

**The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi**

MATERIAL INFORMATION

Dear Sir,

1. In continuation of our earlier disclosure of material information with regards to the ongoing privatization process of PIACL (the Company's major subsidiary), dated December 24, 2025, we intend to provide further details in accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of the PSX Regulations.
2. The consortium led by Arif Habib Corporation Limited has notified the Privatization Commission of its intent to acquire the remaining 25% equity stake in Pakistan International Airlines Corporation Limited (PIACL), paving the way for full private-sector ownership of the national carrier.
3. The management control is expected to be transferred on or before May 25, 2026, the 'First Closing Date' announced by the Privatization Commission, subject to the fulfilment of Conditions Precedent set out in the Share Purchase and Subscription Agreement (SPSA) signed on January 29, 2026.
4. The Notice of Intent to acquire the remaining 25% equity stake (call option) has been accompanied by the requisite Standby Letter of Credit and will be exercised in accordance with the terms of the SPSA.
5. Total investment in the transaction is expected to amount to approximately PKR 180 billion, comprising:
 - A minimum of PKR 55 billion payable to the Government of Pakistan as divestment proceeds; and
 - PKR 125 billion to be injected as fresh equity into PIACL to support the airline's recapitalization.

6. The planned equity injection will support fleet expansion and modernization, route development, and improvements in customer service and operational systems.
7. The consortium comprises Arif Habib Corporation Limited, Fatima Fertilizer Company Limited, Lake City Holdings (Pvt) Limited, The City School (Pvt) Limited, AKD Group Holdings (Pvt) Limited and Fauji Fertilizer Company Limited. All stakeholders are working jointly to fulfil the conditions precedent ahead of the 'First Closing'.
8. This information is being disseminated through PUCARS for the knowledge of all concerned.

Yours truly,



Rao Muhammad Imran
Company Secretary