



# CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED  
30 SEPTEMBER 2024



PAKISTAN SERVICES LTD.



Pearl-Continental  
HOTELS & RESORTS





Pearl-Continental  
HOTELS & RESORTS

**CONDENSED INTERIM  
FINANCIAL STATEMENTS  
[UNAUDITED]**

For the three months period ended 30 September 2024



PAKISTAN SERVICES LTD.

## VISION STATEMENT

We are committed to dynamic growth and service excellence built upon our heritage of traditional hospitality. We strive to consistently meet and surpass guests', employees' and other stakeholders' expectations. We feel pride in making efforts to position Pakistan in the forefront of the international arena.

## MISSION STATEMENT

Secrets to our sustained leadership in hospitality are Excellence and Dynamism through offering competitive and innovative high quality value added services to our guests and business partners.

To meet the challenges of modern business, we constantly upgrade our operations and services in line with latest technological facilities.

As a responsible corporate citizen, maintaining the highest level of governance, ethical standards and prudence.

Keeping close-watch at socio-political environment to make use of all available growth opportunities through aggressive and proactive approach.

Believe in strong and professional workforce by providing challenging and rewarding environment and equal respect to all through creating the sense of participation towards the success of our vision.

# CORPORATE INFORMATION

Pearl Continental Hotels, a chain owned, operated and franchised by Pakistan Services Limited, sets the international standards for quality hotel accommodation across Pakistan and AJ&K and manages 9 luxury hotels in Karachi, Lahore, Rawalpindi, Bhurban, Muzaffarabad, Hunza, Murree, Malam Jabba and Multan, besides one franchised hotel located at Gwadar, comprising total inventory of 1,744 rooms.

## BOARD OF DIRECTORS

Mr. Sadruddin Hashwani  
Chairman  
Mr. Murtaza Hashwani  
Mr. M. A. Bawany  
Mr. Shakir Abu Bakar  
Syed Haseeb Amjad Gardezi  
Mr. M. Ahmed Ghazali Marghoob  
Ms. Ayesha Khan  
Mr. Rohail Ajmal  
Mr. Shahid Hussain  
Mr. M. Saleem Ahmed Ranjha

## AUDIT COMMITTEE

Mr. Shahid Hussain  
Chairman  
Mr. M. A. Bawany  
Mr. M. Ahmed Ghazali Marghoob  
Mr. Rohail Ajmal

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rohail Ajmal  
Chairman  
Mr. Murtaza Hashwani  
Mr. M. A. Bawany  
Syed Haseeb Amjad Gardezi  
Mr. M. Ahmed Ghazali Marghoob

## NOMINATION COMMITTEE

Mr. Murtaza Hashwani  
Chairman  
Mr. M. A. Bawany  
Mr. Shakir Abu Bakar  
Syed Haseeb Amjad Gardezi

## RISK MANAGEMENT COMMITTEE

Mr. Murtaza Hashwani  
Chairman  
Mr. M. A. Bawany  
Mr. Shakir Abu Bakar  
Syed Haseeb Amjad Gardezi  
Ms. Ayesha Khan  
Mr. Rohail Ajmal

## CHIEF EXECUTIVE OFFICER

Mr. Bastien Paul Emile Blanc

## CHIEF FINANCIAL OFFICER

Mr. Tahir Mahmood

## COMPANY SECRETARY

Mr. Muhammad Amir

## AUDITORS

M/s KPMG Taseer Hadi & Co.  
Chartered Accountants  
6th Floor, State Life Building No. 5 Jinnah  
Avenue, Blue Area Islamabad.

## LEGAL ADVISOR

M/s Liaquat Merchant & Associates

## BANKERS

National Bank of Pakistan  
The Bank of Punjab  
Habib Bank Limited  
Soneri Bank Limited  
United Bank Limited  
Askari Bank Limited  
JS Bank Limited  
Muslim Commercial Bank Limited  
Silk Bank Limited  
Faysal Bank Limited  
Standard Chartered Bank [Pakistan] Limited  
Industrial and Commercial Bank of China  
Dubai Islamic Bank [Pakistan] Limited  
Meezan Bank Limited

## REGISTERED OFFICE

1st Floor, NESPAK House,  
Sector G-5/2, Islamabad.  
Tel: +92 51-2272890-8  
Fax: +92 51-2878636  
<http://www.psl.com.pk>  
<http://www.pshotels.com>  
<http://www.hashoogroup.com>

## SHARE REGISTRAR

M/s THK Associates (Private) Limited  
Plot No. 32-C, Jami Commercial  
Street-2, DHA, Phase VII  
Karachi

# Directors' Report

## Dear Members,

The Board of Directors of Pakistan Services Limited (PSL) presents the condensed interim financial statements of the Company for the three months period ended 30 September 2024.

## Economic Overview

Pakistan's economy continued to grapple with structural challenges, reflecting mixed signals in its recovery efforts. Fiscal and monetary tightening, alongside policy reforms supported by the IMF, helped stabilize some macroeconomic indicators. Inflation eased slightly from earlier peaks, largely due to stable commodity prices and controlled domestic demand.

A notable development during this period was the reduction in the Karachi Interbank Offered Rate (KIBOR) by the State Bank of Pakistan (SBP). This marked a significant shift in the monetary policy stance, reflecting the SBP's aim to support the economy by reducing borrowing costs for businesses, households, and investors. This decision aimed to stimulate economic activity by reducing borrowing costs for businesses and households. The rate cut provided some relief to industries burdened by high borrowing costs, particularly export-oriented sectors, while fostering an environment conducive to private sector investment.

Globally, the economy continued to demonstrate resilience, with steady growth and moderate inflationary pressures. However, escalating geopolitical tensions in the Middle East, particularly the ongoing conflict involving Israel and Palestine, have increased economic uncertainty across the region. Rising oil prices and disruptions in trade are expected to have a ripple effect, further straining economies dependent on energy imports.

During the period, the Company recorded revenue (net) of Rs. 4,106 million, as compared to Rs. 3,555 million registered in the corresponding period of the last year whereas the gross profit for the period is Rs.1,813 million as compared to Rs.1,425 million of comparative period of the last year. The profit before tax is Rs.215 million as compared to Rs. 75 million in the corresponding period of last year.

## Highlights of Performance:

	For the three months' period ended 30 September	
	2024	2023
	[Rupees million]	
Sales and Services – net	4,106	3,555
Gross profit	1,813	1,425
Profit before taxation	215	75
Profit after taxation	40	61
Earnings per share [Rupees]	1.24	1.89

### Performance of Rooms Department

During the period Rooms Revenue was recorded at Rs. 2,136 million as against Rs. 1,846 million of the corresponding period of last year.

### Performance of Food & Beverage (F&B) Department

Revenue from this segment has been recorded at Rs. 2,403 million for the period under review as compared to Rs.2,077 million of the same period last year.

### Performance of Other Related Services/License Fee/ Travel and Tour Division

From this segment of the business revenue of Rs. 345 million has been achieved as compared to Rs. 300 million of the comparative period of last year.

### Consolidated Results

During the current period, the group recorded a revenue [net] of Rs. 4,168 million as compared to Rs. 3,605 million of the same period last year. Loss after taxation is recorded at Rs. 8 million in comparison with Rs. 5 million profit of the corresponding period of the previous year.

### Prospects

Stronger governance and institutional improvements will be vital in building investor confidence and ensuring long-term economic resilience. Proactive fiscal policies and structural reforms remain crucial to steer Pakistan's economy toward a sustainable growth trajectory.

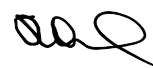
### Acknowledgement

On behalf of the Board, we express our appreciation for the dedication to duty and professional conduct of the employees of the Company, as well as of the shareholders/stakeholders and in particular the Government Authorities for their advice, understanding, and support. We thank the bankers of the Company for the understanding and the cooperation they have extended. Finally, we are thankful to our loyal and confident customers, the combined efforts of all have been instrumental in the sustainable growth of the Company against all odds. Prayers are for a peaceful and prosperous Pakistan.

For and on behalf of the Board of Directors,



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director

Islamabad: 26 November 2024

## ڈائریکٹرز رپورٹ

### محترم حصص داران:

پاکستان سروسز لمیٹڈ (پی ایس ایل) کے بورڈ آف ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی مدت میں کمپنی کی کارکردگی اور مالیاتی معلومات کا عبوری خلاصہ پیش کر رہے ہیں۔

### اقتصادی جائزہ:

پاکستان کی معیشت ساختی چیلنجوں سے نبرد آزما رہی، جو اس کی بحالی کی کوششوں میں ملے جلے اشارے کی عکاسی کرتی ہے۔ آئی ایم ایف کے تعاون سے پالیسی اصلاحات کے ساتھ مالی اور مالیاتی سختی نے کچھ معاشی اشاریوں کو مستحکم کرنے میں مدد کی۔ مہنگائی پہلے کی نسبت قدرے کم ہوئی، جس کی بڑی وجہ اجناس کی مستحکم قیمتوں اور گھریلو طلب کو کنٹرول کیا جانا ہے۔

اس عرصے کے دوران ایک قابل ذکر پیش رفت اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے کراچی انٹربینک آفرڈ ریٹ (KIBOR) میں کمی تھی۔ اس نے مانیٹری پالیسی کے موقف میں ایک اہم تبدیلی کی نشاندہی کی، جو کہ کاروبار، گھرانوں اور سرمایہ کاروں کے لیے قرض لینے کے اخراجات کو کم کر کے معیشت کو سہارا دینے کے اسٹیٹ بینک کے مقصد کی عکاسی کرتا ہے۔ اس فیصلے کا مقصد کاروباروں اور گھرانوں کے لیے قرض لینے کے اخراجات کو کم کر کے معاشی سرگرمیوں کو تیز کرنا تھا۔ شرح میں کٹوتی سے صنعتوں کو کچھ راحت ملی جو قرض کی بلند قیمتوں کے بوجھ تلے دبے ہوئے ہیں، خاص طور پر برآمدی شعبوں کو، جبکہ نجی شعبے کی سرمایہ کاری کے لیے سازگار ماحول کو فروغ دیا گیا۔

عالمی سطح پر، معیشت مستحکم ترقی اور معتدل افراط زر کے دباؤ کے ساتھ چلک کا مظاہرہ کرتی رہی۔ تاہم، مشرق وسطیٰ میں بڑھتے ہوئے جغرافیائی سیاسی تناؤ، خاص طور پر اسرائیل اور فلسطین کے درمیان جاری تنازعہ نے پورے خطے میں اقتصادی بے یقینی کو بڑھا دیا ہے۔ تیل کی بڑھتی ہوئی قیمتوں اور تجارت میں رکاوٹوں کے اثرات کی توقع ہے، تو انسانی کی درآمدات پر منحصر معیشتوں کو مزید تناؤ کا سامنا کرنا پڑے گا۔

### کمپنی کی مجموعی کارکردگی:

30 ستمبر 2024 کو ختم ہونے والی سہ ماہی مدت کے دوران کمپنی نے 4,106 ملین روپے کی محصولات (خالص) ریکارڈ کیے ہیں جو گزشتہ سال کے اسی عرصے کے دوران 3,555 ملین روپے تھے۔

کمپنی کا مجموعی منافع 1,813 ملین روپے ہے جو کہ گزشتہ سال کے اسی عرصے میں 1,425 ملین روپے تھا۔ قبل از ٹیکس منافع گزشتہ برس کے اسی عرصے کے 75 ملین منافع کے مقابلے میں 215 ملین روپے ریکارڈ کیا گیا۔

### کارکردگی کی جھلکیاں:

	سہ ماہی مدت اختتام 30 ستمبر	
	2024	2023
	(ملین روپے)	
فروخت اور خدمات (خالص)	4,106	3,555
کل منافع	1,813	1,425
منافع قبل از ٹیکس	215	75
منافع بعد از ٹیکس	40	61
فی حصہ آمدنی (روپے میں)	1.24	1.89



## رومز ڈیپارٹمنٹ کی کارکردگی:

اس عرصہ کے دوران گزشتہ سال کے اسی عرصہ کے 1,846 ملین روپے کی نسبت آمدنی 2,136 ملین روپے ریکارڈ کی گئی۔

## فوڈ اینڈ بیورٹیج (F&B) ڈیپارٹمنٹ کی کارکردگی:

اس شعبے کی آمدن 2,403 ملین روپے ریکارڈ کی گئی جو گزشتہ سال اسی عرصے کے مقابلے میں 2,077 ملین روپے تھی۔

## دیگر متعلقہ خدمات لائسنس فیس/ٹریول وٹورز ڈویژن کی کارکردگی:

اس شعبے میں زیر جائزہ عرصے کے دوران میں 345 ملین روپے کی آمدنی حاصل کی گئی۔ جو گزشتہ برس کے اسی عرصے کے مقابلے میں 300 ملین روپے تھی۔

## مستقبل کے امکانات:

مضبوط گورننس اور ادارہ جاتی بہتری سرمایہ کاروں کے اعتماد کو بڑھانے اور طویل مدتی اقتصادی چمک کو یقینی بنانے کے لیے اہم ہوگی۔ فعال مالیاتی پالیسیاں اور ڈھانچے جاتی اصلاحات پاکستان کی معیشت کو پائیدار ترقی کی رفتار کی طرف لے جانے کے لیے اہم ہیں۔

## مجموعی نتائج:

زیر جائزہ عرصے کے دوران گروپ نے 4,168 ملین روپے کے محصولات (خالص) ریکارڈ کئے جو گزشتہ سال اسی عرصے میں 3,605 ملین روپے تھے۔ گزشتہ برس کے 5 ملین روپے بعد از ٹیکس منافع کی نسبت موجودہ عرصہ میں 8 ملین روپے خسارہ ریکارڈ کیا گیا۔

## اظہار تشکر:

ہم بورڈ کی جانب سے خصوصی پیشہ ورانہ خدمات کے لیے کمپنی کے عملے کا شکریہ ادا کرتے ہیں اور ہم اپنے معزز مہمانوں کے بھی شکرگزار ہیں، جو ہمیشہ ہماری اور اسٹاف کی حوصلہ افزائی کرتے ہیں تاکہ بہترین پروڈکٹس اور خدمات کی فراہمی میں ان کا مسلسل تعاون اور سرپرستی حاصل رہے۔ ہم ان تمام مشوروں، تعاون اور باہمی ادراک کے لیے حکومتی اداروں اور اپنے کنسلٹنٹس، بینکاروں، مشیران اور شراکت داروں کے ممنون ہیں، جو ہمارے پروگراموں، پروڈیکٹس اور عمومی کاروباری امور میں کامیابی کے لیے انتہائی اہم ہیں۔

منجانب بورڈ آف ڈائریکٹرز



شاکر ابوبکر

ڈائریکٹر



چیف ایگزیکٹو آفیسر

پیشن پال ایمال بلاک

اسلام آباد: 26 نومبر 2024



PC LEGACY HUNZA- EXTERIOR



CONDENSED INTERIM  
UNCONSOLIDATED  
FINANCIAL STATEMENTS  
(UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED  
30 SEPTEMBER 2024

# Condensed Interim Unconsolidated Statement of Financial Position

## As at 30 September 2024

		Unaudited 30 Sep 2024	Audited 30 June 2024
	Note	[Rupees'000]	
<b>EQUITY</b>			
Share capital	4	325,242	325,242
Capital reserve		269,424	269,424
Revenue reserves		10,603,476	10,563,097
Revaluation surplus on property, plant and equipment		34,737,301	34,737,301
<b>Total equity</b>		<b>45,935,443</b>	<b>45,895,064</b>
<b>LIABILITIES</b>			
Loans and borrowings	5	215,696	228,427
Lease liabilities	6	120,423	167,776
Employee benefits		1,095,667	1,096,144
Other liabilities		154,786	210,252
<b>Non - current liabilities</b>		<b>1,586,572</b>	<b>1,702,599</b>
Short term borrowings	7	1,860,197	1,865,227
Current portion of loans and borrowings	5	8,016,917	8,021,018
Current portion of lease liabilities	6	128,472	105,567
Trade and other payables	8	3,890,107	3,682,435
Contract liabilities		967,227	974,760
Other Liabilities		5,357	11,246
Unpaid dividend		1,528	1,528
Unclaimed dividend		9,242	9,242
<b>Current liabilities</b>		<b>14,879,047</b>	<b>14,671,023</b>
<b>Total equity and liabilities</b>		<b>62,401,062</b>	<b>62,268,686</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9		

The annexed notes 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.

		Unaudited 30 Sep 2024	Audited 30 June 2024
	Note	[Rupees'000]	
<b>ASSETS</b>			
Property, plant and equipment	10	54,877,878	54,567,607
Advances for capital expenditure	11	1,239,875	1,176,152
Intangible asset	12	62,578	67,510
Investment property		72,000	72,000
Long term investments		895,794	895,794
Advance against equity investment	13	731,000	731,000
Long term deposits		55,508	17,581
Deferred tax assets-net		134,712	182,712
<b>Non - current assets</b>		<b>58,069,345</b>	<b>57,710,356</b>
Inventories		498,997	536,645
Trade debts		1,075,494	879,974
Contract assets		11,655	46,156
Advances, prepayments, trade deposits and other receivables		819,365	844,212
Short term investments	14	1,317,070	1,412,907
Advance tax - net		371,624	398,480
Cash and bank balances		237,512	439,956
<b>Current assets</b>		<b>4,331,717</b>	<b>4,558,330</b>
<b>Total assets</b>		<b>62,401,062</b>	<b>62,268,686</b>

  
**Bastien Paul Emile Blanc**  
 Chief Executive Officer

  
**Shakir Abu Bakar**  
 Director

  
**Tahir Mahmood**  
 Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Profit or Loss (Unaudited)

For the three months period ended 30 September 2024

		Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	Note	[Rupees'000]	
Revenue - net	15	4,106,023	3,554,596
Cost of sales and services	16	[2,293,135]	[2,129,194]
<b>Gross profit</b>		<b>1,812,888</b>	<b>1,425,402</b>
Other income		39,777	33,936
Administrative expenses		[1,023,005]	[942,340]
Allowance for impairment loss on trade debts		[14,342]	[3,815]
<b>Operating profit</b>		<b>815,318</b>	<b>513,183</b>
Finance income		38,221	35,215
[Loss] on remeasurement of investments to fair value - net		[97,347]	[7,001]
Finance cost		[541,132]	[466,633]
<b>Net finance cost</b>		<b>[600,258]</b>	<b>[438,419]</b>
<b>Profit before taxation</b>		<b>215,060</b>	<b>74,764</b>
Income tax		[174,681]	[13,315]
<b>Profit for the period</b>		<b>40,379</b>	<b>61,449</b>
Earnings per share - basic and diluted] [Rupees]	17	1.24	1.89

The annexed notes 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	[Rupees'000]	
Profit for the period	40,379	61,449
<b>Other comprehensive income</b>		
Total comprehensive income for the period	<b>40,379</b>	<b>61,449</b>

The annexed notes 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)

For the three months period ended 30 September 2024

	Capital reserve		Revenue reserves		Total equity	
	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	General reserve		Unappropriated profit
[Rupees'000]						
Balance at 01 July 2023	325,242	269,424	36,498,204	1,600,000	6,246,376	44,939,246
Total comprehensive income for the period						
Profit for the period	-	-	-	-	61,449	61,449
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	61,449	61,449
Balance at 30 September 2023	325,242	269,424	36,498,204	1,600,000	6,307,825	45,000,695
Balance at 01 July 2024	325,242	269,424	34,737,301	1,600,000	8,963,097	45,895,064
Total comprehensive income for the period						
Profit for the period	-	-	-	-	40,379	40,379
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	40,379	40,379
Balance at 30 September 2024	325,242	269,424	34,737,301	1,600,000	9,003,476	45,935,443

The annexed notes 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer



# Condensed Interim Unconsolidated Statement of Cash Flows (Unaudited)

For the three months period ended 30 September 2024

	Note	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
		[Rupees'000]	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash flows from operating activities before working capital changes	18	1,179,166	774,992
<b>Working capital changes</b>			
<b>(Increase) / decrease in current assets</b>			
Inventories		37,648	845
Trade debts		[209,862]	[41,261]
Contract assets		34,501	[74,707]
Advances, prepayments, trade deposits		24,847	[50,109]
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payables		207,672	53,688
Non current liabilities		[61,355]	21,795
Contract liabilities		[7,533]	43,645
<b>Working capital changes</b>		<b>25,918</b>	<b>[46,104]</b>
Staff retirement benefit		[31,129]	[9,377]
Income tax paid		[99,826]	334,941
Finance cost paid		[347,683]	[262,186]
<b>Net cash generated from operating activities</b>		<b>726,447</b>	<b>792,266</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		[554,791]	[698,677]
Advance for capital expenditure		[63,723]	[160,758]
Proceeds from disposal of property, plant and equipment		[632]	4,586
Increase in non-current asset held for sale		-	[58,535]
Receipts of return on bank deposits and short term investments		[32,018]	43,426
Long term deposits and prepayments		[37,927]	151
<b>Net cash (used in) investing activities</b>		<b>[689,093]</b>	<b>[869,807]</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term loan		[220,297]	-
Lease liabilities paid		[24,448]	[21,499]
<b>Net cash used in financing activities</b>		<b>[244,745]</b>	<b>[21,499]</b>
<b>Net decrease in cash and cash equivalents</b>		<b>[207,391]</b>	<b>[99,040]</b>
Cash and cash equivalents at beginning of the period		[1,327,212]	[1,177,676]
Cash and cash equivalents at end of the period	19	[1,534,603]	[1,276,716]

The annexed notes 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.

  
Bastien Paul Emile Blanc  
Chief Executive Officer

  
Shakir Abu Bakar  
Director

  
Tahir Mahmood  
Chief Financial Officer

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 1 THE COMPANY AND ITS OPERATIONS

Pakistan Services Limited (“the Company”) was incorporated on 06 December 1958 in Pakistan under the Companies Act, 1913 [now the Companies Act, 2017] as a public limited Company and is quoted on Pakistan Stock Exchange Limited.

The Company is principally engaged in the hotel business and owns and manages the chain of Pearl Continental Hotels in Pakistan. The Company also grants franchise to use its trademark and name “Pearl Continental”.

Further, the Company is also in the process of constructing hotels in Multan, Punjab and Mirpur, Azad Jammu and Kashmir.

The registered office of the Company is situated at 1st Floor, NESPAK House, Sector G-5/2, Islamabad. The Company is principally engaged in the hotel business and owns and manages the chain of Pearl Continental Hotel and other immovable properties owned by the Company in Karachi, Lahore, Rawalpindi, Bhurban, Multan, Muzaffarabad, Mirpur, Gilgit, Hunza & Chitral.

## 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These condensed interim unconsolidated financial statements 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;
- Islamic Financial Accounting Standards [IFAS] issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

The disclosures in these interim unconsolidated financial statements do not include the information that was reported in annual audited unconsolidated financial statements and should therefore be read in conjunction with the annual audited unconsolidated financial statements for the year ended 30 June 2024. Comparative condensed interim unconsolidated statement of financial position is extracted from the annual audited unconsolidated financial statements for the year ended 30 June 2024, whereas comparative condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of cash flows and condensed interim unconsolidated statement of changes in equity are extracted from unaudited interim unconsolidated financial statements for the three months period ended 30 September 2023.

These interim unconsolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 2.1 Going concern basis of accounting

These condensed interim unconsolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue its operations and will discharge its liabilities including repayment of loans and interest thereon, in the normal course of business. Accordingly, these condensed interim unconsolidated financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

Management acknowledges that material uncertainty remains over the Company's ability to meet its funding requirements. However, management has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. If for any reason the Company is unable to continue as going concern, then this could have an impact on the Company's ability to realize assets, and to extinguish its liabilities in the normal course of business.

## 3 ACCOUNTING POLICIES AND ESTIMATES

### 3.1 Material accounting policy information

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2024.

There are certain changes to accounting and reporting standards which became applicable during the period, however, these changes have no material impact on these condensed interim unconsolidated financial statements.

### 3.2 Accounting estimates and judgments

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

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements of the Company for the year ended 30 June 2024.

## 4 SHARE CAPITAL

There is no change in the authorised, issued, subscribed and paid up share capital of the Company from 30 June 2024.

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000]	
<b>5 LOANS AND BORROWINGS - Secured</b>		
<b>a. Non current portion</b>		
Term Finance Loan - 1	892,081	892,081
Term Finance Loan - 3	499,987	499,987
Term Finance Loan - 4	999,980	1,199,980
Term Finance Loan - 5	288,967	309,264
Sukuk	4,473,129	4,473,129
Transaction cost	[12,732]	[18,236]
	7,141,412	7,356,205
Current portion of loans	[6,925,716]	[7,127,778]
	215,696	228,427
<b>b. Current portion</b>		
Current portion of loans	6,925,716	7,127,778
Markup accrued	1,091,201	893,240
	8,016,917	8,021,018

5.1 The Company is in process of restructuring its long term loans, since the company could not meet its due obligations, as disclosed in the annual unconsolidated financial statements for the year ended 30 June 2024, the entire loan amount has been classified to current liabilities as at the reporting date.

5.2 The markup rates, facility limits and securities offered for long term financing facilities are the same as disclosed in the annual audited unconsolidated financial statements of the Company for the year ended 30 June 2024.

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000]	
<b>6 LEASE LIABILITIES</b>		
Opening	273,343	306,558
Interest expenses	11,124	37,114
Additions during the period/ year	-	51,174
Termination of lease	-	[3,279]
Lease payments	[35,572]	[118,224]
Closing	248,895	273,343
Current portion	128,472	105,567
Non-current portion	120,423	167,776

6.1 The current payable amount to related party is Rs. 5.2 million [30 June 2024: Rs. 4.0 million]

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

		Unaudited 30 Sep 2024	Audited 30 June 2024
		[Rupees'000']	
<b>7 SHORT TERM BORROWINGS - secured</b>	Note		
Running finance facilities - from banking companies - secured	7.1	1,770,700	1,765,754
Markup accrued		89,497	99,473
		<u>1,860,197</u>	<u>1,865,227</u>

7.1 The facility limits, securities offered and markup rates of these short term borrowings are the same as disclosed in the annual audited unconsolidated financial statements of the Company for the year ended 30 June 2024.

		Unaudited 30 Sep 2024	Audited 30 June 2024
		[Rupees'000']	
<b>8 TRADE AND OTHER PAYABLES</b>	Note		
Creditors		1,820,192	1,674,553
Accrued liabilities	8.1	1,073,431	951,436
Shop deposits		50,325	50,895
Retention money		150,118	149,747
Due to related parties - unsecured		166,726	134,650
Sales tax payable		327,037	246,855
Income tax deducted at source		49,857	106,942
Unearned income		23,247	35,339
Provident Fund Payable		2,668	8,093
Other liabilities	8.2	226,506	323,925
		<u>3,890,107</u>	<u>3,682,435</u>

8.1 This includes amount of Rs. 94.181 million payable to directors & CEO of the Company.

8.2 This includes amount of Rs. 8.72 million [30 June 2024: Rs. 8.04 million] payable to directors.

## 9 CONTINGENCIES AND COMMITMENTS

### 9.1 Contingencies

9.1.1 There is no change in the contingent liabilities as reported in the annual audited unconsolidated financial statements for the year ended 30 June 2024 except for the following:

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000']	
<b>9.1.2 Guarantees</b>		
Guarantees issued by banks on behalf of the Company.	350,110	350,110

9.1.2.1 This also includes guarantee of Rs.7 million on behalf of wholly owned subsidiary company.

### 9.2 Commitments

Commitments for capital expenditures	3,007,411	3,007,411
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# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000']	
<b>10 PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets	44,344,825	44,468,274
Capital work in progress	10,533,053	10,099,274
	<u>54,877,878</u>	<u>54,567,548</u>
<b>10.1 Operating fixed assets</b>		
Carrying amount at beginning of the period / year	44,468,274	42,489,556
Additions during the period / year	599	1,027,593
Transfer from Capital work in progress	120,472	1,877,259
Disposal during the period / year	(2,227)	(24,040)
Lease termination	-	(17,611)
Depreciation charge for the period / year	(242,293)	(883,329)
Transfer to CWIP	-	(1,154)
Carrying amount at end of the period / year	<u>44,344,825</u>	<u>44,468,274</u>
<b>10.2 Capital work in progress</b>		
Carrying amount at beginning of the period / year	10,099,274	3,871,310
Additions during the period / year	554,251	2,143,904
Transferred to operating fixed assets	(120,472)	(1,877,259)
Transferred from / (to) assets held for sale	-	5,961,319
Carrying amount at end of the period / year	<u>10,533,053</u>	<u>10,099,334</u>
<b>10.3 Closing capital work in progress represents:</b>		
Construction of Pearl Continental Mirpur	3,666,386	3,664,299
Construction of Pearl Continental Multan	5,971,047	5,961,319
Other Civil Works	895,620	473,716
	<u>10,533,053</u>	<u>10,099,334</u>

10.3.1 Additions in and depreciation on property, plant and equipment during the three months period ended 30 September 2023 were Rs. 22.69 million and Rs. 224.25 million respectively.

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

		Unaudited 30 Sep 2024	Audited 30 June 2024
	Note	[Rupees'000]	
<b>11 ADVANCE FOR CAPITAL EXPENDITURE</b>			
Advance for purchase of land	11.1	668,820	668,820
Advance for purchase of Malir Delta Land	11.2	381,656	381,656
Impairment loss		(40,000)	(40,000)
		<b>1,010,476</b>	<b>1,010,476</b>
Advance for purchase of apartment		40,509	40,509
Impairment loss		(40,509)	(40,509)
		-	-
Advance for purchase of fixed assets		80,272	16,549
Advances for Pearl Continental Multan Project	11.3	15,912	15,912
Advances for Pearl Continental Mirpur Project		133,215	133,215
		<b>229,399</b>	<b>165,676</b>
		<b>1,239,875</b>	<b>1,176,152</b>

11.1 This includes amount of Rs. 626.82 million [2024: Rs. 626.82 million] paid to a related party, Associated Builders (Private) Limited, for purchase of tourist site piece(s) of land measuring 7.29 acres in Gwadar. In previous years, the Securities and Exchange Commission of Pakistan (SECP) has imposed penalty on the Company's directors under the provisions of section 199 of the Companies Act, 2017 by treating this advance as 'investment in associated company' and also directed the Company to place the matter before the shareholders of the Company in the general meeting and seek their approval in terms of section 199 of the Companies Act, 2017. The directors of the Company filed an appeal in the Honorable Islamabad High Court against the order of SECP. Simultaneously, without prejudice to the right of the Appellants, the management and Board have complied with the directions of SECP in this regard. During the previous year, the Honorable Islamabad High Court vide order dated 13 December 2023 has decided the matter in favor of the Company.

11.2 This represents amount paid for purchase of 1/3rd share [113.34 acres of land] from Ms. Seema Tressa Gill's situated in Deh Dih in the Delta of Malir River. The Company relying upon the representation of good title by Ms. Seema Tressa Gill entered into a Agreement to Sale with her 1/3rd share [113.34 acres land] against a total sale consideration of Rs 80 million which was followed by registered documents inter-alia includes a Deed of Conveyance. The relevant documents provide for indemnification by the Seller's against all losses, detriments occasioned to or sustained/suffered by the Purchaser due to any defect in the title of the Seller. The Company also paid regularization fee amounting to Rs. 301.65 million to the Land Utilization Department Govt. of Sindh on her behalf through Challan.

Legal proceedings of the above said piece of land were instituted in the Courts of Law, the Company being aggrieved and dissatisfied with a impugned judgment of High Court against dismissal of its Constitution Petition has filed a Civil Petition for Leave to Appeal (CPLA) before Hon'ble Supreme Court of Pakistan and presently the matter is pending adjudication before the Apex Court and Company is diligently pursuing the same. The Company based on the legal advice believes that the chances of an unfavorable outcome are low. However, even if there is an adverse decision as per legal opinion, the Company would be entitled to recover the amounts from the Seller as per the sale deed as well as from the relevant Government Department. In this regard the paid Challan for regularization fee also states that "Subject to the condition that the land in question is available on site and the lease money may be deposited into Government Treasury in the relevant Head of Accounts by the depositor at his own risk. In case if any irregularity/false information/ concealment of facts / stay of court is noticed hereafter, the malkano amount paid to this effect by the depositor shall be reimbursed, accordingly no provision has been recognized in these unconsolidated financial statements.

11.3 This represents amount paid to a related party of the parent company on account of project management services amounting to Rs. 15.91 million [30 June, 2024: 15.91].

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000']	
<b>12 INTANGIBLE ASSET</b>		
Software	62,578	67,510
<b>Cost</b>		
Opening balance	200,180	200,180
Additions	-	-
Closing balance	200,180	200,180
<b>Accumulated amortisation</b>		
Opening balance	132,670	108,726
Amortisation charge	4,932	23,944
Closing balance	137,602	132,670
<b>Net book value</b>		
Cost	200,180	200,180
Accumulated amortisation	(137,602)	(132,670)
Closing balance	62,578	67,510
Amortization rate per annum	30%	30%

## 13 ADVANCES AGAINST EQUITY INVESTMENT

These represent advances against equity investments of Rs. 731 million (30 June, 2024: Rs. 731 million) extended by the Company to its wholly owned subsidiary company Elite Properties (Private) Limited.

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000']	
<b>14 SHORT TERM INVESTMENTS</b>		
<i>Fair value through other comprehensive income</i>		
National Technology Development Corporation Limited	200	200
Indus Valley Solvent Oil Extraction Limited	500	500
Allowance for Impairment loss	(700)	(700)
	-	-
<i>Amortized cost</i>		
Term deposit receipt	637,579	637,579
Term Finance certificate	75,000	75,000
Accrued interest	6,173	4,663
	718,752	717,242
<i>Financial assets at fair value through profit or loss</i>		
Shares of listed Companies	598,318	695,665
	1,317,070	1,412,907

14.1 This mainly includes investment in an associated company having carrying value of Rs. 589.46 million (30 June 2024: Rs. 687.03 million).

14.2 Out of total shares 15,056,661 held by the Company in an associated company, 15,000,000 (30 June 2024: 15,000,000) ordinary shares are placed / lien marked as security against running finance facility availed by the Company.



# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

15	REVENUE - NET	Note	Unaudited	Unaudited
			30 Sep	30 Sep
			2024	2023
			[Rupees'000']	
	Rooms		2,136,263	1,846,352
	Food and beverages		2,402,500	2,076,852
	Other related services	15.1	307,891	255,880
	Fee revenue from franchise & management properties		27,139	34,771
	Shop license fees		9,721	9,048
			<b>4,883,514</b>	<b>4,222,903</b>
	Discounts		(122,501)	(110,430)
	Sales tax		(654,990)	(557,877)
			<b>4,106,023</b>	<b>3,554,596</b>

15.1 This includes revenue from telephone, laundry, discount cards and other ancillary services.

16	COST OF SALES AND SERVICES	Unaudited	Unaudited
		30 Sep	30 Sep
		2024	2023
<b>Food and beverages</b>			
	Opening balance	195,604	186,720
	Purchases during the period	552,458	544,854
	Closing balance	(151,655)	(158,403)
	Consumption during the period	<b>596,407</b>	<b>573,171</b>
<b>Direct expenses</b>			
	Salaries, wages and benefits	568,203	565,974
	Heat, light and power	556,136	479,205
	Repair and maintenance	128,140	115,990
	Depreciation	196,899	182,045
	Amortization of Software	4,439	6,037
	Guest supplies	85,397	81,511
	Linen, china and glassware	40,836	41,429
	Communication	2,603	1,759
	Laundry and dry cleaning	23,352	20,273
	Banquet and decoration	10,936	15,887
	Transportation	20,352	11,038
	Uniforms	5,797	7,616
	Music and entertainment	5,167	4,588
	Others	48,471	22,671
		<b>2,293,135</b>	<b>2,129,194</b>

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	[Rupees'000']	
<b>17 EARNINGS PER SHARE</b>		
Profit for the period [Rupees '000]	40,379	61,449
Weighted average number of ordinary shares [Numbers]	32,524,170	32,524,170
Earnings per share - basic [Rupees]	1.24	1.89
<b>18 CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>		
Profit before taxation	215,060	74,764
Adjustments for:		
Depreciation	242,293	224,256
Amortization	4,932	6,708
Gain on disposal of property, plant and equipment	2,859	[1,616]
Provision for staff retirement benefit - gratuity	22,928	28,964
Provision for compensated leave absences	7,723	9,828
Impairment loss on trade debts	14,342	3,815
Return on bank deposits / certificate of investments	30,550	[44,761]
Finance cost	541,132	466,633
Dividend income	-	[600]
Loss on remeasurement of investments to fair value	97,347	7,001
	<b>1,179,166</b>	<b>774,992</b>
<b>19 CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	237,512	453,099
Short term borrowings	[1,770,700]	[1,728,042]
Accrued profit on bank deposits	[1,414]	[1,773]
	<b>[1,534,602]</b>	<b>[1,276,716]</b>

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 20 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise associated and subsidiary companies, directors as well as their close family members, companies with common directorship, executives, key management personnel, major shareholders and provident fund. Detail of transactions and balances with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	[Rupees'000]	
<b>Transactions with wholly owned subsidiary companies</b>		
Sales	1,164	986
Services provided	3,533	3,799
Services availed	36,125	30,868
Refund of advance against equity	-	150,000
Purchase of assets	599	-
<b>Balances at period/ year ended:</b>		
-Trade debts	16,654	*13,480
-Long term investments	895,795	*895,795
-Advance against equity investment	731,000	*731,000
-Advances, prepayments, trade deposits & other receivables	19	*57
<b>Transactions with associated undertakings</b>		
Sales	72	1,246
Services provided	814	4,448
Services availed	142,447	122,191
Purchases	28,060	61,390
Franchise fee - income	1,774	1,948
<b>Balances at period/ year ended:</b>		
-Trade debts	44,798	*54,554
-Advances, prepayments, trade deposits & other receivables	38,260	*33,227
-Trade Creditors	61,949	*69,558
-Contract Liabilities	48,631	*29,916
<b>Transactions with other related parties</b>		
Sales	119	277
Services provided	534	-
Services availed	11,581	11,581
Contribution to defined contribution plan - provident fund	19,382	17,574
<b>Balances at period/ year ended:</b>		
-Trade debts	661	*762
<b>Transactions with key management personnel</b>		
Remuneration and allowances including staff retirement benefits	154,857	137,214
Receivables from key management personnel	1,173	*389

\* Represents balances as at 30 June 2024.

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 21 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

### 21.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount			Fair value				
		Amount in Rs'000			Total	Level 1	Level 2	Level 3	Total
		Financial Assets Fair value through profit or loss	Amortized cost	Financial Liabilities Amortized cost					
<b>30 September 2024</b>									
<b>Financial assets measured at fair value</b>									
Short term investments	14	598,318	-	-	598,318	598,318	-	-	598,318
<b>Financial assets not measured at fair value</b>									
Long term deposits		55,508	-	-	55,508	-	-	-	-
Trade deposits		64,326	-	-	64,326	-	-	-	-
Trade debts		-	1,075,494	-	1,075,494	-	-	-	-
Contract assets		-	11,655	-	11,655	-	-	-	-
Advance to employees		-	4,728	-	4,728	-	-	-	-
Other receivables		-	591,002	-	591,002	-	-	-	-
Short term investments		-	718,752	-	718,752	-	-	-	-
Bank balances		-	179,571	-	179,571	-	-	-	-
		119,834	2,581,202	-	2,701,036	-	-	-	-
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings		-	-	8,245,345	8,245,345	-	-	-	-
Other liabilities		-	-	160,143	160,143	-	-	-	-
Short term borrowings		-	-	1,860,197	1,860,197	-	-	-	-
Lease liabilities		-	-	248,895	248,895	-	-	-	-
Trade and other payables		-	-	3,890,107	3,890,107	-	-	-	-
Unclaimed dividend		-	-	9,242	9,242	-	-	-	-
Unpaid dividend		-	-	1,528	1,528	-	-	-	-
		-	-	14,415,457	14,415,457	-	-	-	-
<b>30 June 2024</b>									
<b>Financial assets measured at fair value</b>									
Short term investment	14	695,665	-	-	695,665	695,665	-	-	695,665
		695,665	-	-	695,665	695,665	-	-	695,665
<b>Financial assets not measured at fair value</b>									
Long term deposits		17,581	-	-	17,581	-	-	-	-
Trade deposits		33,419	-	-	33,419	-	-	-	-
Trade debts		-	879,974	-	879,974	-	-	-	-
Contract assets		-	46,156	-	46,156	-	-	-	-
Advance to employees		-	3,352	-	3,352	-	-	-	-
Other receivables		-	120,085	-	120,085	-	-	-	-
Short term investments		-	717,242	-	717,242	-	-	-	-
Bank balances		-	367,639	-	367,639	-	-	-	-
		51,000	2,134,448	-	2,185,448	-	-	-	-
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings		-	-	8,267,681	8,267,681	-	-	-	-
Other liabilities		-	-	221,498	221,498	-	-	-	-
Short term borrowings		-	-	1,865,227	1,865,227	-	-	-	-
Lease liabilities		-	-	273,343	273,343	-	-	-	-
Trade and other payables		-	-	3,293,299	3,293,299	-	-	-	-
Unclaimed dividend		-	-	9,242	9,242	-	-	-	-
Unpaid dividend		-	-	1,528	1,528	-	-	-	-
		-	-	13,931,818	13,931,818	-	-	-	-

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

- 21.2 The Company has not disclosed the fair values for these financial assets and financial liabilities, because their carrying amounts are reasonable approximation of fair value.
- 21.3 It excludes, federal excise duty, bed tax and sales tax payable, banquet / beverage tax, unearned income and income tax deducted at source.

## 22 DATE OF AUTHORISATION FOR ISSUE

- 22.1 These condensed interim unconsolidated financial statements were authorized for issue by the Board of Directors of the Company in its meeting held on 26 November 2024.




**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer

A modern, well-lit interior space, likely a hotel room or office. In the foreground, a dark wood desk with a light-colored top holds a lamp with a white shade, two water bottles, and a glass. A black chair with a patterned seat is tucked under the desk. In the background, a dining table with four wooden chairs is set with glassware and a small vase. A large mirror on the wall reflects the room. The lighting is warm and ambient, with recessed ceiling lights and floor lamps.

# CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED  
30 SEPTEMBER 2024



PC LEGACY HUNZA- EXECUTIVE SUITE KING

# Condensed Interim Consolidated Statement of Financial Position

As at 30 September 2024

		Unaudited 30 Sep 2024	Audited 30 June 2024
	Note	(Rupees'000)	
<b>EQUITY</b>			
Share capital	4	325,242	325,242
Capital reserve		727,747	727,747
Revenue reserves		8,334,399	8,306,621
Revaluation surplus on property, plant and equipment		34,737,302	34,737,302
Equity attributable to owners		44,124,690	44,096,912
Non-controlling interest		260,235	266,205
<b>Total equity</b>		<b>44,384,925</b>	<b>44,363,117</b>
<b>LIABILITIES</b>			
Loans and borrowings	5	605,479	623,669
Lease liabilities	6	136,903	191,595
Employee benefits		1,142,257	1,141,905
Other liabilities		154,786	210,252
Deferred tax liability - net		456,068	408,069
<b>Non - current liabilities</b>		<b>2,495,493</b>	<b>2,575,490</b>
Short term borrowings	7	2,125,721	2,124,149
Current portion of loans and borrowings	5	8,189,110	8,188,038
Current portion of lease liabilities	6	165,439	143,642
Trade and other payables	8	3,997,448	3,771,116
Contract liabilities		967,227	975,052
Other Liabilities		5,357	11,245
Unpaid dividend		1,528	1,528
Unclaimed dividend		9,242	9,242
<b>Current liabilities</b>		<b>15,461,072</b>	<b>15,224,012</b>
<b>Total equity and liabilities</b>		<b>62,341,490</b>	<b>62,162,619</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9		

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.



	Note	Unaudited 30 Sep 2024 [Rupees'000]	Audited 30 June 2024
<b>ASSETS</b>			
Property, plant and equipment	10	55,034,035	54,730,960
Intangible asset	11	62,578	67,510
Advance for capital expenditure	12	1,239,875	1,176,152
Investment property		72,000	72,000
Long term investments		1,259,828	1,357,395
Advance against equity investment	13	-	-
Long term deposits		56,070	17,581
<b>Non - current assets</b>		<b>57,724,386</b>	<b>57,421,598</b>
Inventories		508,671	546,474
Development properties		470,795	470,795
Trade debts		1,105,300	901,736
Contract assets		11,655	46,156
Advances, prepayments, trade deposits and other receivables		1,056,002	1,076,073
Short term investments	14	731,012	729,282
Advance tax - net		431,757	459,796
Cash and bank balances		301,912	510,709
<b>Current assets</b>		<b>4,617,104</b>	<b>4,741,021</b>
<b>Total assets</b>		<b>62,341,490</b>	<b>62,162,619</b>

  
**Bastien Paul Emile Blanc**  
 Chief Executive Officer

  
**Shakir Abu Bakar**  
 Director

  
**Tahir Mahmood**  
 Chief Financial Officer

# Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

For the three months period ended 30 September 2024

	Note	Unaudited 30 Sep 2024 (Rupees'000)	Unaudited 30 Sep 2023
Revenue - net	15	4,167,858	3,605,271
Cost of sales and services	16	(2,342,700)	(2,184,996)
<b>Gross profit</b>		<b>1,825,158</b>	<b>1,420,275</b>
Other income		39,779	34,042
Administrative expenses		(1,027,594)	(971,800)
Other expense		(192,532)	-
Impairment loss on trade debts		(14,342)	(3,815)
<b>Operating profit</b>		<b>630,469</b>	<b>478,702</b>
Finance income		38,228	(3,099)
Gain on remeasurement of investments to fair value - net		220	226
Finance cost		(560,815)	(488,330)
<b>Net finance cost</b>		<b>(522,367)</b>	<b>(491,203)</b>
Share of profit in equity accounted investments		65,625	33,165
<b>Profit before taxation</b>		<b>173,727</b>	<b>20,664</b>
Income tax expense		(181,259)	(15,460)
<b>[Loss] / Profit for the period</b>		<b>(7,532)</b>	<b>5,204</b>
[Loss] / profit attributable to:			
Owners of the Company		(1,562)	17,634
Non-controlling interests		(5,970)	(12,430)
		(7,532)	5,204
[Loss]/earning per share - basic and diluted] (Rupees)	17	(0.05)	0.54

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.

  
**Bastien Paul Emile Blanc**  
Chief Executive Officer

  
**Shakir Abu Bakar**  
Director

  
**Tahir Mahmood**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	[Rupees'000]	
[Loss] / Profit for the period	(7,532)	5,204
Other comprehensive income for the period	29,340	-
Total comprehensive income for the period	<b>21,808</b>	<b>5,204</b>
<b>Total comprehensive income- [loss] attributable to:</b>		
Owners of the Company	27,778	17,634
Non-controlling interests	(5,970)	(12,430)
	<b>21,808</b>	<b>5,204</b>

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Changes in Equity [Unaudited]

For the three months period ended 30 September 2024

	Capital reserve			Revenue reserves					Total	Non-controlling interest	Total equity	
	Share premium	Acquisition reserve	Shares of associates's capital reserve	General reserve	Fair value through other comprehensive income	Exchange translation reserve (net of tax)	Share of other items of associate	Unappropriated profit				Surplus on revaluation of property, plant and equipment
Balance at 01 July 2023	269,424	(271,575)	147,221	1,600,000	19,678	2,170,394	3,125	1,827,768	36,498,205	42,589,482	11,7667	42,707,149
Total comprehensive income for the period	-	-	-	-	-	-	-	17,634	-	17,634	(12,430)	5,204
Profit / (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Advance against issuance of shares	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	17,634	-	17,634	(12,430)	5,204
Transactions with owners												
Balance at 30 September 2023	269,424	(271,575)	147,221	1,600,000	19,678	2,170,394	3,125	1,845,402	36,498,205	42,607,116	105,237	42,712,353
Balance at 01 July 2024	269,424	311,102	147,221	1,600,000	5,933	2,057,955	97,845	4,544,888	34,737,302	44,096,912	266,205	44,363,117
Total comprehensive income for the period	-	-	-	-	-	-	29,340	(1,562)	-	27,778	(5,970)	21,808
Profit / (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	29,340	(1,562)	-	27,778	(5,970)	21,808
Total comprehensive income for the period	-	-	-	-	-	-	29,340	(1,562)	-	27,778	(5,970)	21,808
Balance at 30 September 2024	269,424	311,102	147,221	1,600,000	5,933	2,057,955	127,185	4,543,326	34,737,302	44,124,690	260,235	44,384,925

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

For the three months period ended 30 September 2024

	Note	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
		[Rupees'000]	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash flows from operating activities before working capital changes	18	1,121,948	753,322
<b>Working capital changes</b>			
<b>[Increase] / decrease in current assets</b>			
Inventories		37,803	845
Development properties		-	149,999
Trade debts		(217,906)	(36,456)
Contract assets		34,501	(74,707)
Advances		-	(8,718)
Trade deposits and prepayments		20,071	(80,854)
Other receivables		-	(109,351)
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payables		226,332	82,895
Other liabilities		(61,354)	-
Contract liabilities		(7,825)	43,644
<b>Cash generated / (used in) operations</b>		<b>31,622</b>	<b>(32,703)</b>
Staff retirement benefit - gratuity paid		(18,204)	(6,035)
Compensated leave absences paid		(12,925)	(8,096)
Income tax refund / (paid)- net		(105,221)	333,291
Finance cost paid		(362,145)	(272,129)
<b>Net cash generated from operating activities</b>		<b>655,075</b>	<b>767,649</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		(554,557)	(698,677)
Advance for capital expenditure		(63,723)	(160,758)
Payment for Intangible asset		-	(7,353)
Proceeds from disposal of property, plant and equipment		4,467	5,391
Advance against asset held for sale		-	(58,535)
Receipts of return on bank deposits and short term investments		35,541	43,425
Long term deposits and prepayments		(38,489)	150
<b>Net cash used in investing activities</b>		<b>(616,761)</b>	<b>(876,357)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing		(225,764)	-
Proceeds from short term loan		6,600	28,572
Proceeds from allocation of rooms on long term basis		-	21,795
Lease liabilities paid		(32,895)	(27,003)
<b>Net cash (used in) / generated financing activities</b>		<b>(252,059)</b>	<b>23,364</b>
<b>Net decreases in cash and cash equivalents</b>		<b>(213,745)</b>	<b>(85,344)</b>
Cash and cash equivalents at beginning of the period		(1,256,458)	(1,145,455)
Cash and cash equivalents at end of the period	19	(1,470,203)	(1,230,799)

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.

  
Bastien Paul Emile Blanc  
Chief Executive Officer

  
Shakir Abu Bakar  
Director

  
Tahir Mahmood  
Chief Financial Officer

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 1 THE GROUP AND ITS OPERATIONS

Pakistan Services Limited (“the Parent Company”) was incorporated on 06 December 1958 in Pakistan under the Companies Act, 1913 [now Companies Act, 2017] as a public limited Company and is quoted on Pakistan Stock Exchange Limited. The Parent Company’s registered office is situated at 1st Floor, NESPAK House, Sector G-5/2, Islamabad. The Parent Company is principally engaged in the hotel business and owns and manages the chain of Pearl Continental Hotels in Karachi, Lahore, Rawalpindi, Bhurban, and Muzaffarabad Azad Jammu & Kashmir. The Parent Company also grants franchise to use its trade mark and name “Pearl Continental”.

Further, the Parent Company is in the process of constructing hotels in Multan and Mirpur, Azad Jammu & Kashmir.

These condensed interim consolidated financial statements includes the condensed interim financial statements of the Parent Company and the following Subsidiary Companies together constituting “the Group”:

Subsidiary Companies	Nature of business	Holding
Pearl Tours and Travels (Private) Limited	Rent-a-car, tour packages and travel related work	100%
Pearl Continental Hotels (Private) Limited	Non-operational	100%
City Properties (Private) Limited “CPPL group”	Real Estate Development & Strategic investments	100%
Elite Properties (Private) Limited	Real Estate Development (non-operative)	100%
Inveny (Private) Limited “Inveny group”	Diversified investments	78.31% [through CPPL group]
Pak Vitae (Private) Limited	Clean water product	43.39% [through Inveny group]

## 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These condensed interim consolidated financial statements 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

The disclosures in these interim consolidated financial statements do not include the information that was reported in annual audited consolidated financial statements and should therefore be read in conjunction with the annual audited consolidated financial statements for the year ended 30 June 2024. Comparative condensed interim consolidated statement of financial position is extracted from the annual audited consolidated financial statements for the year ended 30 June 2024, whereas comparative condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated statement of changes in equity are extracted from unaudited interim consolidated financial statements for the three months period ended 30 September 2023.

These interim consolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 2.1 Going concern basis of accounting

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to continue its operations and will discharge its liabilities including repayment of loans and interest thereon, in the normal course of business. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

Management acknowledges that material uncertainty remains over the Group's ability to meet its funding requirements. However, management has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. If for any reason the Group is unable to continue as going concern, then this could have an impact on the Group's ability to realize assets, and to extinguish its liabilities in the normal course of business.

## 3 ACCOUNTING POLICIES AND ESTIMATES

### 3.1 Significant accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the financial statements of the Group for the year ended 30 June 2024.

### 3.2 Accounting estimates and judgments

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements of the Parent Company for the year ended 30 June 2024.

#### Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the management.

Finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

#### Significant valuation issues are reported to the Board.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 4 SHARE CAPITAL

There is no change in the authorised, issued, subscribed and paid up share capital of the Parent Company from 30 June 2024.

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000]	
<b>5 LOANS AND BORROWINGS - Secured</b>		
<b>a. Non current portion</b>		
Term Finance Loan - 1	892,081	892,081
Term Finance Loan - 3	499,987	499,987
Term Finance Loan - 4	999,980	1,199,980
Term Finance Loan - 6	288,967	309,264
Sukuk	4,473,129	4,473,129
Preference Shares	279,000	279,000
Term Finance Loan - 7	75,783	81,250
Term Finance Loan - 8	45,000	45,000
Transaction cost	[12,732]	[18,236]
	7,541,195	7,761,455
Current portion of loans	[6,935,716]	[7,137,786]
	605,479	623,669
<b>b. Current portion</b>		
Current portion of loans	6,935,716	7,137,786
Markup accrued	1,253,394	1,050,252
	8,189,110	8,188,038

5.1 The Parent Company is in process of restructuring its long term loans, since the company could not meet its due obligations, as disclosed in the annual consolidated financial statements for the year ended 30 June 2024, the entire loan amount has been classified to current liabilities as at the reporting date.

5.2 The markup rates, facility limits and securities offered for long term financing facilities are the same as disclosed in the annual audited consolidated financial statements of the Group for the year ended 30 June 2024.



# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

6 LEASE LIABILITIES		Unaudited	Audited
		30 Sep 2024	30 June 2024
		[Rupees'000]	
Opening		335,237	400,070
Additions		-	54,752
Interest expense		11,124	53,223
Termination		-	[5,347]
Payments		[44,019]	[167,461]
Closing		302,342	335,237
Current portion		165,439	143,642
Non-current portion		136,903	191,595

7 SHORT TERM BORROWINGS - secured		Note	Unaudited	Audited
			30 Sep 2024	30 June 2024
			[Rupees'000]	
Running finance facilities - banking companies		7.1	1,770,701	1,765,753
Short term loan - unsecured		7.2	260,523	253,923
Short term loan			5,000	5,000
Markup accrued			89,497	99,473
			2,125,721	2,124,149

7.1 The facility limits, securities offered and markup rates of these short term borrowings are the same as disclosed in the annual audited consolidated financial statements of the Group for the year ended 30 June 2024.

7.2 This include san amount of Rs. 18.31 million [30 June 2024: Rs. 11.70 million] due to director of the Parent Company and an amount fo Rs. 25.18 million [30 June 2024: Rs. 25.18 million] due to director of subsidiary company, and from related parties Rs. 217.03 million [30 June 2024: Rs. 217.03 million] .

8 TRADE AND OTHER PAYABLES		Note	Unaudited	Audited
			30 Sep 2024	30 June 2024
			[Rupees'000']	
Creditors			1,854,303	1,709,342
Accrued liabilities		8.1	1,145,719	1,017,029
Shop deposits			50,325	50,895
Retention money			150,118	149,747
Due to related parties - unsecured			108,377	78,475
Sales tax payable			289,249	246,855
Income tax deducted at source			96,232	115,232
Un-earned income			23,247	35,339
Payable to provident fund			2,668	8,093
Other liabilities		8.2	277,210	360,109
			3,997,448	3,771,116

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

8.1 This includes amount of Rs. 94.181 million payable to directors & CEO of the Parent Company.

8.2 This includes amount of Rs. 8.72 million (June 2024: Rs. 8.04 million) payable to directors of the parent company.

## 9 CONTINGENCIES AND COMMITMENTS

### 9.1 Contingencies

9.1.1 There is no change in the contingent liabilities as reported in the annual audited consolidated financial statements of the Group for the year ended 30 June 2024 except for the following:

	Unaudited 30 Sep 2024	Audited 30 June 2024
	[Rupees'000]	
9.1.2 Guarantees	350,110	351,246

9.1.2.1 This also includes guarantee of Rs.7 million on behalf of wholly owned subsidiary company.

9.1.2.2 The Group has issued corporate guarantee of Rs. 630 million (30 June 2024: 630 million) to financial institution on behalf of its Pak Vitae (Private) Limited, a subsidiary company of the Group.

		Unaudited 30 Sep 2024	Audited 30 June 2024
		[Rupees'000]	
9.2 Commitments	Note		
Commitments for capital expenditures		3,008,547	3,007,411
10 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	10.1	44,500,983	44,631,625
Capital work in progress	10.2	10,533,052	10,099,334
		55,034,035	54,730,960
10.1 Operating fixed assets			
Carrying amount at beginning of the period / year		44,631,625	42,705,243
Additions during the period / year	10.2.2	599	157,080
Transfer from Capital work in progress		120,248	1,877,259
Asset transfer from held for sale		-	363,300
Revaluation Surplus		-	510,000
Lease Termination		-	[2,723]
Transfer to CWIP		-	[1,154]
Impact of Subsidiary Disposal		-	[10,660]
Disposal during the period / year		[2,825]	[23,652]
Depreciation charge for the period / year	10.2.2	[248,664]	[943,068]
Carrying amount at end of the period / year		44,500,983	44,631,625

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

		Unaudited 30 Sep 2024	Audited 30 June 2024
	Note	[Rupees'000]	
<b>10.2 Capital work in progress</b>			
Carrying amount at beginning of the period / year		10,099,334	3,871,370
Additions during the period / year		553,966	2,143,904
Transferred to operating fixed assets		[120,248]	[1,877,259]
Transfers to asset held for sale		-	5,961,319
Carrying amount at end of the period / year	10.2.1	<u>10,533,052</u>	<u>10,099,334</u>
<b>10.2.1 Closing capital work in progress represents:</b>			
Construction of Pearl Continental Multan		5,971,047	3,664,299
Construction of Pearl Continental Mirpur		3,666,385	5,961,319
Other civil works		895,620	473,716
		<u>10,533,052</u>	<u>10,099,334</u>

10.2.2 Additions in and depreciation on property, plant and equipment during the three months period ended 30 September 2023 were Rs. 22.70 million and Rs. 232.73 million respectively.

		Unaudited 30 Sep 2024	Audited 30 June 2024
		[Rupees'000]	
<b>11 INTANGIBLE ASSET</b>			
Software		62,578	67,510
		<u>62,578</u>	<u>67,510</u>
<b>Cost</b>			
Opening balance		200,180	789,462
Additions		-	8,755
Impact of subsidiary disposal		-	[377,268]
Other adjustments		-	[1,806]
Impairment		-	[216,074]
Closing balance		<u>200,180</u>	<u>203,069</u>
<b>Accumulated amortisation</b>			
Opening balance		132,670	111,615
Amortisation charge		4,932	23,944
Closing balance		<u>137,602</u>	<u>135,559</u>
<b>Net book value</b>			
Cost		200,180	203,069
Accumulated amortisation		137,602	135,559
Closing balance		<u>62,578</u>	<u>67,510</u>
<b>Amortisation rate per annum</b>			
Project under development		-	5% to 10%
Software		30%	30%

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

		Unaudited 30 Sep 2024	Audited 30 June 2024
		[Rupees'000]	
<b>12 ADVANCE FOR CAPITAL EXPENDITURE</b>			
Advance for purchase of land	12.1	668,820	668,820
Advance for purchase of Malir Delta Land	12.2	381,656	381,656
Impairment loss		[40,000]	[40,000]
		<b>1,010,476</b>	<b>1,010,476</b>
Advance for purchase of apartment		40,509	40,509
Impairment loss		[40,509]	[40,509]
		-	-
Advance for purchase of fixed assets		80,272	16,549
Advances for Pearl Continental Multan Project	12.3	15,912	15,912
Advances for Pearl Continental Mirpur Project		133,215	133,215
		<b>229,399</b>	<b>165,676</b>
		<b>1,239,875</b>	<b>1,176,152</b>

12.1 This includes amount of Rs. 626.82 million [30 June 2024: Rs. 626.82 million] paid to a related party, Associated Builders (Private) Limited, for purchase of tourist site piece[s] of land measuring 7.29 acres in Gwadar, in previous years, the Securities and Exchange Commission of Pakistan (SECP) has imposed penalty on the Parent Company's directors under the provisions of section 199 of the Companies Act, 2017 by treating this advance as 'investment in associated company' and also directed the Parent Company to place the matter before the shareholders of the Parent Company in the general meeting and seek their approval in terms of section 199 of the Companies Act, 2017. The directors of the Parent Company has filed an appeal in the Honourable Islamabad High Court against the order of SECP. Simultaneously, without prejudice to the right of the Appellants, the management and Board have complied with the directions of SECP in this regard. During the previous year, the Honorable Islamabad High Court vide order dated 13 December 2023 has decided the matter in favor of the Company

12.2 This represents amount paid for purchase of 1/3rd share [113.34 acres of land] from Ms. Seema Tressa Gill's situated in Deh Dih in the Delta of Malir River. The Parent Company relying upon the representation of good title by Ms. Seema Tressa Gill entered into a Agreement to Sale with her 1/3rd share [113.34 acres land] against a total sale consideration of Rs 80 million which was followed by registered documents inter-alia includes a Deed of Conveyance. The relevant documents provide for indemnification by the Seller's against all losses, detriments occasioned to or sustained/suffered by the Purchaser due to any defect in the title of the Seller. The Parent Company also paid regularization fee amounting to Rs. 301.65 million to the Land Utilization Department Govt. of Sindh on her behalf through Challan.

Legal proceedings of the above said piece of land were instituted in the Courts of Law, the Parent Company being aggrieved and dissatisfied with a impugned judgment of High Court against dismissal of its Constitution Petition has filed a Civil Petition for Leave to Appeal [CPLA] before Hon'ble Supreme Court of Pakistan and presently the matter is pending adjudication before the Apex Court and Parent Company is diligently pursuing the same. The Parent Company is hopeful of a favorable result. However, even if there is an adverse decision as per legal opinion, the Parent Company would be entitled to recover the amounts from the Seller as well as from the relevant Government Department. In this regard the paid Challan for regularization fee also states that "Subject to the condition that the land in question is available on site and the lease money may be deposited into Government Treasury in the relevant Head of Accounts by the depositor at his own risk. In case if any irregularity/false information/ concealment of facts / stay of court is noticed hereafter, the malkano amount paid to this effect by the depositor shall be reimbursed.

12.3 This represents amount paid to a related party of the parent company on account of project management services amounting to Rs. 15.91 million [30 June 2024: 15.91].



# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	[Rupees'000]	
<b>16 COST OF SALES AND SERVICES</b>		
<b>Food and beverages</b>		
Opening balance	195,604	186,720
Purchases during the period	552,458	544,854
Closing balance	(151,655)	(158,403)
Consumption during the period	596,407	573,171
<b>Direct expenses</b>		
Salaries, wages and benefits	595,391	589,639
Heat, light and power	556,136	479,205
Repair and maintenance	128,305	115,990
Depreciation	202,549	188,221
Amortization	4,439	6,037
Guest supplies	85,397	81,511
Linen, china and glassware	40,836	41,429
Communication	2,603	1,759
Laundry and dry cleaning	23,352	20,273
Banquet and decoration	10,936	15,887
Transportation	2,284	1,792
Uniforms	5,797	7,616
Music and entertainment	5,167	4,588
Insurance	1,068	827
Vehicle operating Expense	26,704	26,404
Vehicle Rental and Registration Charges	10,120	5,463
Others	45,209	25,184
	<b>2,342,700</b>	<b>2,184,996</b>

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	(Rupees'000)	
<b>17 [LOSS] EARNINGS PER SHARE</b>		
[Loss] / Profit for the period	(1,562)	17,634
Weighted average number of ordinary shares	32,524,170	32,524,170
[Loss] / earnings per share - basic (Rupees)	(0.05)	0.54
17.1 There is no dilution effect on the basic earnings per share of the Company.		
<b>18 CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>		
Profit before taxation	173,727	20,664
Adjustments for:		
Depreciation	248,664	232,733
Amortization	4,932	7,302
[Gain] on disposal of property, plant and equipment	(1,642)	(1,616)
Provision for staff retirement benefit - gratuity	23,807	29,958
Provision for compensated leave absences	7,667	9,897
Impairment loss on trade debts	14,342	3,815
Return on bank deposits / certificate of investments	(37,051)	(44,761)
Finance cost	560,815	488,330
[Gain] on remeasurement of investments to fair value	(220)	(226)
Share of profit in equity accounted investment-net	(65,625)	(33,165)
Impairment charge on investment in associated company	192,532	40,391
	<b>1,121,948</b>	<b>753,322</b>
<b>19 CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	301,912	498,416
Short term borrowings	(1,770,701)	(1,727,442)
Accrued profit on bank deposits	(1,414)	(1,773)
	<b>(1,470,203)</b>	<b>(1,230,799)</b>

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 20 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise associated companies, directors as well as their close family members, companies with common directorship, executives, key management personnel, major shareholders and provident fund. Detail of transactions and balances with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Unaudited 30 Sep 2024	Unaudited 30 Sep 2023
	[Rupees'000]	
<b>Transactions with associated undertakings</b>		
Sales	72	1,246
Services provided	814	22,355
Services availed	142,447	125,778
Purchases	28,060	62,177
Franchise fee - income	1,774	1,948
<b>Balances as at the period end:</b>		
- Trade debts	45,024	*54,759
- Trade Advances, deposits and prepayments	39,340	*34,307
<b>Transactions with other related parties</b>		
Sales	119	277
Services provided	534	-
Services availed	11,581	11,581
Contribution to defined contribution plan - provident fund	19,382	17,574
<b>Balances as at the period end:</b>		
- Trade debts	680	* 781
<b>Transactions with key management personnel</b>		
Remuneration and allowances including staff retirement benefits	170,500	139,857
Loan from key management personnel during the period	6,600	28,572
Receivable from Key management personnel	1,173	* 389

\* Represents balances as at 30 June 2024.



# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

## 21 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

### 21.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount				Fair value				
		Amount in Rs'000				Total	Level 1	Level 2	Level 3	Total
		Financial Assets		Financial Liabilities						
Fair value through profit or loss	Fair value through OCI	Amortized cost	Amortized cost							
<b>30 September 2024</b>										
<b>Financial assets measured at fair value</b>										
Short term investments	14	12,260	-	-	-	12,260	12,260	-	-	12,260
Long term investments										
		<u>12,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,260</u>	<u>12,260</u>	<u>-</u>	<u>-</u>	<u>12,260</u>
<b>Financial assets not measured at fair value</b>										
Long term deposits	21.2	56,070	-	-	-	56,070	-	-	-	-
Short term deposits		23,756	-	-	-	23,756	-	-	-	-
Trade debts		-	-	1,105,300	-	1,105,300	-	-	-	-
Contract assets		-	-	11,655	-	11,655	-	-	-	-
Advance to employees		-	-	10,898	-	10,898	-	-	-	-
Other receivables		-	-	121,527	-	121,527	-	-	-	-
Short term investments	14	-	-	715,989	-	715,989	-	-	-	-
Accrued interest		-	-	6,173	-	6,173	-	-	-	-
Cash and bank balances		-	-	301,912	-	301,912	-	-	-	-
		<u>-</u>	<u>-</u>	<u>2,273,454</u>	<u>-</u>	<u>2,273,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>										
Loans and borrowings	21.2	-	-	-	8,189,110	8,189,110	-	-	-	-
Other non-current liabilities	5	-	-	-	154,786	154,786	-	-	-	-
Short term borrowings	7	-	-	-	2,125,721	2,125,721	-	-	-	-
Lease liabilities	6	-	-	-	302,342	302,342	-	-	-	-
Trade and other payables	21.3	-	-	-	3,588,720	3,588,720	-	-	-	-
Unclaimed dividend		-	-	-	9,242	9,242	-	-	-	-
Unpaid dividend		-	-	-	1,528	1,528	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>14,371,449</u>	<u>14,371,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>30 June 2024</b>										
<b>Financial assets measured at fair value</b>										
Short term investments	14	12,040	-	-	-	12,040	12,040	-	-	12,040
Long term investment		-	670,360	-	-	670,360	279,228	-	391,132	670,360
		<u>12,040</u>	<u>670,360</u>	<u>-</u>	<u>-</u>	<u>682,400</u>	<u>291,268</u>	<u>-</u>	<u>391,132</u>	<u>682,400</u>
<b>Financial assets not measured at fair value</b>										
Long term deposits	21.2	17,581	-	-	-	17,581	-	-	-	-
Short term deposits		34,006	-	-	-	34,006	-	-	-	-
Trade debts		-	-	901,736	-	901,736	-	-	-	-
Contract assets		-	-	46,156	-	46,156	-	-	-	-
Advance to employees		-	-	4,653	-	4,653	-	-	-	-
Other receivables		-	-	316,717	-	316,717	-	-	-	-
Short term investments	14	-	-	715,989	-	715,989	-	-	-	-
Accrued interest		-	-	4,663	-	4,663	-	-	-	-
Cash and bank balances		-	-	437,125	-	437,125	-	-	-	-
		<u>51,587</u>	<u>-</u>	<u>2,427,039</u>	<u>-</u>	<u>2,478,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>										
Loans and borrowings	21.2	-	-	-	8,829,943	8,829,943	-	-	-	-
Other non-current liabilities	5	-	-	-	221,497	221,497	-	-	-	-
Short term borrowings	7	-	-	-	2,124,149	2,124,149	-	-	-	-
Lease liabilities	6	-	-	-	335,237	335,237	-	-	-	-
Trade and other payables	21.3	-	-	-	3,373,690	3,373,690	-	-	-	-
Unclaimed dividend		-	-	-	9,242	9,242	-	-	-	-
Unpaid dividend		-	-	-	1,528	1,528	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>14,895,286</u>	<u>14,895,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months period ended 30 September 2024

- 21.2 The Group has not disclosed the fair values for these financial assets and financial liabilities, because their carrying amounts are reasonable approximation of fair value.
- 21.3 It excludes, federal excise duty, bed tax and sales tax payable, banquet / beverage tax, unearned income and income tax deducted at source.

## 22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors of the Parent Company in its meeting held on 26 November 2024.



**Bastien Paul Emile Blanc**  
Chief Executive Officer



**Shakir Abu Bakar**  
Director



**Tahir Mahmood**  
Chief Financial Officer





PAKISTAN SERVICES LTD.

OWNERS AND OPERATORS OF



Pearl-Continental

HOTELS & RESORTS

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