

# **Quarterly Progress Report**

Quarter Ended December 31, 2025

**Gammon Pakistan Limited**

**Quarter Ended:** December 31, 2025

**Disclosure under:** PSX Regulation 5.11.3(b)

This quarterly progress report is being issued in compliance with the requirements of PSX Regulation 5.11.3(b) for dissemination to shareholders and market participants. The report provides an update on the status of the Company's efforts towards commencement and resumption of business operations during the quarter ended December 31, 2025.

## **1. Status of Business Operations**

During the quarter under review, the Company did not undertake any new project and commercial operations remained suspended. This position is consistent with the disclosures made in the Directors' Reports of previous quarters. The Company continues to maintain its corporate and statutory obligations while actively pursuing viable business opportunities.

## **2. Measures and Efforts Undertaken During the Quarter**

Despite the absence of an active project, the management continued its efforts to identify and evaluate suitable opportunities for resumption of business operations. During the quarter, the Company focused on:

- a. Reviewing potential projects and proposals received from various market participants.
- b. Conducting preliminary feasibility and risk assessments of identified opportunities.
- c. Exploring alternative business models and sectors aligned with the Company's objectives and available resources.
- d. Evaluating possibilities for strategic collaboration and efficient utilization of existing assets.

These efforts are aimed at ensuring that any project undertaken in the future is commercially viable, sustainable, and in the best interest of shareholders.

## **3. External Factors Affecting Project Commencement**

The delay in commencement of a project during the quarter was primarily influenced by prevailing economic and market conditions in the country. During the period under review, the business environment continued to face challenges, including elevated inflation, high interest rates, volatility in exchange rates, and reduced availability of long-term financing. In addition, uncertainty in the construction and infrastructure sectors.

In view of these factors, the Board and management adopted a prudent and selective approach, preferring to defer project initiation rather than undertaking commitments that could expose the Company to undue financial or operational risks.

## **4. Rationale for Not Undertaking a Project**

The management is of the view that the non-commencement of a project during the quarter is attributable to external economic conditions and the absence of suitable opportunities that meet the Company's risk and return criteria. This cautious approach reflects the Company's commitment to

safeguarding shareholders' interests and ensuring long-term sustainability, rather than pursuing short-term activity with uncertain outcomes.

## **5. Way Forward**

The Company remains committed to resuming business operations as and when a viable opportunity is identified. Management will continue to actively pursue and evaluate potential projects and strategic options. Any material development in this regard will be promptly disclosed to shareholders in accordance with applicable PSX and SECP regulations.

The Board remains confident that the ongoing efforts and disciplined approach will enable the Company to recommence operations under more favourable market conditions.

The Company reaffirms its commitment to full compliance with the requirements of the Pakistan Stock Exchange, the Securities and Exchange Commission of Pakistan, and all other applicable laws and regulations. Quarterly progress reports shall continue to be submitted and disseminated through PUCARS until commencement or resumption of business operations.

Yours Sincerely,

For and on behalf of

**Gammon Pakistan Limited**



**Ghulam Murtaza Khurshid**

Chief Financial Officer