		238,251	234,485
Foreign currency convertible bonds - unsecured	8	-	-
Deferred liabilities		69,549	69,549
		307,800	304,034
<u>Current liabilities</u>			
Contract liability		45,665	45,665
Current maturity of long term liabilities		5,373,535	5,391,886
Creditors, accrued and other liabilities	9	2,309,307	2,669,206
Accrued finance cost		1,081,092	1,054,447
		8,809,600	9,161,205
<u>Contingencies and commitments</u>	10	-	-
		11,718,268	11,186,615

ASSETS

Non-current assets

Property, plant and equipment	11	627,917	636,122
Intangible assets		846,718	852,401
Investment property		4,151,528	3,181,042
Long term investments	12	650	650
Long term advances and deposits	13	13,619	13,619
Financial asset		-	-
Deferred taxation		-	-
		5,640,432	4,683,835

Current assets

Stock-in-trade	14	3,266,496	3,339,725
Trade debts	15	1,384,124	719,911
Advances, deposits, prepayments and other receivables		181,142	139,144
Income tax refundable - net		-	-
Financial assets		-	-
Investment held for sale	16	-	911,098
Investment available for sale	16	1,237,768	1,377,768
Cash and bank balances	17	8,305	15,134
		6,077,835	6,502,780

	Un-audited September 30, 2026	Audited June 30, 2026
	--- (Rupees in thousand) ---	

Note

11	627,917	636,122
	846,718	852,401
	4,151,528	3,181,042
12	650	650
13	13,619	13,619
	-	-
	-	-
	5,640,432	4,683,835

14	3,266,496	3,339,725
15	1,384,124	719,911
	181,142	139,144
	-	-
	-	-
16	-	911,098
16	1,237,768	1,377,768
17	8,305	15,134
	6,077,835	6,502,780

	11,718,268	11,186,615
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The annexed notes from 1 to 29 form an integral part of these unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

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

For the quarter ended 30 September 2026

		July to September	
		2026	2025
		--- (Rupees in thousand) ---	
	Note		
Revenue	18	303,712	151,567
Cost of Revenue	19	(151,335)	(64,863)
Gross Profit		152,377	86,704
Administrative and selling expenses		(67,083)	(79,985)
Other income	20	588,818	363,769
Profit from operations		674,114	370,488
Finance cost	21	(26,645)	(49,337)
Exchange Gain/ (Loss) on foreign currency convertible bonds		18,351	42,892
Profit before income tax and minimum taxes		665,820	364,043
Minimum Tax	22	(6,429)	(1,895)
Profit before income tax		659,391	362,148
Taxation	23	(89,762)	-
Profit after Taxation		569,628	362,148
			(Restated)
Earning per share - basic and diluted	24	1.19	0.76

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


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited)

For the quarter ended 30 September 2026

	July to September	
	2026	2025
Note	--- (Rupees in thousand) ---	
Profit for the period	569,628	362,148
<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 for the period	569,628	362,148

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


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

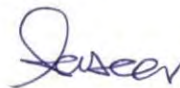
Condensed Interim Unconsolidated Statement of Changes In Equity

For the quarter ended 30 September 2026

	Capital reserve			Revenue reserve	
Issued, subscribed and paid-up capital	Share premium	Revaluation Surplus	Share-based payment reserve	Accumulated loss	Total
--- (Rupees in thousand) ---					
2,788,766	273,265	47,037	19,202	(4,340,522)	(1,212,252)
-	-	-	-	1,340,088	1,340,088
-	-	-	-	1,527	1,527
-	-	-	-	1,341,615	1,341,615
-	-	-	51,711	-	51,711
309,863	329	-	(31,315)	-	278,877
1,013,699	(101,370)	-	-	-	912,329
134,773	(13,477)	-	-	-	121,296
253,111	(25,311)	-	-	-	227,800
4,500,212	133,435	47,037	39,598	(2,998,907)	1,721,376
-	-	-	-	569,628	569,628
-	-	-	-	-	-
-	-	-	-	569,628	569,628
344,292	(34,429)	-	(39,598)	39,598	309,863
4,844,504	99,006	47,037	-	(2,389,680)	2,600,867

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


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

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

For the quarter ended 30 September 2026

		July to September	
		2026	2025
	Note	--- (Rupees in thousand) ---	
<u>Cash flows from operating activities</u>			
Cash generated/ (used in) operations	25	(308,447)	5,637
Taxes paid		(8,256)	(5,611)
Net cash generated/ (used in) from operating activities		(316,703)	26
<u>Cash flow from investing activities</u>			
Purchase of property, plant and equipment		-	-
Income on bank deposits received		11	8
Net cash used in from investing activities		11	8
<u>Cash flow from financing activities</u>			
Payments of lease liability		-	-
Proceeds from issuance of shares under ESOS		309,863	-
Net cash used in financing activities		309,863	-
Net increase/ (decrease) in cash and cash equivalents		(6,828)	34
Cash and cash equivalents - at beginning of the period		15,134	18,871
Cash and cash equivalents - at end of the quarter		8,305	18,905

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


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

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, supermarkets, utility stores, housing societies, plots and other properties and to carry out commercial, industrial and other related activities in and out of Pakistan. The Company is also engaged in media operations, including print and social media activities, which generate revenue through advertising, digital content and brand monetisation. 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.

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

2 Basis of preparation

2.1 Separate financial statements

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

The Company has following investments:

<u>Subsidiaries</u>	Country of incorporation	Shareholding
Pace Gujrat (Private) Limited	Pakistan	100%
Pace Woodland (Private) Limited	Pakistan	52%
Pace Multiplierz (Private) Limited	Pakistan	100%
<u>Associate</u>		
Pace Barka Properties Limited	Pakistan	15.39%

The principal activity of all the subsidiaries is to acquire by purchase or otherwise land and plots and to sell or construct, lease, hire and manage buildings, shopping malls, super markets, utility stores, plazas, shopping arcades, develop, sell rent out shopping malls, apartments, villas, commercial buildings, etc. and to carry on business of hospitality.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

2.2 Statement of compliance

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

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

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

2.3 Basis of measurement

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

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

2.4 Functional and presentation currency

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

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

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

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

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

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

4 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.

5 Significant accounting policies

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

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

Un-Audited 30 September 2026 --- (Rupees in thousand) ---	Audited 30 June 2026	Un-Audited 30 September 2026 --- (Number of Shares) ---	Audited 30 June 2026
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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>
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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
Issued as bonus shares	771,721	771,721	77,172,088	77,172,088
Issued under employee share option scheme - I	309,863	309,863	30,986,289	30,986,289
Issued on conversion of TFCs	1,013,699	1,013,699	101,369,876	101,369,876
Issued against PAIR liability	134,773	134,773	13,477,339	13,477,339
Issued against acquisition of property	253,111	253,111	25,311,111	25,311,111
Issued under employee share option scheme - II	344,292	-	34,429,210	-
	<u>4,844,504</u>	<u>4,500,212</u>	<u>484,450,429</u>	<u>450,021,219</u>

Un-Audited 30 September 2026 --- (Rupees in thousand) ---	Audited 30 June 2026
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6.3 Share premium

Share premium reserve	<u>99,006</u>	<u>133,435</u>
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This reserve can only be utilized by the Company for the purpose specified in Section 81 (2) of the Companies Act, 2017.

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

	Un-Audited 30 September 2026 --- (Rupees in thousand) ---	Audited 30 June 2026
7 Redeemable capital - secured (non-participatory)		
Term finance certificates	485,003	805,118
Settlement during the year	-	(320,115)
	<u>485,003</u>	<u>485,003</u>
Less: Current maturity presented under current liabilities	<u>(485,003)</u>	<u>(485,003)</u>
Non Current portion	<u>-</u>	<u>-</u>
8 Foreign currency convertible bonds - unsecured		
Opening balance	4,875,368	4,973,574
Mark-up accrued during the year	-	-
	<u>4,875,368</u>	<u>4,973,574</u>
Exchange loss/ (gain) for the year	8.2 <u>(18,351)</u>	<u>(98,206)</u>
	<u>4,857,017</u>	<u>4,875,368</u>
Less: Current portion shown under current liabilities	<u>(4,857,017)</u>	<u>(4,875,368)</u>
Non Current portion	<u>-</u>	<u>-</u>

8.1 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.

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

	Unaudited September 30, 2026 --- (Rupees in thousand) ---	Audited June 30, 2026
9 Creditors, accrued and other liabilities		
Trade creditors	1,713,462	2,038,563
Provisions and accrued liabilities	402,779	425,043
Payable to statutory bodies	71,810	71,810
Security deposits	24,500	24,500
Rentals against investment property received in advance	36,477	36,477
Retention money	3,461	3,461
Others	56,817	69,351
	<u>2,309,307</u>	<u>2,669,206</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

10 Contingencies and commitments

10.1 Contingencies

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

The petition is pending for hearing. As per legal advisors of the Company, there are reasonable grounds to defend the Company's claim, however no asset has been booked in the unconsolidated financial statements.

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

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

- 10.1.3** 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 2026, 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.

10.2 Commitments

There were no commitments as at September 30, 2026 (June 30 2026: NIL).

	Unaudited September 30, 2026	Audited June 30, 2026
Note	--- (Rupees in thousand) ---	

11 Property, plant and equipment

Operating fixed assets	11.1	483,836	491,180
Capital work in progress		58,847	58,847
Right-of-use assets	11.2	85,234	86,095
		<u>627,917</u>	<u>636,122</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

11.1 Operating fixed assets

	Freehold land *	Leasehold land **	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Electrical equipment	Office equipment and appliances	Furniture and fixtures	Computers	Vehicles	Total
	(Rupees in thousand)										
Net carrying value basis											
Period ended 30 September 2026											
Opening net book value	155,152	-	101,828	-	158,535	64,247	1,351	1,432	45	8,590	491,181
Additions (at cost)	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	(1,273)	-	(3,963)	(1,606)	(34)	(36)	(4)	(430)	(7,345)
Impairment charge	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	155,152	-	100,555	-	154,572	62,641	1,317	1,396	42	8,161	483,836
Gross carrying value basis											
Period ended 30 September 2026											
Cost	155,152	-	221,948	-	238,794	207,078	12,060	11,801	10,280	67,732	924,845
Accumulated depreciation	-	-	(121,393)	-	(83,747)	(133,132)	(10,734)	(10,281)	(10,238)	(59,571)	(429,096)
Accumulated impairment	-	-	-	-	(475)	(11,305)	(8)	(124)	(0)	-	(11,912)
Net book value	155,152	-	100,555	-	154,573	62,641	1,317	1,396	42	8,161	483,836
Depreciation % per annum	0%	0%	5%	3%	10%	10%	10%	10%	33%	20%	
Net carrying value basis											
Year ended 30 June 2026											
Opening net book value	155,152	-	107,188	-	8,260	71,385	1,501	1,591	68	10,738	355,882
Additions (at cost)	-	-	-	-	160,000	-	-	-	-	-	160,000
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	(5,359)	-	(9,725)	(7,139)	(150)	(159)	(22)	(2,148)	(24,702)
Impairment charge	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	155,152	-	101,828	-	158,535	64,247	1,351	1,432	45	8,590	491,180
Gross carrying value basis											
As at June 2026											
Cost	155,152	-	221,948	-	238,794	207,078	12,060	11,801	10,280	67,732	924,845
Accumulated depreciation	-	-	(120,120)	-	(79,783)	(131,526)	(10,700)	(10,245)	(10,234)	(59,142)	(421,750)
Accumulated impairment	-	-	-	-	(475)	(11,305)	(8)	(124)	(0)	-	(11,912)
Net book value	155,152	-	101,829	-	158,535	64,247	1,351	1,432	46	8,590	491,180
Depreciation % per annum	0%	0%	5%	3%	10%	10%	10%	10%	33%	20%	

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

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

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

Un-Audited
30 September
2026
--- (Rupees in thousand) ---

Audited
30 June
2026

11.2 Right-of-use assets

Land

Cost

Balance as at 01 July	119,496	119,496
Additions / (deletions) during the year	-	-
Balance as at 30 September	<u>119,496</u>	<u>119,496</u>

Accumulated depreciation

Balance as at 01 July	(33,401)	(28,631)
Depreciation charge during the year	(861)	(4,770)
Balance as at 30 September	<u>(34,262)</u>	<u>(33,401)</u>

Closing net book value

<u>85,234</u>	<u>86,095</u>
---------------	---------------

Rate of depreciation

<u>4%</u>	<u>4%</u>
-----------	-----------

Electrical equipment

Cost

Balance as at 01 July	15,339	15,339
Additions / (deletions) during the year	-	-
Balance as at 30 September	<u>15,339</u>	<u>15,339</u>

Accumulated depreciation

Balance as at 01 July	(15,339)	(15,339)
Depreciation charge during the year	-	-
Balance as at 30 September	<u>(15,339)</u>	<u>(15,339)</u>

Closing net book value

<u>-</u>	<u>-</u>
----------	----------

Rate of depreciation

<u>33%</u>	<u>33%</u>
------------	------------

Pace (Pakistan) Limited

Notes to the Unconsolidated Financial Statements

For the year ended 30 June 2025

12 Long term investments

Equity instruments of:

- Subsidiaries - unquoted
- Associated undertakings - unquoted

12.1

Un-Audited
30 September
2026
--- (Rupees in thousand) ---

Audited
30 June
2026

650	650
-	-
<u>650</u>	<u>650</u>

12.1 Subsidiaries - unquoted

Pace Woodlands (Private) Limited

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

30

30

Equity held 52%

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

(30)	(30)
-	-
<u>(30)</u>	<u>(30)</u>
-	-

Pace Super Mall (Private) Limited

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

-

91,615

Equity held 0%

Equity Disposed

(91,212)

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

-	(403)
-	-
-	<u>(403)</u>

Less: Disposal during the period

-	-
<u>-</u>	<u>-</u>

Pace Gujrat (Private) Limited

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

25

25

Equity held 100%

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

-	-
-	-
-	-
<u>25</u>	<u>25</u>

Pace (Pakistan) Limited

Notes to the Unconsolidated Financial Statements

For the year ended 30 June 2025

Note

Un-Audited
30 September
2026

Audited
30 June
2026

--- (Rupees in thousand) ---

Pace Barka Properties Limited

250,617,631 (2025: 52.21%) fully paid ordinary shares
of Rs. 10 each

Equity held: 35.92% (2025: 52.21%)

Investment disposed to Media times Limited (related Party)

Investment classified as held for sale

investment classified as available for sale

Equity disposed

- 2,506,077

-	(781,818)
-	(901,492)
-	(822,767)
-	(2,506,077)

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

-	-
-	-
-	-
-	-

Pace Multiplierz (Private) Limited

100,000 fully paid ordinary shares of Rs. 10 each

1,000

1,000

Equity held: 100%

Opening Provision for impairment

Add: Charge for the year

Closing Provision for impairment

(375)	(300)
-	(75)
(375)	(375)
625	625
650	650

Long term investments -Total

13 Long term advances and deposits

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

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

14 Stock-in-trade

	Unaudited September 30, 2026 --- (Rupees in thousand) ---	Audited June 30, 2026
Land not under development	21,600	21,600
Land purchased for resale	518,400	518,400
Work in progress		
- Pace Tower	532,133	487,133
- Pace Circle	86,486	86,486
Shops acquired in exchange - The Circle	111,231	111,231
Completed units - shops	332,931	332,931
Stores inventory	1,282	1,161
Land held for resale	14.1 1,662,433	1,780,783
	<u>3,266,496</u>	<u>3,339,725</u>

14.1 This represents land purchased by the Company in DHA City Karachi for resale in the ordinary course of business.

15 Trade debts

Secured

Considered good	1,535,253	891,448
Unsecured	566,697	534,787
	<u>2,101,950</u>	<u>1,426,235</u>
Less: Impairment allowance	(717,826)	(706,324)
	<u>1,384,124</u>	<u>719,911</u>

16 Investment held for sale / Investment at FVTPL

During the quarter ended 30 September 2026, the Company completed the following disposals of its investment in Pace Barka Properties Limited ("Pace Barka"):

Sale to First Capital Securities Corporation Limited:

90,158,613 shares, classified as held for sale under IFRS 5, were sold to FCSC at a rate of Rs. 16.64 per share for Rs. 1,500,000 thousand. A gain of Rs. 588.807 million is recognised in profit or loss.

Sale to Media Times Limited:

8,414,827 shares, classified at FVTPL under IFRS 9, were sold to Media Times Limited at a rate of Rs. 16.64 per share for Rs. 140 million.

16.1 Movement in shares and carrying amount:

	No. of shares	Rupees in thousand
Balance at 30 June 2026		
Held for sale (IFRS 5), incl. employee share option investment	90,158,613	911,098
FVTPL (IFRS 9), incl. employee share option investment	82,276,700	1,377,768
Total at 30 June 2026	172,435,313	2,288,866
Disposed of to First Capital Securities Corporation Limited	(90,158,613)	(911,098)
Disposed of to Media Times Limited	(8,414,827)	(140,000)
Balance at 30 September 2026 (FVTPL)	73,861,873	1,237,768

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

	Un-Audited	
	30 September	30 September
	2026	2025
Note	--- (Rupees in thousand) ---	
17 Cash and bank balances		
Cash in hand	-	-
Cash at banks		
- Current accounts	7,642	14,675
- Saving accounts	663	458
	8,305	15,134
	8,305	15,134
18 Revenue		
Sale of Pace Tower units	-	66,926
Sale of DHA units	144,500	-
Display of advertisements	2,910	236
Service charges	65,934	60,987
Revenue from contract with customers	213,344	128,149
Other revenue		
Rental income from lease of investment property	54,103	23,418
Revenue against advertisement	36,266	-
Total revenue	303,712	151,567
19 Cost of revenue		
Shops and commercial buildings sold		
- at percentage of completion basis	-	40,155
- at completion of project basis	118,350	-
Stores operating expenses	32,985	24,708
	151,335	64,863
20 Other income		
<u>Income from financial assets</u>		
Mark-up on bank accounts	11	8
Finance Income from financial assets	-	2,118
<u>Income from non-financial assets</u>		
Gain on sale of property, plant and equipment	-	-
<u>Others</u>		
Gain on disposal of shares of Pace Barka properties limited	588,807	-
Gain on disposal of investment in Pace Super Mall (Pvt.) Limited	-	361,643
Liabilities Written-back	-	-
	588,818	363,769

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2026

		Un-Audited	
		30 September 2026	30 September 2025
		--- (Rupees in thousand) ---	
21 Finance cost			
Interest and mark-up on:			
- Long term finances - secured		-	2,077
- Foreign currency convertible bonds - unsecured			-
- Redeemable capital - secured (non-participatory)		14,985	36,269
- Notional interest on lease liability		11,507	10,851
		26,491	49,197
Bank charges and processing fee		154	140
		26,645	49,337
22 Minimum Tax			
Minimum Tax	22.1	6,429	1,895
22.1 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.			
23 Taxation			
Income Tax			
- Current Year		89,762	-
		89,762	-
24 Earning per share - basic and diluted			
The calculation of basic and diluted loss per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding. There are no dilutive potential ordinary shares outstanding as at 30 September 2026 (30 September 2025: Nil).			
		Un-Audited	
		30 September 2026	30 September 2025
		--- (Rupees in thousand) ---	
Profit for the period		569,628	362,148
Weighted average number of ordinary shares outstanding during the period		479,585	479,585
Earning / (Loss) per share - basic & diluted		1.19	0.76

Pace (Pakistan) Limited

Notes to the Condensed Interim Unconsolidated Financial Statements

For the quarter ended 30 September 2025

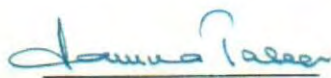
	Un-Audited 30 September 2025 --- (Rupees in thousand) ---	Audited 30 June 2025 ---
Total liabilities	8,679,142	8,729,924
Less: cash and cash equivalents	(18,905)	(18,871)
Net debt	8,660,237	8,711,053
 Total equity	 (828,278)	 (1,212,252)
 Net debt to equity ratio	 (10.46)	 (7.19)

28 Date of authorization for issue

These unconsolidated financial statements were authorized for issue on 16-10-2026 by the Board of Directors of the Company.

29 Corresponding figures

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


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Consolidated Statement of Financial Position

As at 30th September 2026

		Un-audited September 30, 2026	Audited June 30, 2026
		--- (Rupees in thousand) ---	
EQUITY AND LIABILITIES	Note		
<u>Share capital and reserves</u>			
Authorised capital	6	6,000,000	6,000,000
Issued, subscribed and paid-up capital	6	4,844,504	4,500,212
Share premium	6	99,006	133,435
Share-based payment reserve		-	39,598
Revaluation Surplus		47,037	47,037
Accumulated loss		(2,226,914)	(2,382,294)
Equity attributable to owners of the Parent		2,763,633	2,337,988
Non-controlling interests		-	-
Total equity		2,763,633	2,337,988

Non-current liabilities

Long term finances - secured		-	-
Redeemable capital - secured (non-participatory)	7	-	-
Lease liability		238,251	234,485
Foreign currency convertible bonds - unsecured	8	-	-
Deferred liabilities		69,549	69,549
		307,800	304,034

Current liabilities

Contract liability		45,665	45,665
Current maturity of long term liabilities		5,373,535	5,391,886
Creditors, accrued and other liabilities	9	2,462,792	2,706,218
Accrued finance cost	10	1,081,092	1,054,447
		8,963,084	9,198,217

Contingencies and commitments	11	-	-
		12,034,518	11,840,239

ASSETS

Non-current assets

Property, plant and equipment	12	627,917	636,122
Intangible assets	13	846,718	852,401
Investment property	14	4,151,528	3,181,042
Right of use assets		-	-
Long term advances and deposits	15	15,249	15,249
Financial asset		-	-
Deferred taxation		-	-
		5,641,412	4,684,814

Current assets

Stock-in-trade	16	3,378,847	3,452,197
Trade debts	17	1,496,294	607,439
Advances, deposits, prepayments and other receivables		156,124	139,144
Income tax refundable - net		-	-
Financial assets		-	-
Equity investment	19	-	1,421,770
Investment held for sale	19	1,352,562	1,518,767
Cash and bank balances	18	9,279	16,108
		6,393,106	7,155,425

		12,034,518	11,840,239
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The annexed notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

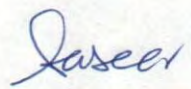
Condensed Interim Consolidated Profit and Loss Account (Un-audited)

For the quarter ended 30 September 2026

	Note	July to September	
		2026	2025
		--- (Rupees in thousand) ---	
Revenue		303,712	444,404
Cost of Revenue		(151,335)	(302,752)
Gross Profit		152,377	141,652
Administrative and selling expenses		(67,083)	(105,133)
Other income	20	(1,865)	362,490
Other expenses		-	(21,964)
Profit from operations		83,429	377,045
Finance cost		(26,645)	(80,125)
Exchange gain/ (loss) on foreign currency convertible bonds		18,351	42,892
Share of profit from associate		70,792	-
Loss from change in fair value of investment property		-	-
Profit before income tax and minimum taxes		145,926	339,812
Minimum Tax	21	(6,429)	(34,199)
Profit before income tax		139,497	305,613
Taxation	22	(23,715)	-
Profit after Taxation		115,782	305,613
Attributable to:			
Owners of the Parent Company		115,782	323,454
Non-controlling interests		-	(17,841)
		115,782	305,613
		<i>(Restated)</i>	
Earning per share - basic and diluted	23	0.24	0.64

The annexed notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the quarter ended 30 September 2026

	July to September	
	2026	2025
Note	--- (Rupees in thousand) ---	
Profit for the period	115,782	305,613
<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 for the period	115,782	305,613
Attributable to:		
Owners of the Parent Company	115,782	323,454
Non-controlling interests	-	(17,841)
	115,782	305,613

The annexed notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

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

For the quarter ended 30 September 2026

		July to September	
		2026	2025
	Note	--- (Rupees in thousand) ---	
<u>Cash flows from operating activities</u>			
Cash generated/ (used in) operations	24	(308,447)	27,566
Taxes paid		(8,256)	(37,916)
Net cash generated/ (used in) from operating activities		(316,703)	(10,350)
<u>Cash flow from investing activities</u>			
Purchase of property, plant and equipment		-	(8,129)
Income on bank deposits received		11	-
Net cash used in from investing activities		11	(8,129)
<u>Cash flow from financing activities</u>			
Receipts under financing arrangements		-	7,433
Payments of lease liability		-	-
Proceeds from issuance of shares under ESOS		309,863	-
Net cash used in financing activities		309,863	7,433
Net increase/ (decrease) in cash and cash equivalents		(6,829)	(11,045)
Cash and cash equivalents - at beginning of the period		16,108	49,420
Cash and cash equivalents - at end of the quarter		9,279	38,375

The annexed notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

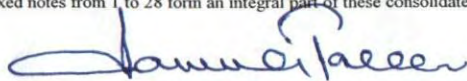
Pace (Pakistan) Limited

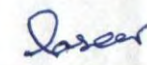
Condensed Interim Consolidated Statement of Changes In Equity

For the quarter ended 30 September 2026

	Capital reserve				Revenue reserve			
	Issued, subscribed and paid-up capital	Share premium	Revaluation Surplus	Share-based payment reserve	Accumulated loss	Total	Non-controlling Interests	Total Equity
	--- (Rupees in thousand) ---							
Balance as at 30 June 2025 (Audited)	2,788,766	273,265	47,037	19,202	(2,347,741)	780,529	4,103,537	4,884,066
Total comprehensive income for the year ended 30 June 2026								
Profit after taxation	-	-	-	-	1,228,715	1,228,715	42,220	1,270,935
Other comprehensive income	-	-	-	-	1,527	1,527	-	1,527
	-	-	-	-	1,230,242	1,230,242	42,220	1,272,462
Derecognition of NCI on disposal	-	-	-	-	-	-	(4,145,757)	(4,145,757)
Derecognition of revaluation surplus on disposal	-	-	-	-	(1,264,795)	(1,264,795)	-	(1,264,795)
					(1,264,795)	(1,264,795)	(4,145,757)	
Transactions with Others:								
Share based payment reserves	-	-	-	51,711	-	51,711	-	51,711
Exercise of share options	309,863	329	-	(31,315)	-	278,877	-	278,877
Conversion of TFCs into shares	1,013,699	(101,370)	-	-	-	912,329	-	912,329
Shares issued against PAIR liability	134,773	(13,477)	-	-	-	121,296	-	121,296
Shares issued against acquisition of property	253,111	(25,311)	-	-	-	227,800	-	227,800
Balance as at 30 June 2026 (Audited)	4,500,212	133,435	47,037	39,598	(2,382,294)	2,337,988	-	2,337,988
Total comprehensive income for the period ended 30 September 2026								
Profit after taxation	-	-	-	-	115,782	115,782	-	115,782
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	115,782	115,782	-	115,782
Transactions with Others:								
Share based payment reserves	-	-	-	(39,598)	39,598	-	-	-
Exercise of share options	344,292	(34,429)	-	-	-	309,863	-	309,863
Balance as at 30 September 2026 (Un-audited)	4,844,504	99,006	47,037	-	(2,226,914)	2,763,633	-	2,763,633

The annexed notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

1 The Group and its operations

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

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

2 Basis of preparation

2.1 Consolidated financial statements

These condensed interim consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary companies as at 30 September 2026. The financial statements of the subsidiary companies have been consolidated on a line-by-line basis and the carrying values of the investments held by the Parent Company have been eliminated against the shareholders' equity in the subsidiary companies. All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. Non-controlling interests are presented as a separate item. Investments in associates are accounted for using the equity method.

The Group comprises of:

<u>Subsidiaries / Associate</u>	Country of incorporation	Shareholding
Pace Gujrat (Private) Limited	Pakistan	100%
Pace Woodland (Private) Limited	Pakistan	52%
Pace Multiplierz (Private) Limited	Pakistan	100%
Pace Barka Properties Limited (associate)	Pakistan	15.39%

The principal activity of all the subsidiaries is to acquire by purchase or otherwise land and plots and to sell or construct, lease, hire and manage buildings, shopping malls, super markets, utility stores, plazas, shopping arcades, develop, sell rent out shopping malls, apartments, villas, commercial buildings, etc. and to carry on business of hospitality.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

2.2 Statement of compliance

These condensed interim 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.

2.3 Basis of measurement

These condensed interim 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.

2.4 Functional and presentation currency

These condensed interim 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.

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

3.1 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)
IFRS 1, 7, 9, 10 and IAS 7 - Annual Improvements to IFRS Accounting Standards	January 1, 2026
IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 7 and IFRS 9 - Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 7, IAS 1, IAS 8, IAS 36 and IAS 37 - Disclosures about Uncertainties in the Financial	January 1, 2026
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Informatic	January 1, 2026
IFRS S2 - Climate-related Disclosures	July 1, 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	July 1, 2027
IFRS 19 - Subsidiaries Without Public Accountability: Disclosures	July 1, 2027
IFRS 17 Insurance Contracts (not yet notified by SECP)	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 Group.

4 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.

5 Significant accounting policies

The significant accounting policies adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the audited consolidated financial statements of the Group for the year ended 30 June 2026. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

Un-Audited 30 September 2026	Audited 30 June 2026	Un-Audited 30 September 2026	Audited 30 June 2026
--- (Rupees in thousand) ---		--- (Number of Shares) ---	

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>
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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
Issued as bonus shares	771,721	771,721	77,172,088	77,172,088
Issued under employee share option scheme - I	309,863	309,863	30,986,289	30,986,289
Issued on conversion of TFCs	1,013,699	1,013,699	101,369,876	101,369,876
Issued against settlement of PAIR liability	134,773	134,773	13,477,339	13,477,339
Issued against acquisition of property	253,111	253,111	25,311,111	25,311,111
Issued under employee share option scheme - II	344,292	344,292	34,429,210	34,429,210
	<u>4,844,504</u>	<u>4,500,212</u>	<u>484,450,429</u>	<u>450,021,219</u>

Un-Audited 30 September 2026	Audited 30 June 2026
--- (Rupees in thousand) ---	

6.3 Share premium

Share premium reserve	<u>99,006</u>	<u>133,435</u>
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This reserve can only be utilized by the Company for the purpose specified in Section 81 (2) of the Companies Act, 2017.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

	Un-Audited 30 September 2026 --- (Rupees in thousand) ---	Audited 30 June 2026
7 Redeemable capital - secured (non-participatory)		
Term finance certificates	485,003	805,118
Settlement during the year	-	(320,115)
	<u>485,003</u>	<u>485,003</u>
Less: Current maturity presented under current liabilities	<u>(485,003)</u>	<u>(485,003)</u>
Non Current portion	<u>-</u>	<u>-</u>

8 Foreign currency convertible bonds - unsecured		
Opening balance	4,875,368	4,973,574
Mark-up accrued during the year	-	-
	<u>4,875,368</u>	<u>4,973,574</u>
Exchange loss/ (gain) for the year	10.2 <u>(18,351)</u>	<u>(98,206)</u>
	<u>4,857,017</u>	<u>4,875,368</u>
Less: Current portion shown under current liabilities	<u>(4,857,017)</u>	<u>(4,875,368)</u>
Non Current portion	<u>-</u>	<u>-</u>

8.1 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.

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

	Unaudited September 30, 2026 --- (Rupees in thousand) ---	Audited June 30, 2026
9 Creditors, accrued and other liabilities		
Trade creditors	1,866,423	2,071,457
Provisions and accrued liabilities	402,779	425,043
Payable to statutory bodies	71,810	71,810
Advance against sale of investment property	525	525
Security deposits	24,500	24,500
Rentals against investment property received in advance	36,477	36,477
Retention money	3,461	3,461
Others	56,817	72,945
	<u>2,462,792</u>	<u>2,706,218</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

10 Accrued finance cost

Long term finances - secured	-	-
Redeemable capital - secured (non-participatory)	1,081,092	1,054,447
	<u>1,081,092</u>	<u>1,054,447</u>

11 Contingencies and commitments

11.1 Contingencies

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

The petition is pending for hearing. As per legal advisors of the Company, there are reasonable grounds to defend the Company's claim, however no asset has been booked in the unconsolidated financial statements.

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

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

- 11.1.3** 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 2026, 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.

11.2 Commitments

There were no commitments as at September 30, 2026 (June 30, 2026: NIL).

	Unaudited September 30, 2026	Audited June 30, 2026
Note	--- (Rupees in thousand) ---	

12 Property, plant and equipment

Operating fixed assets	12.1	483,836	491,180
Capital work in progress		58,847	58,847
Right-of-use assets	12.2	85,234	86,095
		<u>627,917</u>	<u>636,122</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

12.1 Operating fixed assets

	Freehold land *	Leasehold land **	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Electrical equipment	Office equipment and appliances	Furniture and fixtures	Computers	Vehicles	Total
	(Rupees in thousand)										
Net carrying value basis											
Period ended 30 September 2026											
Opening net book value	155,152	-	101,829	-	158,535	64,247	1,351	1,432	46	8,590	491,180
Additions (at cost)	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	(1,273)	-	(3,963)	(1,606)	(34)	(36)	(4)	(430)	(7,345)
Impairment charge	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	155,152	-	100,556	-	154,572	62,641	1,317	1,396	42	8,161	483,835
Gross carrying value basis											
Period ended 30 September 2026											
Cost	155,152	98,370	221,948	-	238,794	208,302	11,563	16,062	14,067	81,110	1,045,368
Accumulated depreciation	-	(98,370)	(121,392)	-	(83,747)	(134,355)	(10,237)	(14,542)	(14,025)	(72,950)	(549,617)
Accumulated impairment	-	-	-	-	(475)	(11,305)	(8)	(124)	-	-	(11,912)
Net book value	155,152	-	100,556	-	154,572	62,642	1,318	1,396	42	8,161	483,839
Depreciation % per annum	0%	0%	5%	3%	10%	10%	10%	10%	33%	20%	
Net carrying value basis											
Year ended 30 June 2026											
Opening net book value	155,152	5,282,332	107,188	-	8,260	84,784	4,132	2,380	1,043	49,926	5,695,197
Additions (at cost)	-	-	-	-	160,000	-	-	-	-	-	160,000
Disposal of subsidiary assets	-	(5,282,332)	-	-	-	(13,398)	(2,631)	(789)	(975)	(39,188)	(5,339,315)
Transfers	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	(5,359)	-	(9,725)	(7,139)	(150)	(159)	(22)	(2,148)	(24,702)
Impairment charge	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	155,152	-	101,829	-	158,535	64,247	1,351	1,432	46	8,590	491,180
Gross carrying value basis											
As at June 2026											
Cost	155,152	5,380,702	221,948	-	238,794	221,700	14,194	16,851	15,042	120,298	6,384,681
Accumulated depreciation	-	(98,370)	(120,119)	-	(79,784)	(132,749)	(10,203)	(14,506)	(14,021)	(72,520)	(542,272)
Accumulated impairment	-	-	-	-	(475)	(11,305)	(8)	(124)	-	-	(11,912)
Disposal of subsidiary	0	(5,282,332)	0	0	0	-13398	-2631	-789	(975)	(39,188)	(5,339,315)
Net book value	155,152	-	101,829	-	158,535	64,247	1,351	1,432	46	8,590	491,180
Depreciation % per annum	0%	0%	5%	3%	10%	10%	10%	10%	33%	20%	

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

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

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

Un-Audited
30 September
2026
--- (Rupees in thousand) ---

Audited
30 June
2026

12.2 Right-of-use assets

Land

Cost

Balance as at 01 July	119,496	119,496
Additions / (deletions) during the year	-	-
Balance as at 30 September	119,496	119,496

Accumulated depreciation

Balance as at 01 July	(33,401)	(28,631)
Depreciation charge during the year	(861)	(4,770)
Balance as at 30 September	(34,262)	(33,401)

Closing net book value

	4%	4%
--	----	----

Electrical equipment

Cost

Balance as at 01 July	15,339	15,339
Additions / (deletions) during the year	-	-
Balance as at 30 September	15,339	15,339

Accumulated depreciation

Balance as at 01 July	(15,339)	(15,339)
Depreciation charge during the year	-	-
Balance as at 30 September	(15,339)	(15,339)

Closing net book value

	33%	33%
--	-----	-----

13 Intangible assets

Optical fiber	710	829
Computer software	167	172
Media intellectual properties	845,841	851,400
	846,718	852,401

13.1 Optical fiber - Royalty

Cost	9,508	9,508
------	-------	-------

Accumulated amortisation

As at 01 July	(8,679)	(8,203)
Amortisation for the year	(119)	(476)
Balance as at 30 September	(8,798)	(8,679)

Book value as at 30 June

	710	829
--	-----	-----

Rate of amortisation

	5%	5%
--	----	----

13.2 Computer software

Cost	2,878	2,878
------	-------	-------

Accumulated amortisation

As at 01 July	(2,706)	(2,687)
Amortisation for the year	(5)	(19)
Balance as at 30 September	(2,711)	(2,706)

Book value as at 30 September

	167	172
--	-----	-----

Rate of amortisation

	10%	10%
--	-----	-----

Cost

860,000

860,000

Accumulated amortisation

As at 01 July

Amortisation for the period

Balance as at 30 September/ 30 June

(8,600.00)	-
(5,559.00)	(8,600.00)
(14,159.00)	(8,600.00)

Book value as at 30 September/ 30 June

845,841	851,400
---------	---------

Useful Life

50 years	50 years
----------	----------

Cost		Fair value	
Un-Audited 30 September 2026	Audited 30 June 2026	Un-Audited 30 September 2026	Audited 30 June 2026
--- (Rupees in thousand) ---			

14 Investment property

Balance as at 01 July	964,825	1,047,600	3,181,042	2,785,833
Additions during the year	970,486	126,720	970,486	1,154,482
Fair value gain/ (loss) on recognition of ROU		20,576	-	20,576
Transfer from Inventory at cost	-	-	-	-
Transfer from PPE at cost	-	-	-	-
Adjusted balance as at 01 July	1,935,311	1,194,896	4,151,528	3,960,891
Fair value gain/ (loss) recorded in statement of profit or loss	-	-	-	42,522
Disposal during the year	-	(111,568)	-	(822,371)
As at 30 September	1,935,311	1,083,328	4,151,528	3,181,042

- 14.1 The forced sale value of investment property excluding right-of-use asset amounts to Rs. 2,621.909 million (June 30, 2025: Rs. 2,232.75 million).

Investment properties represent Parent Company's interest in land and buildings situated at Model Town Lahore, Gulberg Lahore, Gujranwala and Gujrat. On initial application of IFRS 16, the Parent Company recognised right-of-use asset arising as a result of head lease of shops / apartments situated at 4th floor of Model Town Lahore and 3rd and 4th floor of M.M Alam. The Parent Company has sub-leased the aforementioned properties and right-of-use asset arising from head lease has been classified as investment property.

These are either leased to third parties or held for value appreciation. Changes in fair values are recognised and presented separately as "Gain / (loss) from change in fair value of investment property" in the statement of profit or loss.

- 14.2 The Company still holds the title of plot-D Survey 131/A Lahore Cantt measuring 19.6 Kanal but the property has actually been sold to First Capital Securities Corporation Limited (associated Company), however title documents are yet to transfer in favour of purchaser.

- 14.3 During the period, the Company acquired investment properties from First Capital Securities Corporation Limited (FCSC), a related party, for an aggregate consideration of Rs. 970.486 million.

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

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, 2026	Audited June 30, 2026
	--- (Rupees in thousand) ---	
Land not under development	21,600	21,600
Land purchased for resale	630,872	630,872
Work in progress		
<i>Pace Tower</i>	532,133	487,133
<i>Pace Circle</i>	86,486	86,486
Land held for resale	16.1 1,662,433	1,780,783
Shops acquired in exchange financial asset (The Circle)	111,231	111,231
Completed units - shops	332,931	332,931
	<u>3,377,686</u>	<u>3,451,036</u>
Stores inventory	1,161	1,161
	<u>3,378,847</u>	<u>3,452,197</u>

16.1 This represents land purchased by the Company in DHA City Karachi for resale in the ordinary course of business.

17 Trade debts

Secured

Considered good

1,647,423 779,278

Unsecured

566,697 534,787

Less: Impairment allowance

2,214,120 1,314,065
(717,826) (706,626)

1,496,294 607,439

18 Cash and bank balances

Cash in hand

955 955

Cash at banks

- Current accounts

7,753 14,787

- Saving accounts

663 458

Less: Impairment allowance

(92) (92)

8,324 15,153

9,279 16,108

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

Un-Audited 30 September 2026	Audited 30 June 2026
--- (Rupees in thousand) ---	

19 Investment in Pace Barka Properties Limited

19.1 Investment held for sale (IFRS 5) - sale to First Capital Securities Corporation Limited (FCSC)

During the quarter ended, the entire held-for-sale tranche of 90,159 million shares was sold to FCSC at Rs. 16.64 per share for Rs. 1,500 million. The carrying amount of the tranche was Rs. 1,518.76 million, resulting in a loss of Rs. 18.76 million recognised in profit or loss.

<u>Particulars</u>	No. of shares	Un-Audited 30 September 2026 (Rs. in thousand)	Audited 30 June 2026 (Rs. in thousand)
Shares subject to committed sale arrangement	90,158,613	901,492	901,492
Add: fair value at the time of reclassification		607,669	607,669
Add: employee share option scheme investment		9,606	9,606
Carrying amount before disposal	90,158,613	1,518,767	1,518,767
Disposed of to FCSC	(90,158,613)	(1,518,767)	-
Balance at reporting date	-	-	1,518,767

19.2 Equity investment (IAS 28)

8,414,827 shares of the equity-accounted tranche were sold to Media Times Limited (MDTL) at Rs. 16.64 per share for Rs. 140 million, against a carrying amount of Rs. 145.41 million, resulting in a loss of Rs. 5.4 million. Following this sale and the sale of the held-for-sale tranche to FCSC, the Group's shareholding in Pace Barka Properties Limited reduced to 15.39%.

<u>Particulars</u>	No. of shares	30 September 2026 (Rs. in thousand)	30 June 2026 (Rs. in thousand)
Investment at par value (Rs.10/share)	82,276,700	-	822,767
Fair value gain recognised in profit or loss on loss of control		-	554,545
Add: employee share option scheme investment		-	8,684
Share of profit from associate - up to 30 June 2026		-	35,774
Carrying amount at 1 July 2026	82,276,700	1,421,770	1,421,770
Share of profit from associate		70,792	
Disposed of to MTL	(8,414,827)	(140,000)	
Investment at FVTPL at 30 September 2026	73,861,873	1,352,562	

19.3 Movement in the Group's shareholding in Pace Barka Properties Limited

<u>Particulars</u>	No. of shares	Shareholding (%)
Shareholding at 30 June 2026	172,435,313	35.92%
Sold to FCSC	(90,158,613)	(18.78%)
Sold to MDTL	(8,414,827)	(1.75%)
Shareholding retained at 30 September 2026 (FVTPL)	73,861,873	15.39%

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

		Un-Audited	
		30 September 2026	30 September 2025
		--- (Rupees in thousand) ---	
20 Other income			
<u>Income from financial assets</u>			
Mark-up on bank accounts		11	13
Finance Income from financial assets		-	2,118
<u>Income from non-financial assets</u>			
Rental income		-	520
<u>Others</u>			
Loss on disposal of shares of Pace Barka properties limited	20.1	(1,876)	17,400
Gain on disposal of investment in Pace Super Mall (Pvt.) Limited		-	342,440
		<u>(1,865)</u>	<u>362,490</u>
21 Minimum Tax			
Minimum Tax	21.1	<u>6,429</u>	<u>34,199</u>
21.1 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.			
22 Taxation			
Income Tax			
- Current Year		<u>23,715</u>	-
		<u>23,715</u>	-
23 Earnings per share - basic and diluted			

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding. There are no dilutive potential ordinary shares outstanding as at 30 September 2026 (30 September 2025: Nil).

		Un-Audited	
		30 September 2026	30 September 2025
		--- (Rupees in thousand) ---	
Profit for the period attributable to owners of the Parent		<u>115,782</u>	<u>305,613</u>
Weighted average number of ordinary shares outstanding during the year		<u>479,585</u>	<u>479,585</u>
Earning / (Loss) per share - basic & diluted		<u>0.24</u>	<u>0.64</u>

Pace (Pakistan) Limited

Notes to the Condensed Interim Consolidated Financial Statements

For the quarter ended 30 September 2026

	July to September	
	2026	2025
Note	--- (Rupees in thousand) ---	
24 Cash generated/ (used in) from operations		
Profit before tax	145,926	339,812
Adjustment for:		
Exchange (gain)/ loss on foreign currency convertible bonds	(18,351)	(42,892)
Provision for gratuity and leave encashment	-	-
Share based payment expense	-	18,856
Depreciation on owned assets	7,345	18,186
Depreciation on right-of-use assets	861	956
Amortisation on intangible assets	5,683	931
Impairment loss on trade debts and other receivables	11,502	42,119
Changes in fair value of investment property	-	-
Finance costs	26,491	80,125
Mark-up income	(11)	(8)
Other non cash items	24,274	(362,490)
Gain before working capital changes	203,721	95,596
<i>Effect on cash flow due to working capital changes:</i>		
(Increase)/ Decrease in stock-in-trade	73,229	(3,806)
(Increase)/ Decrease in trade debts	(90,314)	(63,483)
(Increase)/ Decrease in advances, deposits and other receivables	(41,998)	10,069
Increase/ (Decrease) in contract liability	-	(76,482)
Increase/ (Decrease) in creditors, accrued and other liabilities	(453,086)	65,673
	(512,168)	(68,029)
	(308,447)	27,566

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25 Transactions with related parties

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

Name of Company	Relationship	Nature of Transactions	Un-Audited 30 September 2026	Un-Audited 30 September 2025
			--- (Rupees in thousand) ---	
Pace Barka Properties Limited	Associate (equity held 15.39%)	Guarantee commission income	-	-
Ever Green Water Valley (Private) Limited	Common Directorship	Purchase of goods and services	-	-
First Capital Securities Corporation Limited	Common Directorship	Receivable against disposal of Entire shareholding in Pace Super Mall (Private) Limited	-	452,854
		Disposal of shares of Pace Barka Properties Limited	1,500,000	-
		Investment properties purchased	970,486	-
Media Times Limited	Common Directorship	Rental income	-	-
		Payment received during the period	-	1,500
		Disposal of shares of Pace Barka Properties Limited	140,000	-

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26 Financial instruments

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

- Credit risk
- Liquidity risk
- Market risk

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

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group'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 Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group 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.

26.1 Credit risk

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

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

	Un-Audited 30 September 2026	Audited 30 June 2026
Note	--- (Rupees in thousand) ---	
Long term advances and deposits	15,249	15,249
Trade debts	1,496,294	607,439
Advances, deposits, prepayments and other receivables	156,124	139,144
Bank balance	9,279	16,108
Lease Receivable	-	-
Financial Assets	-	-
	<u>1,676,946</u>	<u>777,940</u>

26.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

The Group 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.

26.3 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 Group'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.

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

	Un-Audited 30 September 2026	Audited 30 June 2026
	--- (USD in thousand) ---	
Foreign Currency Convertible Bonds - USD	17,527	17,527

26.5 Interest rate risk

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

	Un-Audited		Audited	
	30-Sep-26		30-Jun-26	
	Financial asset	Financial liability	Financial asset	Financial liability
	--- (Rupees in thousand) ---			
<u>Non-derivative financial - instruments</u>				
Fixed rate instruments				
Long term finances - secured	-	-	-	-
Foreign currency convertible bonds	-	4,857,017	-	4,875,368
Lease liability	-	248,211	-	266,001
Cash at bank	663	-	458	-
Variable rate instruments				
Redeemable capital - secured	-	485,003	-	485,003
	663	5,590,231	458	5,626,372

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

26.6 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).

26.7 Capital management

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

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	Un-Audited 30 September 2026	Audited 30 June 2026
	--- (Rupees in thousand) ---	
Total liabilities	9,270,884	9,502,251
Less: cash and cash equivalents	(9,279)	(16,108)
Net debt	9,261,605	9,486,143
Total equity	2,763,633	2,337,988
Net debt to equity ratio	3.35	4.06

27 Date of authorization for issue

These condensed interim consolidated financial statements were authorized for issue on 16-10-2026 by the Board of Directors of the Holding Company.

28 Corresponding figures

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


Chief Executive Officer


Director


Chief Financial Officer