AUDITED
FINANCIAL STATEMENTS
For the Year Ended
JUNE 30, 2025

PHDL

PAKISTAN HOTELS DEVELOPERS LIMITED

CONTENTS

CORPORATE PROFILE

NAME OF LIQUIDATORS

1) Mr. Mohsin Ferozuddin
2) Mr. Masroor F. Baweja
3) Mr. Muzaffar F.Baweja
4) Mr. Zaheer Baweja
5) Mr. Zubair Baweja

COMPANY SECRETARY:

Masood Anwer

Chief Financial Officer:

M. Taha Ali Khan

BANKERS :

1) Al Baraka Bank (Pakistan) Ltd.
2) Bank Al-Habib Ltd.
3) Bank Al-Falah Ltd.
4) Bank Makramah Ltd.
5) Faysal Bank Ltd.
6) United Bank Ltd.

AUDITORS:

Clarkson Hyde Saud Ansari
Chartered Accountants

LEGAL ADVISOR:

Mukesh K. Sharma

INDEPENDENT SHARE REGISTRAR

F. D. Registrar Services (SMC-Pvt.) Limited
17th Floor, Saima Trade Tower-A,
I. I. Chundrigar Road, Karachi.

REGISTERED OFFICE:

Office No.202, 2nd Floor,
Marium Complex, Plot No.59,
Survey Sheet No.35-P/1, Survey No.15,
Bihar Muslim Cooperative Housing Society,
Block – 3, Sharfabad, Karachi.

LIQUIDATORS' REPORT TO MEMBERS

The undersigned were appointed, as Liquidator of the Company upon passing the special resolution by the Company on 31st December 2024. After taking charge as liquidators, the following steps have been taken:

1. Details and documentation of all the assets and liabilities of the Company were ascertained, reviewed and taken into possession.
2. The preliminary report was submitted to the Securities and Exchange Commission of Pakistan (SECP) under section 321 of the Companies Act 2017 on 30th January, 2025.
3. Since the company carried out business activities till 18th July 2024 when it handed over its sole property (building premises of Regent Plaza Hotel) to SIUT Trust, an account statement till September 30, 2024 was provided by the directors of the Company to SECP together with declaration of solvency. The 90% of the sale proceeds realized by the Company as a result of disposal of its sole property was distributed amongst shareholders and from the remaining 10% an amount of Rs.580 million paid towards the advance tax u/s. 236c and the balance amount Rs.870 million kept in a saving bank account to earn profit for the purposes of compensating the effect of inflation.
4. The summarized position of receipts and payments during the period from taking over charge till June 30, 2025 is presented below together with changes in net assets::

Receipts and Payments

Profit on bank deposits (Rs.)	52,161,000
Tax deductions on profit on bank deposits (Rs.)	(7,824,000)
Payments	(14,063,000)
Surplus receipt over payment net of tax withheld at source (Rs.)	30,274,000

Changes in net-assets

Net assets as at October 31, 2024 (Rs.)	1,463,791,000
Net change in assets upto December 31, 2024 (Rs.)	15,911,000
Net change since January 01, 2025 till June 30, 2025 (Rs.)	(86,566,000)
Net assets as at June 30, 2025 (Rs.)	1,393,136,000

The net increase for the period from Oct to Dec is based on the books of accounts provided to us at the time of taking over charge as liquidator of the Company.

5. The financial statements covering period from July 01, 2024 to June 30, 2025 have been audited by the auditors appointed by the Company in General Meeting. This will facilitate us in filing the tax return of the Company for the tax year 2025.

6. These financial statements present the effect of change in interest rates by banks during the period since we have taken over charge as liquidator of the Company. The reduction in Bank Profit rates by 11% approx. caused a decline of profit from Bank.

7. Further, the liquidators of the company are executing the winding-up proceeding in an orderly manner and for this announcement through publication in newspapers for unearthing the liabilities were made. Further, same were intimated to members of the company through Pakistan Stock Exchange (PSX).

8. Currently, company is pursuing NOCs from different authorities including revenue authorities for winding-up conclusion. Moreover, assets available with the company includes advances tax of Rs.355 million paid to Federal Board of Revenue (FBR), which may be subject to refund after detailed tax audit by FBR for current and preceding five years. Please be informed that distribution of residual proceeds will be made after payment of all taxes and dues to tax and other authorities and for this running year will be the period of all audit and NOCs exercise.

9. The liquidators are determinant to disseminate the development in liquidation process to members on timely manner for information and record. Further, the liquidators express their appreciation to the entire team of the company, the valuable shareholders, as well all the other stakeholders for their confidence and support.

Mohsin Ferozuddin
Liquidator

Masroor F. Baweja
Liquidator

Muzaffar F. Baweja
Liquidator

Zaheer Baweja
Liquidator

Zubair Bewaja
Liquidator

Karachi: October 20, 2025

INDEPENDENT AUDITOR'S REPORT

To the members of: **PAKISTAN HOTELS DEVELOPERS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **PAKISTAN HOTELS DEVELOPERS LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, and the statement of profit or loss and other of comprehensive income, the statement of changes in equity, and the statement of cash flows, together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our ethical responsibilities in accordance with the Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3.2 to the financial statements, which state that these financial statements have not been prepared on going concern basis. These financial statements have been prepared on an alternate basis of accounting, as disclosed therein. The reasons were, the Company was principally engaged in hotel business and used to own and operate a Five Star Hotel known as Regent Plaza Hotel and Convention Centre, Karachi. The Company has entered into an agreement with Sindh Institute of Urology and Transplantation (SIUT Trust) on November 13, 2023, for the sale of hotel land and building together with all construction, fittings, fixtures, equipment and furnishings on as is where is basis. Formal sale deed was executed and the possession of the hotel property was handed over to the buyer and the operations were closed during the year (July 19, 2024). Subsequent to the closure of business, the Company applied for voluntarily winding-up under the Companies Act, 2017. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We identified the following matter as a the key audit matter:

<table>
<tr><th>S. No.</th><th>Key Audit Matter</th><th>How the Matter was addressed in our Audit</th></tr>
<tr><td>1.</td><td>Revenue recognition
Refer notes 20 to the financial statements. The Company recognized revenue of 78,266 thousand rupees and 76,989 thousand rupees from rooms and sale of food and beverages respectively for the year ended June 30, 2025.
We identified recognition of revenue from rooms and sale of food and beverages as a key audit matter, because these are the key performance indicators of the Company and gives rise to inherent risk that rooms and food and beverages revenues could be subject to misstatement to meet expectations or targets.</td><td>We performed the following audit procedures to assess the recognition of revenue from rooms and food and beverages:
• Obtained an understanding of the system relating to recognition of revenue and Reviewed internal controls designed for recording of revenue;
• Tested the design, implementation and operating effectiveness of key internal controls over revenue, by checking a sample of revenue transactions recorded during the year with reservations, sales invoices and other relevant underlying records;
• Performed analytical procedures on revenue and sought management's explanation for major variances and corroborated the same with available audit evidence;
• Tested the appropriateness of journal entries recorded in the revenue account, with the underlying documentation;
• Ensured that for guests staying on the last day of the year, room revenue is accrued till last night and is kept in guest ledger balance, to confirm that revenue was recorded in the appropriate accounting period; and
• Checked and compared revenue with sales tax returns.</td></tr>
</table>

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the liquidators' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Liquidators for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Liquidators are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Liquidators regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

We also provide the Liquidators with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Liquidators, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **SAUD ANSARI.**

Clarkson Hyde Saud Ansari

Clarkson Hyde Saud Ansari
Chartered Accountants
Date: October 20, 2025
UDIN: AR202510149hWH068Sps

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		Rupees in '000	
Non current assets			
Property, plant and equipment	6	**298**	493
Deferred taxation	16	**247**	-
		545	493
Current assets			
Assets Held for Sale	8	**-**	14,515,000
Stores and spares	9	**-**	197
Inventory - food and beverages	10	**-**	991
Trade Receivables	11	**66**	42,009
Advances, prepayments and other receivables	12	**357,504**	26,492
Cash and bank balances	13	**1,059,207**	1,529,585
		1,416,777	16,114,274
		1,417,322	16,114,767
Share capital and reserves			
Share capital	14	**180,000**	180,000
		180,000	180,000
Capital reserve			
Fair Value Reserve	15	**-**	13,794,852
Revenue Reserve			
Unappropriated profit		**1,213,136**	426,208
		1,393,136	14,401,060
Non current liabilities			
Deferred taxation	16	**-**	133,275
Current liabilities			
Security deposits	17	**-**	4,280
Advance against sale of assets classified as held for sale		**-**	1,455,500
Unpaid dividend		**6,160**	1,309
Trade and Other Payables	18	**18,026**	119,343
		24,186	1,580,432
Contingencies and commitments	19		
		1,417,322	16,114,767

The annexed notes form an integral part of these financial statements

Mohsin Ferozuddin	Masroor F. Baweja	Muzaffar F. Baweja	Zaheer Baweja	Zubair Bewaja	M. Taha Ali Khan
Liquidator	Liquidator	Liquidator	Liquidator	Liquidator	Chief Financial Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees in '000	
Income from Discontinued Operations			
Revenue	20	**78,266**	728,524
Less: Cost of sales and services	21	**56,234**	377,341
Gross profit		**22,032**	351,183
Less: Administrative, selling and general expenses	22	**93,457**	219,243
		(71,425)	131,940
Add: Other income	24	**294,722**	187,503
		223,297	319,443
Less: Other charges	25	**14,475**	21,690
Profit before taxation		**208,822**	297,753
Taxation	26	**166,746**	(149,124)
Net profit after taxation		**42,076**	446,877
Other comprehensive income / (loss)			
Items that may not be reclassified to the statement of profit or loss			
Fair value djustment - Assets held for sale		**-**	4,387,697
Acturial (loss) / gain on defined benefit plan net of tax		**-**	(999)
		-	4,386,698
Total comprehensive income for the year		**42,076**	4,833,575
Earnings per share - basic and diluted - rupees	30	**2.34**	24.83

The annexed notes form an integral part of these financial statements.

Mohsin Ferozuddin	**Masroor F. Baweja**	**Muzaffar F. Baweja**	**Zaheer Baweja**	**Zubair Bewaja**	**M. Taha Ali Khan**
Liquidator	Liquidator	Liquidator	Liquidator	Liquidator	Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Share capital	Capital Reserve: Surplus on revaluation of property plant and Equipment	Capital Reserve: Fair Value Reserve	Revenue Reserve: Unappropriated profit	Total
	' ------------------------- Rupees '000 -------------------------				
Balance as at July 1, 2023	180,000	9,419,404	-	166,081	9,765,485
Transfer to unappropriated profit due to incremental depreciation depreciation net of tax		(12,249)		12,249	-
Transfer to fair value reserve upon classification as assets held for sale		(9,407,155)	9,407,155		-
Total comprehensive income for the year					
Profit for the year	-	-	-	446,877	446,877
Other comprehensive income / (loss)	-	-	4,387,697	(999)	4,386,698
	-	-	4,387,697	445,878	4,833,575
Final cash dividend paid @ Rs.1.00 per share (10%) for the year 2023	-	-	-	(18,000)	(18,000)
1st Interim dividend paid @ Rs.3.00 per share (30%) for the year 2024	-	-	-	(54,000)	(54,000)
2nd Interim dividend paid @ Rs.3.00 per share (30%) for the year 2024	-	-	-	(54,000)	(54,000)
3rd Interim dividend paid @ Rs.4.00 per share (40%) for the year 2024	-	-	-	(72,000)	(72,000)
Balance as at June 30, 2024	180,000	-	13,794,852	426,208	14,401,060
Total comprehensive income for the year					
Profit for the year	**-**	**-**		**42,076**	**42,076**
Other comprehensive income / (loss)	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**42,076**	**42,076**
Transfer to fair value reserve upon disposal of assets held for sale		**-**	**(13,794,852)**	**13,794,852**	**-**
1st Interim dividend paid @ Rs.725.00 per share (7,250%) for the year 2025	**-**	**-**	**-**	**(13,050,000)**	**(13,050,000)**
Balance as at June 30, 2025	**180,000**	**-**	**-**	**1,213,136**	**1,393,136**

Mohsin Ferozuddin	**Masroor F. Baweja**	**Muzaffar F. Baweja**	**Zaheer Baweja**	**Zubair Bewaja**	**M. Taha Ali Khan**
Liquidator	Liquidator	Liquidator	Liquidator	Liquidator	Chief Financial Officer

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees in '000	
Cash from operating activities			
Cash generated from operations	28	**(121,746)**	178,251
Income tax paid		**(654,562)**	(75,892)
Net cash from/(used in) operating activities		**(776,308)**	102,359
Cash from investing activities			
Payments for acquisition of property, plant & equipment		**-**	(5,203)
Sale proceed from disposal of asset		**1,000**	-
Profit on bank deposits		**290,579**	187,503
Net cash from/(used in) investing activities		**291,579**	182,300
Cash from financing activities			
Advance against sale of assets classified as held for sale		**13,059,500**	1,455,500
Dividend paid		**(13,045,149)**	(223,531)
Net cash from/(used in) financing activities		**14,351**	1,231,969
Net increase / (decrease) in cash and cash equivalents		**(470,378)**	1,516,628
Cash and cash equivalents at the beginning of the year		**1,529,585**	12,957
Cash and cash equivalents at the end of the year	29	**1,059,207**	1,529,585

Mohsin Ferozuddin	**Masroor F. Baweja**	**Muzaffar F. Baweja**	**Zaheer Baweja**	**Zubair Bewaja**	**M. Taha Ali Khan**
Liquidator	Liquidator	Liquidator	Liquidator	Liquidator	Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 Corporate and General Information

Pakistan Hotels Developers Limited ('Company') was incorporated and domiciled in 1979 at Karachi, Pakistan under the Companies Act, 1913 (now Companies Act, 2017) as a private limited company and converted into a public limited company in 1981. The company is listed on Pakistan Stock Exchange Limited. The registered office of the company is situated at Office No.202, 2nd Floor, Marium Complex, Bihar Muslim Co-Operative Housing Society, Block-3, Sharfabad, Karachi.

2 Discontinued Operations

The Company was principally engaged in hotel business and used to own and operate a Five Star Hotel known as Regent Plaza Hotel and Convention Centre, Karachi.The Company has entered into an agreement with Sindh Institute of Urology and Transplantation (SIUT Trust) on November 13, 2023, for the sale of hotel land and building together with all construction, fittings, fixtures, equipment and furnishings on as is where is basis. Formal sale deed was executed and the posession of the hotel property was handed over to the buyer and the operations were closed during the year (July 19, 2024). Subsequent to the closure of business, the Company applied for voluntarily winding-up under the Compamies Act, 2017.

3 Basis of Presentation

3.1 Statement of Compliance

These 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:

I. International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

II. Provisions of and directives issued under the Companies Act, 2017.

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

3.2 Going Concern Basis of Accounting

On the basis of the reasons explained in Note No.2 above, these financial statements have not been prepared on going concern basis.These financial statements have been prepared on an alternate basis of accounting, which is as follows:

* All assets are stated at their realisable values; and
* All liabilities are stated at amounts payable.

While preparing these financial statements on the aforesaid basis, the management has applied accounting and reporting standards as applicable in Pakistan. The management has applied the most relevant and reliable financial information about the transactions, events and conditions, of and related to the Company as disclosed in the relevant material accounting policies note.

3.3 New standards, interpretations and amendments to published approved accounting standards that are effective in the current year

The following standards, amendments and interpretations are effective for the current year. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

- Amendments to IFRS 16 ' Leases' - Clarification on how seller-lessee subsequently measures sale and lease back transaction — Effective date: January 1, 2024
- Amendments to IAS 1 ' Presentation of Financial Statements ' - Clarification liabilities as current or non-current along with non-current liabilities with convenants — Effective date: January 1, 2024
- Amendments to IAS 7 ' Statement of Cash Flows ' and IFRS 7 ' Financial Instruments ' - Supplier finance arrangements — Effective date: January 1, 2024

3.4 Standards, interpretations and amendments to published approved accounting standards that are neither yet effective nor early adopted

The following amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

- Amendments to IFRS 9 ' Financial Instruments' and IFRS 7 ' Financial Instruments Disclosures' - Classification and measuremet of financial instruments and contracts referencing nature-dependent electricity — Effective date: January 1, 2026

- IFRS 17 'Insurance Contracts' (including June 2020 and December 2021 amendments) — Effective date: January 1, 2026
- Amendments to IAS 21 ' The Effects of Changes in foreign Exchange Rates ' - Clarification on how an entity accounts when there is a long term lack of exchangeability — Effective date: January 1, 2025
- Annual improvements to IFRS (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) — Effective date: January 1, 2026
- IFRS S1 General Requirements for Disclosure of Sustainability-Related Financial Information and IFRS S2 Climate-Related Disclosures - Core framework for the disclosure of material information about sustainability-related risks, opportunities across an entity's value chain and set out the requirements for entities to disclose information about climate-related risks and opportunities. — Effective date: July 1, 2025

Other than the aforesaid amendments, the IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 'First Time Adoption of International Financial Reporting Standards'
- IFRS 18 'Presentation and Disclosures in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability : Disclosures'

3.5 Functional and Presentation Currency

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency.

4 Use of Estimates and Judgements

The preparation of financial statements in conformity with the approved accounting standards as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and the 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 the circumstances, the results of which form the basis of making judgements about the carrying values 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is 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. The estimates and judgements that have a significant effect on the financial statements, are as follows:-

Depreciable amount and useful lives of Property, Plant and Equipment

In accordance with the accounting policy, the management carries out an annual assessment of depreciation amount and useful lives of assets. Further, the Company reviews the value of assets for possible impairment on an annual basis. As stated in Note No.2 the Copmany has discontinued it's operations and classified it's property as asset held for sale, therefore it is carried at fair value on the basis of the agreed sales consideration. The carrying value of other items of property, plant and equipment has been determined by the management according to their best estimate.

Provision for Expected Credit Losses

The assessment of allowance for expected credit losses, requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on days overdue. In particular, judgement by management is required in the estimation of the amount and timing of future cash flows, in determining the level of provision.

Income Taxes

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

5 Summary of Material Accounting Policies

5.1 Property, Plant and Equipment

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably. All operating fixed assets are stated at their historical cost less accumulated depreciation and impairment losses (if any).

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in Note No.6. The depreciation for assets acquired or disposed off during the year is charged from the date of acquisition or up-to the date of disposal of such assets respectively.

Capital work in progress is stated at cost, less any recognized impairment loss. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

5.2 ***Assets Held for Sale***

Property, plant and equipment held for sale are measured at the lower of their carrying amount and fair value less costs. The fair value has been determined on the basis of the actual sale agreement executed with the buyer and the costs to sell were also based on the actual costs incurred subsequent to the reporting date. No depreciation on these assets have been charged after the month in which the agreement to sell was entered into in accordance with paragraph 25 of IFRS -5 " Non-current Assets Held for Sale and Discontinued Operations "

5.3 **Financial Instruments**

The Company follows IFRS 9 “Financial Instruments” in respect of financial instruments.

5.3.1 **Financial Assets**

The standard prescribes three classification and measurement models for financial assets as follows:

* Measured at Amortised Cost
* Measured at Fair Value through Other Comprehensive Income (FVTOCI)
* Measured at Fair Value through Profit or Loss (FVTPL)

Measured at Amortised Cost

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest on the principal amount outstanding.

Amortised cost is determined using the effective interest rate method and gains and losses including impairment are recognised in the statement of profit or loss.

For financial assets measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model rather than incurred credit loss model as previously required under IAS 39. Under IFRS 9, the Company is required to ensure loss allowance of an amount equal to lifetime ECL or 12 months ECL based on credit risk.

Measured at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Measured at Fair Value through Profit or Loss (FVTPL)

A financial asset that does not meet the criteria for amortised cost or FVTOCI is measured at FVTPL.

5.3.2 **Financial Liabilities**

The Company classifies financial liabilities as follows:

* Measured at Amortised Cost
* Measured at Fair Value through Profit or Loss (FVTPL)

Financial liabilities are measured at amortised cost, as required by para 4.2.1 of IFRS-9, unless they are required to be measured at FVTPL (such as derivaties) vide aforseaid para of IFRS-9 or has opted to measure them at FVTPL as per para 4.2.2 of the IFRS-9. However where expected amount to settle the liability materially differs with the amortised cost, the earlier is adopted to report the liability.

5.3.3 **Recognition of Financial Instruments**

The Company initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognized on the trade date when the entity becomes a party to the contractual provisions of the instrument.

5.3.4 **Initial Measurement of Financial Instruments**

At initial recognition a financial asset or financial liability, except trade receivables, is measured at fair value, plus or minus, in the case of financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to acquisition or issue of financial asset or financial liability.

5.3.4.1 Trade Receivables

Trade debts are carried at original invoice amount less an estimated amount for expected credit loss, if any. Balances considered bad and irrecoverable are written off when identified. A contract asset or trade receivable is impaired if the credit risk on that financial asset has increased significantly since the initial recognition. As the operations of the Company are being discontinued, provision for expected credit losses is based on management's best estimate and more forward looking information to assess the loss.

5.3.4.2 Trade and Other Payables

Liabilities for trade and other amounts payable are stated at amounts payable.

5.3.4.3 Offsetting of Finnancial Instruments

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when the Company has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.4 Taxation

Current

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum taxation on the turnover under section 113 of the Income Tax Ordinance, 2001, whichever is higher. The Company designates the amount calculated on taxable income using the notified tax rate as current income tax, any excess over the amount designated as income tax, is recognised as a levy under the Scope of IFRIC 21/IAS 37.

Levy relating to an obligating event giving rise to chargeability of levy, which is a minimum tax or final tax as per provisions of the Income Tax Ordinance, 2001, is recognised on the occurence of the event, although the related receipts have not been received and tax has not been deducted.

Deferred

Deferred tax assets and liabilities are measured at the effective tax rate which is equal to the enacted rate of income tax, in accordance with paragraph C2 the "IAS Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by the Institute of Chartered Accountants of Pakistan.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

5.5 Cash and Cash Equivalents

For the purpose of cash flow, cash and cash equivalent comprise of cash and bank balances and short-term borrowings from the bank.

5.6 Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved.

5.7 Revenue Recognition

The Company follows a single five-step model for revenue recognition, in accordance with IFRS-15, and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognize revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Room Revenue

The performance obligation is satisfied at the point in time when control of room is transferred to the customer, which is mainly at the time of handing over of room key. Room revenue is recognized on the rooms occupied on daily basis and after completing all other obligation related to the room.

Food and Beverages Revenue

The performance obligation for food and beverages and service charges levied thereon, is satisfied at the point in time when food and beverages are served to the customer. Food and beverages revenue is recognized on consumption of food and beverages by the customer.

Other Related Services

The performance obligation is satisfied at the point in time / over time when services are provided to the customer. Revenue from other related services is recognized when the services are provided.

6. PROPERTY, PLANT AND EQUIPMENT
For the year ended June 30, 2025

PARTICULARS	COST / REVALUATION				Rate	DEPRECIATION				W.D.V. as at 30.06.2025	Transfer	Balance W.D.V. as at 30.06.2025
	as at 01.07.2024	Addition	Deletion	as at 30.06.2025	%	as at 01.07.2024	Disposal adjustment	For the year	as at 30.06.2025			
	--------------------- Rupees ' 000 --------------------											
Owned												
Vehicles	2,800	-	(950)	1,850	20%	2,365	(834)	73	1,604	246	-	246
Arms	104	-	-	104	10%	46		6	52	52	-	52
	2,904	-	(950)	1,954		2,411	(834)	79	1,656	298	-	298

For the year ended June 30, 2024

PARTICULARS	COST / REVALUATION				Rate	DEPRECIATION				W.D.V. as at 30.06.2024	Transfer	Balance W.D.V. as at 30.06.2024
	as at 01.07.2023	Addition	Deletion	as at 30.06.2024	%	as at 01.07.2023	Disposal adjustment	For the year	as at 30.06.2024			
	--------------------- Rupees ' 000 --------------------											
Owned												
Leasehold Land - Hotel	8,900,000			8,900,000	0%	-		-	-	8,900,000	8,900,000	-
Leasehold Land - Farm House	4,900		-	4,900	0%	-		-	-	4,900	4,900	-
Hotel Building on Leasehold Land	981,616		-	981,616	5%	57,398		17,091	74,489	907,127	907,127	-
Farm House on Leasehold Land	10,416		-	10,416	5%	1,514		162	1,676	8,740	8,740	-
Airconditioning Plant	131,124	638	-	131,762	10%	68,810		2,339	71,149	60,613	60,613	-
Elevators	13,510		-	13,510	10%	6,798		248	7,046	6,464	6,464	-
Electric Installations	7,485		-	7,485	10%	7,125		13	7,138	347	347	-
Electric Fancy Fittings	565		-	565	10%	537		1	538	27	27	-
Water & Sprinkler & Smoke Detector	51,937	161	-	52,098	10%	10,679		1,537	12,216	39,882	39,882	-
Furniture and Fixtures	126,224	3,382	-	129,606	10%	84,850		1,623	86,473	43,133	43,133	-
Inhouse TV System	17,314		-	17,314	10%	10,976		234	11,210	6,104	6,104	-
Gas Connection	227		-	227	10%	223		-	223	4	4	-
Carpets	26,839	833	-	27,672	10%	15,338		445	15,783	11,889	11,889	-
Sound Radio Fusion System	2,440		-	2,440	10%	2,258		7	2,265	175	175	-
Telephone Installation	18,780		-	18,780	10%	12,322		239	12,561	6,219	6,219	-
Crockery & Cutlery	5,520		-	5,520	0%	-		-	-	5,520	5,520	-
Uniforms & Linen	8,878		-	8,878	0%	-		-	-	8,878	8,878	-
Laundry Equipment	5,007	189	-	5,196	10%	4,478		26	4,504	692	692	-
Equipment & Accessories	57,571		-	57,571	10%	36,318		789	37,107	20,464	20,464	-
Office Equipment	5,489		-	5,489	10%	4,900		22	4,922	567	567	-
Vehicles	2,800		-	2,800	20%	2,256		109	2,365	435	-	435
Neon Signs	435		-	435	10%	403		1	404	31	31	-
Arms	104		-	104	10%	39		7	46	58	-	58
Diesel Gnerator - Caterpillar	4,100		-	4,100	10%	3,601		18	3,619	481	481	-
Diesel Gnerator - Perkins	4,196		-	4,196	10%	3,419		29	3,448	748	748	-
	10,387,477	5,203	-	10,392,680		334,242	-	24,940	359,182	10,033,498	10,033,005	493

6.1 Asset disposed During the year:

Particulars	Cost	Carrying Value	Sale price	Gain/ (Loss)	Particular of the purchaser	Mode of Disposal	Relationship with the purchaser
		Rupees '000					
Vehicle	**950**	**116**	**1,000**	**884**	Mr. Shahzad Iqbal	Negotiatio	Outsider
2024	-	-	-	-			

	2025	2024
	Rupees in '000	
6.2 Depreciation charge for the year has been allocated as follows:		
Cost of sales and services	**-**	22,446
Administrative, selling and general expenses	**79**	2,494
	79	24,940

7 Long Term Deposits

	2025	2024
Utility deposits	**-**	6,847
Provision for expected credit losses	**-**	(6,847)
	-	-

8 Assets Held for Sale

	2025	2024
Property, plant and equipment (Note No.6)	**-**	10,033,005
Fair value adjustment	**-**	4,481,995
	-	14,515,000

These assets represented Leasehold land situated at Plot No, 195/2, Shahrah-e-Faisal, Karachi, with a area of 13,202.8 square yards, total covered area of building is 47,034 square yards, and attached items like airconditioning plant, elevators, generators etc. to be sold to SUIT Trust under an agreement to sell as stated in Note No.2. The building had been used for hotel business and operating a Five Star Hotel, known as Regent Plaza Hotel and Convention Centre, Karachi. Assets held for sale also included land and farm house situated at Gharo. The aforsaid assets were reported at fair value determined in accordance with agreed sale price of the properties. These assets Formal sale deed was executed and the posession of the hotel property was handed over to the buyers during the current year.

9 Stores and Spares

	2025	2024
Consumable stores	**-**	521
Stationery	**-**	1,349
	-	1,870
Provision for lost inventory	**-**	(1,673)
	-	197

10 Inventory - Food and Beverages

	2025	2024
Food and beverages	**-**	1,617
Provision for lost inventory	**-**	(626)
	-	991

11 Trade Receivables

	2025	2024
Trade Receivables (Note No. 11.1)	**828**	48,069
Provision for expected credit losses (Note No.11.3)	**(762)**	(6,060)
	66	42,009

11.1 This represents Company's unconditional right to receive consideration for the provision of goods sevices under contract with customers.

	2025	2024
	Rupees in '000	
11.2 The aging of trade receivables is as under:		
Up to 30 days	**-**	27,266
Above 30 days upto 180 days	**-**	19,817
Above 180 days	**828**	986
	828	48,069
11.3 Provision for expected credit losses		
Opening balance	**6,060**	2,061
Written off	**(2,776)**	-
Written back and transferred to other income	**(2,522)**	-
Provided during the year	**-**	3,999
	762	6,060

12 Advances, Prepayments and Other Receivables

	2025	2024
Advances		
Suppliers	**-**	356
Income tax (net of liability)	**354,862**	568
	354,862	924
Deposits		
Security Deposits	**677**	-
Other Receivables		
Receivable against sale of portion of building - Al-Sehat Centre (Note No.12.1)	**1,965**	1,965
Rent receivable	**-**	364
Interest receivable	**-**	18,833
Miscellaneous	**-**	4,406
	1,965	25,568
	357,504	26,492

12.1 This amount is under litigation, as stated in Note No.19.

13 Cash and Bank Balances

	2025	2024
Cash in hand	**3,125**	63,030
Cash at bank - Current Accounts	**1,048,840**	1,406,582
Cash at bank - Saving Accounts (Note No. 13.1)	**7,242**	59,973
	1,059,207	1,529,585

13.1 This include Nil (2024:Rs.4.280 million) being security money received from the tenants as per tenancy agreements. Such deposits do not attract any markup or interest and shall be repaid at the time of termination of lease.

14 Share Capital

2025	2024		2025	2024
Number of Shares			Rupees in '000	
		Authorised		
30,000,000	30,000,000	Ordinary shares of Rs. 10 each	**300,000**	300,000
		Issued, Subscribed and Paid up		
16,580,800	16,580,800	Ordinary shares of Rs.10 each fully paid in cash	**165,808**	165,808
1,419,200	1,419,200	Ordinary shares of Rs.10 each issued for consideration other than cash	**14,192**	14,192
18,000,000	18,000,000		**180,000**	180,000

	2025	2024
	Rupees in '000	

15 Fair Value Reserve

This represents fair value of the Assets Held for Sale, as describe in Note No. 8.

	2025	2024
Revaluation surplus on assets held for sale as of the date of reclassification	-	9,407,155
Fair value adjustment	-	4,387,697
	-	13,794,852

16 Deferred Taxation

This represents deferred tax liability arising due to the following taxable temporary differences:

	2025	2024
Assets held for sale carried at fair value	-	94,298
Accelerated tax depreciation	**(26)**	45,161
Others	**(221)**	(6,184)
	(247)	133,275

17 Security Deposits

	2025	2024
Opening balance	4,280	4,680
Paid during the year	(3,550)	(400)
Written off during the year	(730)	-
	-	4,280

The above amount represents security money received from the tenants as per tenancy agreements. These deposits do not attract any mark up or interest and shall be repaid at the time of termination of tenancy. These are kept in deposit account as stated in Note No.13.1.

18 Trade and Other Payables

	2025	2024
Trade Creditors	-	29,087
Accrued liabilities		
Accrued expenses	**3,270**	27,801
Taxes and others	**281**	4,749
Sales Tax	-	5,489
	3,551	38,039
Other liabilities		
Guests' credit balances	-	2,132
Payable to employee gratuity fund (Note No.18.1)	-	6,212
Workers' Welfare Fund	**14,475**	6,089
Advance from customers	-	33,597
Miscellaneous	-	4,187
	14,475	52,217
	18,026	119,343

18.1 The Company operated an approved gratuity fund and used to make contribution on actuarial recommendations. The most recent actuarial valuations were carried out by M/s Nauman Associates, Consulting Actuaries on September 6, 2024 of the present value of the defined benefit obligation at June 30, 2024. The projected unit credit method has been used to measure Gratuity Benefits. The Gratuity Benefits have been terminated and settled by the Company on July 31, 2024. Therefore present valie of defined benefit obligation has been calculated based on benefit termination to determine settlement gain or loss as at July 19, 2024.The significant assumptions used for the actuarial valuation are as follows:

Acturial Assumptions

	2025	2024
Discount rate for interest cost in Profit and Loss charge	-	16.25%
Discount rate used for year end obligation	-	14.75%
Salary increase used for year end obligation:		
Salary increase FY 2025	-	15.25%
Salary increase FY 2026 onwards	-	15.25%
Net salary is increased at:	-	1-Jul-24
Mortality rate	-	SLIC 2001-2005
Withdrawal rates	-	Age-based
Retirement assumption	-	Age 60

	2025	2024
	Rupees in '000	
Amount recognised in the statement of financial position:		
Present value of defined benefit obligation	-	-
Add: Payable	-	10,400
Less: Fair value of Plan asset	-	(4,188)
	-	6,212
Changes in present value of defined bebefit obligation:		
Opening present value of obligation	-	6,873
Current service cost	-	837
Interest cost on defined benefit obligations	-	1,072
Benefits due but not paid during the year	-	(9,457)
Benefits paid	-	(406)
Gain and losses arising on plan settlements remeasurement	-	693
Remeasurement	-	388
	-	-
Changes in fair value of plan assets		
Opening fair value of plan assets	-	4,010
Interest income on plan assets	-	728
Return on plan assets, excluding interest income	-	(610)
Benefits paid	-	(1,290)
Contribution by Company	-	1,350
	-	4,188
Expense recognised in the statement of profit or loss		
Current service cost	-	837
Interest cost on defined benefit obligation	-	693
Gain and losses arising on plan settlemement remeasurement	-	1,072
Interest income on plan assets	-	(728)
	-	1,874
Acturial gain / (loss) recognised in other comprehensive income		
Acturial (gains)/losses from changes in financial assumptions	-	(51)
Remeasurement of plan obligation - Experience adjustment	-	440
Return on plan assets, excluding interest income	-	610
Unrecognized Actuarial Gains/(Losses) at end	-	999
Changes in net liability		
Liability/(asset) as per statement of financial position	-	4,690
Expense chargeable to statement of profit or loss	-	1,873
Remeasurement chargeable in other comprehensive income	-	999
Contributions	-	(1,350)
Statement of financial position's liability	-	6,212

19 Contingencies and Commitments

Contingency

Taxation

As detailed in note 2 of these financial statements, the company has sold its property. Further, the proceeds were also distributed, as dividend. The gain on sale of property has been credited to fair value reserve through other comprehensive income by the company in its accounts and for taxation purposes, the company has considered depreciation on immovable assets claimed, as tax expense, in all preceding years as taxable gain under Income Tax Ordinance 2001. Further, company has considered the implication of super tax on gain on sale of immovable property and is of the view that chargeability of super tax will not affect the company based on related tax matter reported decision of Honorable Supreme Court of Pakistan.

Description of Legal Proceedings

Name of the Court, Agency or Authority	Description of the factual basis of the proceedings and relief sought for	Principal Parties
High Court of Sindh	Civil Aviation Authority has demanded a sum of Rs.0.336 million, being rental charges of the Company's restaurant at Karachi Airport. the suit was pending in the High Court of Sindh now, transferred to Senior Civil Judge No 1, Malir, Karachi. The company has filed a counter suit for recovery of rent of furniture, fixtures and loss of food stuff and other assets of the company retained by the Civil Aviation Authority.	Civil Aviation Authority vs Company
High Court of Sindh	Suit No. 2640/2025, (old Suit No.137 of 1984) has been filed by the company against Civil Avialtion Authority for recovery of Rs.5.733 million on the ground that Civil Aviation Authority allowed the company for running of one restaurant and four refreshment counters but later on they tried to open the same with another contractor when the company was trying to lift their goods from existing restaurant and four refreshment counters, they were stopped by Civil Aviation Authority.	Company vs Civil Aviation Authority
High Court of Sindh	Suit bearing No.10692/2025, (old Suit No. 343 of 1996) has been filed by the company against Saudi Arabian Airlines for the cancellation of agreement dated 22-02-1990, relating to the sale of two floors and four shops on the ground floor of AL-SEHAT CENTRE, and for recovery of possession of those premises. After the institution of the above suit, Saudi Arabian Airlines has also filed counter Suit No. 10693/2025, (old Suit 936 of 1996) praying for the specific performance of the aforesaid agreement. Both these suits were pending in the High Court of Sindh at Karachi, now transferred to 3rd Civil Judge South, Karachi.	Company vs Saudi Arabian Airlines; and Saudi Arabian Airlines vs Company
Apellate Tribunal Inland Revenue	The Additional Commissioner Inland Revenue, Audit Range A, Zone - V, Large Taxpayer Unit, Karachi, on June 21, 2017, has issued an order under section 122(5A) of the Income Tax Ordinance, 2001, for further amending the assessment for the Tax Year 2011. The Learned Assessing Officer in his said order has treated the revenue on which tax has been deducted by the clients of company under Presumptive Tax Regime and has under same observation created tax demand of Rs.9,437,198/-. The company has filed an Appeal in the Office of the Commissioner (Appeals), Large Taxpayer Unit, Karachi. The appeal was decided partially gainst the company The appeal against the decision of commissioner appeals was filed in Income tax tribual and matter is pending in tribunal.	Federal Board of Revenue vs Company
Commissioner appeals - Federal Board of Revenue	During the year the assessment for the tax year 2022 was made by Additional Commissioner-MTO Karachi u/s 122(5A) of Income Tax Ordinance 2001 and tax demand of Rs. 34.5 million was raised against the company. The assessment officer in his order disallowed certian expenses on different grounds and increse the taxable income of the company. The company being aggrived by the order filed an appeal in the office of Commissioner appeals which was pending for decesion after hearing.	Additional Commissioner - Medium Taxpayer Unit- Karachi

20 Revenue

	2025	2024
	Rupees in '000	
Room revenue	**69,281**	435,796
Food and beverages revenue	**7,708**	191,100
Other related services (Note No.20.1)	**1,116**	99,637
Shop license fee	**161**	1,991
	78,266	728,524

20.1 This includes revenue from convention centre, and sale of telephone, laundary, health club and other ancilliary services.

20.2 The above revenue is net of applicable sales tax amounting to Rs.11.740 million (2024: Rs.94.820 million)

21 Cost of Sales and Services

	2025	2024
	Rupees in '000	
Cost of food and beverages		
Opening Inventory -food and beverages	**1,617**	3,222
Purchases	**1,606**	75,372
Inventory written off	**(626)**	-
Closing Inventory - food and beverages	**-**	(1,617)
Consumption during the year	**2,597**	76,977
Direct expenses		
Salaries, wages and other benefits (Note No.21.1)	**41,962**	109,685
Heat, light and power	**9,031**	123,674
Replacement of linen, china and glassware	**-**	7,646
Uniforms	**193**	605
Guest transportation charges	**511**	6,712
Water charges	**321**	2,075
Decoration hire charges	**95**	1,402
Consumable stores	**241**	6,506
Guest supplies	**836**	5,061
Commission	**158**	5,893
Musical expenses	**93**	562
Laundry and dry cleaning	**7**	1,000
Security Service	**-**	15
Telephone, internet and other related expenses	**142**	3,947
License and taxes	**17**	610
Traveling and transportation	**-**	128
Printing and stationery	**30**	2,059
Miscellaneous	**-**	338
Depreciation	**-**	22,446
	53,637	300,364
	56,234	377,341

21.1 This includes Rs.Nil (2024: Rs.0.093 million) in respect of employees retirement benefits.

	2025	2024
	Rupees in '000	

22 Administrative, General and Selling Expenses

	2025	2024
Salaries and other benefits (Note Nos.22.1 and 23)	**67,356**	106,701
Entertainment	**83**	75
Traveling and transportation	**1,087**	4,384
Running and maintenance of vehicle	**1,682**	6,812
Rent, rates and taxes	**6,969**	8,921
Heat, light and power	**1,180**	13,166
Communications	**341**	1,640
Printing and stationery	**299**	1,833
Advertisement and sales promotion	**976**	2,778
Legal and professional charges	**5,020**	14,505
Auditors' remuneration (Note No.22.2)	**967**	621
Repair and maintenance	**2,652**	47,862
Bank commission and charges	**46**	225
Fee and subscription	**2,697**	1,941
Pest control	**217**	1,809
Insurance	**35**	72
Commissions	**664**	2,303
Miscellaneous	**635**	82
Software charges	**472**	1,019
Depreciation	**79**	2,494
	93,457	219,243

22.1 This includes Rs.Nil (2024: Rs.1.781 million) in respect of employees retirement benefits.

22.2 Auditors' Remuneration

	2025	2024
Annual audit fee	**520**	520
Special audit fee	**324**	-
Certification fee	**20**	20
Out of pocket expenses	**103**	81
	967	621

23 Remuneration of Chief Executive, Directors and Executives

	2025	2024
Chief Executive		
Managerial Remuneration	**1,050**	16,362
Perquisites and allowances	**577**	7,790
Leave encashment	**-**	1,210
	1,627	25,362
Directors		
Managerial Remuneration	**1,050**	16,362
Perquisites and allowances	**577**	7,790
Leave encashment	**-**	1,210
	1,627	25,362
Number of Persons	**1**	1
Executives		
Managerial Remuneration	**26,194**	21,174
Perquisites and allowances	**14,407**	11,646
Company's contribution to gratuity fund	**-**	545
	40,601	33,365
Number of Persons	**7**	14

24 Other Income

	2025	2024
Profit on tender of foreign currency	**7**	91
Gain on disposal of asset - vehicle (Note No.24.1)	**884**	-
Provision for expected credit losses written back	**2,522**	-
Shop secuity deposit written off	**730**	-
Profit on savings bank account	**290,579**	187,412
	294,722	187,503

	2025	2024
	Rupees in '000	
24.1 Gain on disposal of asset - vehicle		
Sales proceeds	**1,000**	-
Cost of vechile	**950**	-
Less: accumulated depreciation	**(834)**	-
	116	-
	884	-
25 Other Charges		
Workers' welfare fund	**14,475**	6,089
Provision for expected credit losses	**-**	10,846
Provision for lost inventory	**-**	2,299
Rent receivable written off	**-**	2,456
	14,475	21,690
26 Taxation		
Current Year	282,261	90,055
Prior Year	18,007	(1,945)
Deferred	(133,522)	(237,234)
	166,746	(149,124)
26.1 Tax Reconciliation		
Profit Before Taxation	**208,822**	297,753
Tax at applicable rate of 29% (2024: 29%)	**60,558**	86,348
Tax effect of expenses not deductible in determining taxable profit	**154,933**	13,970
Tax effect of items not deductible in determining accounting profit including tax effect of minimum tax	**(5,605)**	(10,263)
Tax effect of orignation and reversal of deferred tax	**(133,522)**	(237,234)
Super Tax	**72,375**	-
Tax effect of changes in prior year current tax	**18,007**	(1,945)
	166,746	(149,124)
27 Fair Value Adjustment - Assets Held for Sale		
Fair value of assets held for sale (Note No.8)	-	14,515,000
Less: Carrying value as on the date asset is classified as held for sale	-	(10,033,005)
	-	4,481,995
Related deferred taxation	-	(94,298)
	-	4,387,697
28 Cash generated from Operations		
Profit before taxation	**208,822**	297,753
Adjustments for non cash and other items:		
Depreciation	**79**	24,940
Gain on disposal of asset	**(884)**	-
Provsion for expected credit losses written back	**(2,522)**	10,846
Shop security deposit written off	**(730)**	-
Profit on bank deposits	**(290,579)**	(187,503)
	(294,636)	(151,717)
	(85,814)	146,036
(Increase) / decrease in operating assets		
Stores and spares	**197**	76
Inventories - food and beverages	**991**	1,605
Trade Receivables	**44,465**	11,232
Advances, prepayments and other receivables	**23,282**	(10,291)
	68,935	2,622
Increase / (decrease) in operating liabilities		
Trade and other payables	**(101,317)**	29,993
Security deposits	**(3,550)**	(400)
	(104,867)	29,593
	(121,746)	178,251
29 Cash and Cash Equivalents		
Cash and bank balances	**1,059,207**	1,529,585

	2025	2024
	Rupees in '000	

30 Earnings per share - basic and diluted

	2025	2024
Net proflt for the year	**42,076**	446,877
Weighted average number of ordinary shares outstanding	**18,000**	18,000
Earnings per share - basic and diluted - Rupees	**2.34**	24.83

31 Related Party transactions

Related parties comprise of group companies (associates), directors, major shareholders, their close family members, gratuity fund and key management personell. Transactions with related parties during the year, other than and including those which have been disclosed elsewhere in these financial statements, are given below:

Related Parties

	2025	2024
Dividend paid to directors and their relatives	**10,727,157**	173,977
Amount paid to the gratuity fund	**4,990**	1,350

32 Financial Instruments by Category

	Amortised Cost	FVTPL	Total
	------ Rupees ' 000 -------		
As at June 30, 2025			
Financial Assets			
Trade receivables	**828**	**-**	**828**
Deposits	**677**		**677**
Other receivables	**1,965**	**-**	**1,965**
Cash and Bank Balances	**1,059,207**	**-**	**1,059,207**
	1,062,677	**-**	**1,062,677**
			-
Unpaid dividend	**6,160**	**-**	**6,160**
Trade and other payables	**18,026**	**-**	**18,026**
	24,186	**-**	**24,186**
As at June 30, 2024			
Financial Assets			
Trade receivables	48,069	-	48,069
Other receivables	25,568	-	25,568
Cash and Bank Balances	1,529,585	-	1,529,585
	1,603,222	-	1,603,222
Financial Liabilities			
Security deposits	4,280	-	4,280
Unpaid dividend	1,309	-	1,309
Trade and other payables	119,343	-	119,343
	124,932	-	124,932

33 Fair Value of Financial Assets and Financial Liabilities

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arms's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates. As described in Note 3.2 the Company is not considered a going concern, the financial assets have taken at realisable values and financial liabilities have been recorded at amounts payable.

34 Financial Risk Exposure and Risk Management

34.1 Market risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: price risk, interest rate risk and currency risk.

34.1.1 Interest rate risk

Interest rate risk arises from the possibility of changes in interest rates which affect the value of financial instruments or cash flows of a financial instrument. The company is not exposed to interest rate risk as there are no fixed interest bearing finanical instruments carried at fair value. The company only has balances with banks at variable rate, therefore it is exposed to interest rate cash flow risk. Interest Rate Cash flow risk is the risk that the future cash flows related to a financial instrument will fluctuate in amount due to changes in market interest rates.

Effective interest rate

At the reporting date, the effective interest rate on the term deposit is around 12.25%. (2024: 12.25%)

Sensitivity analysis

The following information summarises the estimated effect of a hypothetical 100 bps increase and decrease (2024: 100 bps) in cash flow from financial asset, subject to interest rate cash flow risk. The selected hypothetical change does not reflect, what could be considered to be best or worst case scenarios. The analysis assumes that all other variables remain constant.

	Profit and Loss	
	Increase	**Decrease**
	Rupees in '000	
As at June 30, 2025		
Cash Flow Sensitivity - Variable Rate Financial Assets	**10,488**	**10,488**
As at June 30, 2024		
Cash Flow Sensitivity - Variable Rate Financial Assets	14,666	14,666

34.1.2 Other price risk

The Company is not exposed to any other market rate or price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

34.2 Credit risk

Credit risk represents the accounting loss that would be recognised if counter parties fail completely to perform as contracted.

Exposure to credit risk

The company is exposed to credit risk on trade debts, long term deposits, trade receivables, advances, other receivables and deposits with banks. The carrying amount of these financial assets represents the maximum credit exposure at the reporting date, which is detailed as follows:

	2025	2024
	Rupees in '000	
Trade receivables	**828**	48,069
Advances	**–**	356
Deposits	**677**	–
Other receivables	**1,965**	25,568
Bank Balances	**1,056,082**	1,466,555
	1,059,552	1,540,548

Concentration of credit risk

Concentration of credit risk arises from exposure to a single debtor, or when a number of counter parties are engaged in similar business activities or have similar economic features that would cause the ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The company believes that it is not exposed to major concentration of credit.

Credit risk management

To manage exposure to credit risk in respect of trade receivables, management performs creidt reviews taking in to account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. Balance with banks are those having satisfactory credit ratings . Details of banks credit ratings are as follows:

S. No.	Name of Bank	Short term	long term	Agency
1	Bank Al Habib Limited	A1+	AA+	PACRA
2	Bank Makramah Limited	A1+	A	JCR-VIS
		A1+	AAA	PACRA
3	Faysal Bank Limited	A1+	AA	JCR-VIS
4	United Bank Limited	A1+	AAA	JCR-VIS
		A1	A	PACRA
5	Al Baraka Bank Limited	A1	A+	JCR-VIS
6	Bank Al-Falah Limited	A1+	AA+	PACRA

34.3 Liquidity Risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. The company is exposed to a significant level of liquidity risk. Following are the contractual maturities of financial liabilities:

	Remaining Contractual Maturities		
	Payable on Demand	Payable within a year	Payable after one year
	------------------ Rupees '000 ----------------		
Non-Derivative Financial Liabilities as at June 30, 2025			
Unpaid dividend	**6,160**	**-**	**-**
Trade and other payables	**-**	**18,026**	**-**
	6,160	**18,026**	**-**
Non-Derivative Financial Liabilities as at June 30, 2024			
Security deposits	730	3,550	-
Unpaid dividend	1,309	-	-
Trade and other payables	-	119,343	-
	2,039	122,893	-

34.4 Capital Management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Board of Directors monitors the return on capital employed, which the company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

	2025	2024
35 Number of Employees		
Total number of employees as on June 30,	**7**	114
Average number of employees during the year ended June 30,	**17**	107
36 Capacity		
Number of rooms	**400**	400
Average percentage of occupancy	**52%**	20%

The hotel property was sold and handed over in July 2024 therefore occupancy during the year only represents 19 days of opreation during financial year.

37 Figures

Figures have been rounded off to the nearest thousand rupees.

38 Date of Authorisation

These financial statements were authorised for issue on October 20, 2025 by the Liquidators of the Company.

Mohsin Ferozuddin	Masroor F. Baweja	Muzaffar F. Baweja	Zaheer Baweja	Zubair Bewaja	M. Taha Ali Khan
Liquidator	Liquidator	Liquidator	Liquidator	Liquidator	Chief Financial Officer

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