PIAHCL
PIA Holding Company Ltd.

Form-5

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

CS/PSX/2AGM/TRM-AR25/26
September 07, 2026

TRANSMISSION OF ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

Dear Sir,

1. We have to inform you that the Annual Report of the Company for the year ended December 31, 2025 has been transmitted through PUCARS and is also available on Company's website.

2. You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours truly,

Adil Jamal

Adil Jamal
Acting Company Secretary
PIA Holding Company Limited

PIAHCL

PIA Holding Company Ltd.

ANNUAL REPORT 2025

CONTENTS

VISION

To manage the entrusted responsibilities efficiently and systematically, with a focus on strong corporate governance. We aim to make informed decisions on financial matters and assets management, in compliance with statutory and regulatory framework, ensuring accountability and excellence.

MISSION

Integration:
Integrating and managing business segments, subsidiaries, and associates alongside their assets and liabilities.

Organizational Efficiency:
Creating a lean and efficient structure to effectively manage allocated shares, liabilities, including restructured debt stock, SOE payables and subsidiary proceeds.

Asset Management:
Maintaining and disposing off properties in line with the established procedures.

Shared-services Provision:
Providing shared and value-added services to third parties.

NOTICE OF SECOND ANNUAL GENERAL MEETING

Notice is hereby given that the Second Annual General Meeting of the Members of **PIA Holding Company Limited (PIAHCL)** will be held at **11:00 AM, on Monday, September 28th, 2026 at Hotel Ramada, Islamabad as well as through video link facility** to transact the following business:

Ordinary Business

1. To receive and adopt the Audited Financial Statements for the year ended December 31, 2025, together with Chairman's Review, Directors' and Auditors' Reports thereon.
2. To appoint external Auditors for the financial year 2026 and fix their remuneration.
3. To transact any other business with the permission of the Chair.

As required under Section 223(7) of the Companies Act 2017, the Audited Financial Statements of the Company for the year ended December 31, 2025, together with Chairman's Review, Directors' and Auditors' Reports thereon have been uploaded on the website of the Company which can be downloaded from the following website link and QR Code:

https://piahcl.com.pk/investor-information

By Order of the Board

Adil Jamal
Acting Company Secretary

Islamabad: **September 07, 2026**

NOTES:

Apart from accessibility through the abovementioned link, the Annual Report 2025 will also be circulated to the members through their emails as maintained with the PIA Holding Company Limited (the "**Company**") and is also accessible through the website of the Company www.piahcl.com.pk .

1. **Notice of Book Closure**

Share Transfer Books will be closed from **Tuesday, September 22, 2026** to Monday**, September 28, 2026 (both days inclusive)** when no transfer of shares will be accepted for registration. Transfers in good order, received at the office of PIAHCL's Share Registrar/ Transfer Agent viz CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi up to 5:00 pm on **Monday, September 21, 2026** will be treated in time for the above entitlement.

2. Circulation of Notice through Email

Pursuant to S.R.O 452(I)/2025, Notice of the AGM shall be circulated to members at their registered email addresses provided to the Company, in accordance with applicable laws.

3. For Attending the Meeting

I. In case of individuals, the account holder or sub-account holder and/or the person whose registration details are uploaded as per CDC Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.

II. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of Meeting.

4. For Appointing Proxies

I. Any member of the Company entitled to attend and vote at the Annual General Meeting may appoint another member as their proxy to attend and vote on their behalf. Corporate entities, however, may appoint a proxy who need not to be a member. Proxies must be submitted at the Company's Registered Office **4th Floor, PIA Building, 49-AKM Fazal-e-Haq Road, Blue Area, Islamabad, Pakistan** at least 48 hours prior to the meeting. Proxy forms, available in both English and Urdu, can be downloaded from the Company's website at **www.piahcl.com.pk**

II. Individual account holders or sub-account holders registered under CDC Regulations must authenticate their identity by presenting their original CNIC or passport at the meeting. For corporate entities, a Board of Directors' Resolution or Power of Attorney with a specimen signature of the nominee must also be presented, unless previously submitted. CDC account holders are required to adhere to SECP guidelines outlined in Circular 01 dated January 26, 2000.

III. Proxy forms must be witnessed by two individuals, with their names, addresses, and CNIC numbers included. Attested copies of the CNIC or passport of the beneficial owner and proxy must accompany the Proxy Form and the proxy must present their original CNIC or passport at the meeting. For corporate entities, the required Board Resolution or Power of Attorney, along with the Proxy Form, must be submitted to the Company unless already provided.

5. Change of Address

Shareholders (holding physical scrips) are requested to promptly notify any change in their address by quoting the Company name and their respective folio number to CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block-B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi. CDC Account holders may contact their respective CDC Participant / broker / Investor Account Services.

6. **Conversion of shares into Book-Entry Form**

As per Section 72 of the Companies Act, 2017, all listed companies are required to replace physical shares with book-entry form within four years from the promulgation of the Companies Act, 2017. Furthermore, SECP vide its letter No. CSD/ED/Misc/2016-639-640, dated March 26, 2021, had advised to comply with Section 72 of the Act and encourage shareholders to convert their physical shares into book-entry form. Accordingly, all shareholders of the Company having physical shares are requested to convert their shares into book-entry form at the earliest. The shareholders may contact the Company or Share Registrar, CDC Share Registrar Services Limited (CDCSR) for the conversion of physical shares into book-entry form.

7. **Online Participation**

As per instructions of Securities and Exchange Commission of Pakistan, the Company has arranged video link facility for online participation of members in the Annual General Meeting. To attend the meeting through video link, the members are requested to register themselves by providing the following information along with valid copy of CNIC / passport/ certified copy of board resolution/power of attorney (in case of corporate shareholders) with the subject "Registration for PIA Holding Company Limited - Second Annual General Meeting" through email **cdcsr@cdcsrsl.com** at least 24 hours before the time and date of Meeting:

Name of Member	CNIC No.	CDC Account No. / Folio No.	Cell Number	Email Address

The members who are registered after the necessary verification, shall be provided a video link by the Company through return email. The Login facility will remain open from start of the meeting till its proceedings are concluded.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address Secretary@piahcl.com.pk

8. **Restriction on Distribution of Gifts, Coupons / Vouchers or Any Other Form of Gift**

In compliance with Section 185 of the Companies Act, 2017 and SECP directives vide S.R.O. 452(I)/2025 dated March 17, 2025, NO GIFTS, CASH, COUPONS / VOUCHERS OR ANY OTHER FORM OF GIFT WILL BE DISTRIBUTED at the Annual General Meeting.

نوٹس برائے دوسرا سالانہ اجلاسِ عام

بذریعہ ھذا نوٹس مطلع کیا جاتا ہے کہ پی آئی اے ہولڈنگ کمپنی لمیٹڈ (پی آئی اے ایچ سی ایل) کے ممبران کا دوسرا سالانہ اجلاسِ عام بروز پیر، 28 ستمبر 2026 کو صبح 11:00 بجے ہوٹل رمادا، اسلام آباد میں اور ویڈیو لنک کی سہولت کے ذریعے منعقد کیا جائے گا، جس میں درج ذیل امور پر غور کیا جائے گا:

معمولی امور

1. 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالیاتی گوشوارے وصول اور منظور کرنا، بشمول چیئرمین کا جائزہ اور ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس۔
2. مالی سال 2026 کے لیے بیرونی آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کا تعین کرنا۔
3. چیئرمین (اجلاس کی صدارت کرنے والے) کی اجازت سے کوئی اور معاملہ نمٹانا۔

کمپنیز ایکٹ، 2017 کی دفعہ 223(7) کے تقاضوں کے مطابق، 31 دسمبر 2025 کو اختتام پذیر ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے، نیز ان کے ساتھ چیئرمین کا جائزہ، ڈائریکٹرز کی رپورٹ اور آڈیٹرز کی رپورٹ کمپنی کی ویب سائٹ پر اپ لوڈ کر دی گئی ہیں، جنہیں درج ذیل ویب سائٹ لنک اور QR کوڈ کے ذریعے ڈاؤن لوڈ کیا جا سکتا ہے:

https://piahcl.com.pk/investor-information

بورڈ کے حکم سے

عادل جمال
قائم مقام کمپنی سیکریٹری

اسلام آباد: 07 ستمبر 2026

نوٹس:

مذکورہ بالا لنک کے ذریعے رسائی کے علاوہ، سالانہ رپورٹ 2025 ممبران کو ان کے ان ای میل پتوں پر بھی بھیجی جائے گی جو پی آئی اے ہولڈنگ کمپنی لمیٹڈ ("کمپنی") کے ریکارڈ میں موجود ہیں؛ نیز یہ رپورٹ کمپنی کی ویب سائٹ www.piahcl.com.pk پر بھی دستیاب ہے۔

1. **کھاتے کی بندش کا نوٹس**

کمپنی کے شیئرز ٹرانسفر رجسٹرز منگل، 22 ستمبر 2026 سے پیر، 28 ستمبر 2026 تک (بشمول دونوں دن) بند رہیں گے، جس دوران رجسٹریشن کے لیے شیئرز کی منتقلی کی کوئی درخواست قبول نہیں کی جائے گی۔ پی آئی اے ایچ سی ایل کے شیئر رجسٹرار / ٹرانسفر ایجنٹ، سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-بی، بلاک 'بی'، ایس۔ ایم۔ سی۔ ایچ۔ ایس، مین شاہراہِ فیصل، کراچی میں، پیر، 21 ستمبر 2026 کو شام 5:00 بجے تک موصول ہونے والے ٹرانسفرز کو اور ضابطے کے مطابق درست منتقلی کی درخواستوں کو مذکورہ بالا استحقاق کے لیے بروقت تصور کیا جائے گا۔

2. ای میل کے ذریعے نوٹس کی ترسیل

ایس آر او 452(1)/2025 کے تحت، سالانہ عام اجلاس کا نوٹس قابل اطلاق قوانین کے مطابق ممبران کو کمپنی کے پاس موجود ان کے رجسٹرڈ ای میل پتوں پر بھیجا جائے گا۔

3. اجلاس میں شرکت کے لیے

I انفرادی حیثیت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی رجسٹریشن کی تفصیلات سی ڈی سی ضوابط کے مطابق اپ لوڈ کی گئی ہیں، اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرے گا۔

II کارپوریٹ ادارے کی صورت میں، اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/ اختیار نامہ بمعہ نامزد شخص کے دستخط کے نمونے پیش کیے جائیں گے (سوائے اس کے کہ یہ پہلے ہی فراہم کیے جا چکے ہوں)۔

4. پراکسی (نمائندے) کی تقرری کے لیے

1 کمپنی کا کوئی بھی ممبر جو سالانہ عام اجلاس میں شرکت اور ووٹ دینے کا حقدار ہو، کسی دوسرے ممبر کو اپنی جگہ شرکت اور ووٹ دینے کے لیے بطور پراکسی مقرر کر سکتا ہے۔ تاہم، کارپوریٹ ادارے ایسے شخص کو پراکسی مقرر کر سکتے ہیں جس کا ممبر ہونا ضروری نہیں ہے۔ پراکسی فارم اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر: چوتھی منزل، پی آئی اے بلڈنگ، 49-اے کے ایم فضل الحق روڈ، بلیو ایریا، اسلام آباد، پاکستان میں جمع کرائے جانے چاہئیں۔ انگریزی اور اردو دونوں زبانوں میں دستیاب پراکسی فارم کمپنی کی ویب سائٹ www.piahcl.com.pk سے ڈاؤن لوڈ کیے جا سکتے ہیں۔

II سی ڈی سی ضوابط کے تحت رجسٹرڈ انفرادی اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز کے لیے ضروری ہے کہ وہ اجلاس میں اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ پیش کر کے اپنی شناخت کی تصدیق کرائیں۔ کارپوریٹ اداروں کے لیے، بورڈ آف ڈائریکٹرز کی قرارداد یا اختیار نامہ بمعہ نامزد شخص کے دستخط کے نمونے بھی پیش کیے جانے چاہئیں، الا یہ کہ وہ پہلے ہی جمع کرائے جا چکے ہوں۔ سی ڈی سی اکاؤنٹ ہولڈرز کے لیے ضروری ہے کہ وہ 26 جنوری 2000 کے سرکلر 1 میں بیان کردہ ایس ای سی پی کی ہدایات پر عمل کریں۔

III پراکسی فارم کی تصدیق دو افراد کی جانب سے کی جانی چاہیے، جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر شامل ہوں۔ پراکسی فارم کے ساتھ مستفید مالک (beneficial owner) اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں منسلک ہونی چاہئیں اور پراکسی کو اجلاس میں اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔ کارپوریٹ اداروں کے لیے ضروری ہے کہ وہ پراکسی فارم کے ساتھ ساتھ بورڈ کی قرارداد یا اختیار نامہ کمپنی کو جمع کرائیں، بشرطیکہ یہ پہلے ہی فراہم نہ کیا گیا ہو۔

5. پتے کی تبدیلی

ایسے حصص یافتگان (جن کے پاس فزیکل شیئر سرٹیفکیٹس / اسکرپس موجود ہیں) سے درخواست کی جاتی ہے کہ وہ اپنے پتے میں کسی بھی تبدیلی کی صورت میں کمپنی کا نام اور اپنا متعلقہ فولیو نمبر بتاتے ہوئے فوری طور پر سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-بی، بلاک بی، ایس۔ ایم۔ سی۔ ایچ۔ ایس، مین شاہراہ فیصل، کراچی، کو مطلع کریں۔ سی ڈی سی اکاؤنٹ ہولڈرز اپنے متعلقہ سی ڈی سی پارٹیسپینٹ / بروکر / انویسٹر اکاؤنٹ سروسز سے رابطہ کر سکتے ہیں۔

6. شیئرز کی بک-انٹری فارم میں منتقلی

کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت، تمام لسٹڈ کمپنیوں کے لیے لازم ہے کہ وہ کمپنیز ایکٹ 2017 کے نفاذ کے چار سال کے اندر فزیکل شیئرز کو بک-انٹری فارم میں تبدیل کریں۔ مزید برآں، ایس ای سی پی نے اپنی ہدایت نمبر-CSD/ED/Misc/2016-639-640 (مورخہ 26 مارچ 2021) کے ذریعے ہدایت کی تھی کہ ایکٹ کے سیکشن 72 کی تعمیل کی جائے اور حصص یافتگان کی حوصلہ افزائی کی جائے کہ وہ اپنے فزیکل شیئرز کو بک-انٹری فارم میں تبدیل کریں۔ لہٰذا، کمپنی کے ان تمام حصص یافتگان سے درخواست کی جاتی ہے جن کے پاس فزیکل شیئرز موجود ہیں کہ وہ جلد از جلد اپنے شیئرز کو بک-انٹری فارم میں تبدیل کروالیں۔ حصص یافتگان فزیکل شیئرز کو بک-انٹری فارم میں تبدیل کروانے کے لیے کمپنی یا شیئرز رجسٹرار، سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ سے رابطہ کرسکتے ہیں۔

7. آن لائن شرکت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایات کے مطابق، کمپنی نے ممبران کے لیے سالانہ عام اجلاس میں آن لائن شرکت کے لیے ویڈیو لنک کی سہولت کا انتظام کیا ہے۔ ویڈیو لنک کے ذریعے اجلاس میں شرکت کرنے کے لیے ممبران سے درخواست ہے کہ وہ اپنی رجسٹریشن کیلئے اجلاس کی تاریخ اور وقت سے کم از کم 24 گھنٹے قبل درج ذیل معلومات، کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ کی درست نقل یا (کارپوریٹ شیئرہولڈرز کی صورت میں) بورڈ ریزولوشن / اختیارنامہ کی تصدیق شدہ نقل کے ساتھ، cdcsr@cdcsrsl.com پر، ای میل درج ذیل عنوان کے ساتھ
"Registration for PIA Holding Company Limited - Second Annual General Meeting" ارسال کریں۔

شیئرہولڈر کا نام	فولیو نمبر / سی ڈی ایس نمبر	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر / نیشنل ٹیکس نمبر	موبائل نمبر	ای میل ایڈریس

ضروری تصدیق کے بعد رجسٹر ہونے والے ممبران کو کمپنی کی جانب سے جوابی ای میل کے ذریعے ویڈیو لنک فراہم کیا جائے گا۔ لاگ ان کی سہولت اجلاس کے آغاز سے لے کر اس کی کارروائی کے اختتام تک دستیاب رہے گی۔

شیئرہولڈرز سالانہ اجلاس عام کے ایجنڈے میں شامل امور کے حوالے سے اپنے تبصرے اور سوالات ای میل ایڈریس Secretary@piahcl.com.pk پر بھی بھیج سکتے ہیں۔

8. تحائف، کوپنز / واؤچرز یا کسی بھی دوسری قسم کے تحفے کی تقسیم پر پابندی

کمپنیز ایکٹ 2017 کی دفعہ 185 اور ایس ای سی پی کی ہدایات (بذریعہ S.R.O. 452(I)/2025 مورخہ 17 مارچ 2025) کی تعمیل میں، سالانہ اجلاس عام کے موقع پر کوئی تحفہ، نقد رقم، کوپن / واؤچر یا کسی بھی دوسری قسم کا تحفہ تقسیم نہیں کیا جائے گا۔

CORPORATE PROFILE

As on Aug 27 2026

BOARD OF DIRECTORS

Mr Tariq Bajwa
Chairman

Lt Gen (Retd) Muhammad Ali HI(M)
Federal Secretary Defence

Mr Imdad Ullah Bosal
Federal Secretary Finance

Mr Shazad Dada

Mr Naeem Iqbal

Mr Yousaf Khosa

Syed Zibber Mohiuddin

Mr Asad Rasool
Chief Executive Officer

Mr Hammad Shamimi
Federal Secretary Privatisation

BOARD AUDIT & FINANCE COMMITTEE

Mr Shazad Dada	Chairman
Mr Imdad Ullah Bosal	Member
Syed Zibber Mohiuddin	Member

BOARD HR & LEGAL COMMITTEE

Mr Yousaf Khosa	Chairman
Mr Naeem Iqbal	Member
Mr Asad Rasool Chief Executive Officer	Member

CHIEF EXECUTIVE OFFICER

Mr Asad Rasool

REGULATORY APPOINTEES

Mr. Saad Majeed
Chief Financial Officer

Mr. Adil Jamal
Acting Company Secretary

EXECUTIVE MANAGEMENT

Mr. Saad Majeed
Chief Financial Officer

Mr. Sohail Atif Hameed
Deputy General Manager (Real Estate & Retirement Benefits)

EXTERNAL AUDITOR

Grant Thornton Anjum Rahman
(Chartered Accountants)

INTERNAL AUDITOR

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

LEGAL ADVISOR

HP | FKM - Hafeez Pirzada | Farooq, Khan & Mirza

BANKERS

The Bank of Punjab
National Bank of Pakistan
National Bank of Pakistan (Bahrain)
MCB Islamic Bank Limited
BankIslami Pakistan Limited

SHARE REGISTRAR

CDC Shares Registrar Services Limited (CDCSR)
CDC House, 99-B, Block-B, Sindhi Muslim Cooperative Housing Society Main Shahrah-e-Faisal, Karachi-74400, Pakistan.
Phone (Toll-Free) 0800-CDCPL (23275)
Tel: 0092-21-111-111-500
Fax 0092-21-34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

COMPANY ADDRESSES

Registered Address
Company Secretary - PIAHCL
4th Floor, PIA Building, 49-AKM Fazal-e-Haq Road, Blue Area, Islamabad, Pakistan

SUBSIDIARIES

PIA Investments Limited (PIAIL)

Skyrooms (Private) Limited (SRL)

Sabre Travel Network Pakistan (Private) Limited

SECP REGISTRATION CUIN: 0254011

NATIONAL TAX NO: D342499-4

WEBSITE : www.piahcl.com.pk

PROFILES OF BOARD OF DIRECTORS

Mr Tariq Bajwa
Chairman

Mr. Tariq Bajwa is Chairman & Independent Director on PIAHCL Board since March 26, 2024. He is a retired Pakistani civil servant who served as the Finance Secretary and Economic Affairs Secretary of Pakistan. Mr. Bajwa also served as the 19th Governor of the State Bank of Pakistan and the 20th Chairman of the Federal Board of Revenue. Mr. Bajwa is a distinguished career civil servant who began his tenure in the Civil Service of Pakistan in 1981. His extensive experience spans various high-profile roles, including Assistant Commissioner, Deputy Commissioner, General Manager of PIA, Head of Pakistan's Trade Mission in Los Angeles, and leadership positions with the Earthquake Reconstruction & Rehabilitation Authority (ERRA) and the United Nations Development Programme (UNDP). Notably, he served as Secretary Finance for Punjab from 2010 to 2013, where he successfully stabilized provincial finances and introduced significant reforms, including pension reforms. He also played a crucial role as a Director on the Board of Bank of Punjab, contributing to a major turnaround in the bank's performance. In 2013, Mr. Bajwa was appointed Chairman of the Federal Board of Revenue (FBR), where he achieved substantial revenue growth and introduced the Filer/Non-Filer concept. Following this, he served as Secretary of the Economic Affairs Division and later as Secretary Finance until his retirement in June 2017, during which he also contributed as a Director on the Board of the State Bank of Pakistan. He holds a Master's degree in Public Administration from Kennedy School of Government, Harvard University - where he was awarded the prestigious Littauer Fellowship - and an LLB from the University of the Punjab, Lahore. He attended National Management Course at National School of Public Policy Lahore in 2009 as well as training at National Institute of Public Administration (NIPA) in 2004. His professional expertise and experience includes public policy formulation and implementation with specialization in public finance and taxation.

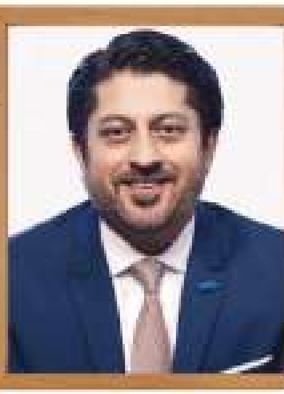
Lt Gen (R) Muhammad Ali HI(M)
Federal Secretary Defence

Lieutenant General (Retd) Muhammad Ali, Hilal-i-Imtiaz (Military) is a nominated Director on PIAHCL Board. He has been appointed as Secretary Ministry of Defence, Government of Pakistan on October 01, 2024. He was commissioned in Pakistan Army on March 10, 1989. He is a graduate of Command and Staff College Quetta, National Defence University Islamabad and College Interarmees de Defence France. He holds Master's Degree in Arts and Science of Warfare from University of Baluchistan and M. Phil from National Defence University Islamabad. He has been on various command, staff and instructional appointments. Besides commanding his parent regiment, he has commanded Artillery of an Armoured Division, an Infantry Brigade, Strategic Forces South, an Infantry Division, Pakistan Military Academy and Army Strategic Forces Command. His staff appointments include Grade-3 Staff Officer (Operations) of an Independent Infantry Brigade Group, Brigade Major of an Infantry Brigade, Chief of Staff in a Strike Corps, Vice Chief of General Staff at General Headquarters and Quartermaster General of Pakistan Army. His instructional appointments include Platoon Commander at Pakistan Military Academy Kakul, Instructor Class 'A' at Command and Staff College Quetta and Directing Staff at National Defence University Islamabad. In recognition of his outstanding professional service, he has been conferred with the award of Hilal-e-Imtiaz (Military). He is also a director on the Board of Pakistan International Airlines Corporation Limited.

Mr. Imdad Ullah Bosal
Federal Secretary Finance

Mr. Imdad Ullah Bosal, Secretary Finance Division, is a nominated Director on PIAHCL Board since March 26, 2024. He is a career civil servant with over 28 years of experience in key administrative and policy making positions in the Government of Pakistan. Before joining as Finance Secretary on May 19, 2023, Mr. Imdad Ullah Bosal has held important positions of Secretary, Industries & Production and Chief Secretary Khyber Pakhtunkhwa (KPK). He has also worked as Additional Secretary (Expenditure) and Additional Secretary (Banking/Investment/Inter-governmental Finance) in Ministry of Finance in the years 2020-2022. Mr. Imdad Ullah Bosal has also served as Secretary to the Chief Minister Punjab, Special Secretary Finance (Punjab) and as Commissioner of two important regions of Punjab i.e. Rawalpindi and Lahore. He has done Masters of Public Policy from Blavatnik School of Government, University of Oxford and MSc. in Political Economy of Development (Distinction) from School of Oriental and African Studies (SOAS), University of London. He has been awarded national award of Sitara-e-Imtiaz for recognition of his contribution in public service by the Government of Pakistan. He is director on the Board of Pakistan International Airlines Corporation Limited. He is also a Member of PIAHCL Board Audit Committee.

Mr. Shazad Dada
Director



Mr. Shazad Dada is an Independent Director on PIAHCL Board since March 26, 2024. He is a seasoned banker, strategist and trusted advisor. Mr. Shazad Dada has experience of more than 34 years. He has led multiple renowned financial institutions, driving profitability by turning around loss making divisions and strengthening their Investment Banking division. Currently, he is Founder and Managing Partner of "Dada Partners", a boutique advisory firm providing Mergers & Acquisitions, Corporate Finance, Corporate Restructuring, Corporate Transformation, Private Equity, Debt and Green Financing to clientele within Pakistan and the MENA region. Mr. Dada started off in Deutsche Bank Securities Inc, New York and swiftly rose to the rank of Managing Director, Americas M&A, for Technology, Media and Telecommunications. Subsequently, he moved to Pakistan as Chief Executive Officer for Deutsche Bank, where he played a key role in turning around the franchise's profitability. Thereafter, he joined Barclays Pakistan as Managing Director and Head of Regional Transaction Services Steering Committee for Asia, India, UAE and Pakistan. His last stint with an International Bank was as Chief Executive Officer for Standard Chartered Pakistan, after which he decided to spearhead one of Pakistan's premier banks, United Bank Limited (UBL). Mr. Dada has held esteemed positions such as President Overseas Investor Chamber of Commerce and Industry (OICCI) Pakistan, Chairman Pakistan Bank's Association and Chairman Pakistan Mercantile Exchange. He is a Certified Director from Pakistan Institute of Corporate Governance, accredited by the International Finance Corporation (IFC) and approved by Securities and Exchange Commission of Pakistan (SECP).Presently, he serves as Chairman of Board of Trustees for Development in Literacy. He is Chairman of PIAHCL Board Audit Committee.

Mr. Naeem Iqbal
Director

Mr. Naeem Iqbal is an independent Director on PIAHCL Board since March 26, 2024. With a robust career in banking, he brings a wealth of experience from senior positions in both domestic and international banks across the Middle East. His notable roles include serving as Chairman and Managing Director of the Industrial Development Bank of Pakistan. In addition to his role at PIAHCL, Mr. Naeem Iqbal is Chairman of Exim Bank of Pakistan and also an Independent Director on the Boards of Islamabad Electric Supply Company (I.E.S.C.O.) and GENCO Holding Company Limited, further showcasing his extensive leadership in the industry. Mr. Naeem Iqbal's academic credentials include being a Fellow of the Chartered Institute of Bankers in London since February 1985, holding a Diploma in Banking from the Chartered Institute of Bankers, and earning a Bachelor of Arts from the University of Punjab. He is a Member of PIAHCL Board HR & Legal Committee.

Mr. Yousaf Khosa

Director

Mr Yousaf Khosa is an Independent Director on PIAHCL Board since March 26, 2024. Mr. Khosa stands out as one of Pakistan's premier corporate and dispute resolution lawyers, with a distinguished career that spans over two decades. As an Advocate of the Supreme Court of Pakistan, he leads the dispute resolution and corporate teams of his firm in Islamabad, showcasing unparalleled expertise in corporate litigation. His academic background is robust, including qualifications from the Barristers of Lincoln's Inn (BPP, London, 1997), Cardiff Law School (LLB Hons, 1996), and GC University (B.A. Political Science, 1993). This solid foundation has underpinned his extensive experience across various legal domains. Mr. Khosa has been a pivotal figure in the aviation sector, notably leading major transactions such as ATR financing and aircraft lease negotiations. His expertise was crucial in the New Islamabad International Airport Project, where he achieved a landmark arbitration award. Additionally, his distinguished reputation in infrastructure practice is marked by his involvement in high-profile construction projects both locally and internationally. Mr. Khosa's proficiency spans various construction contracts and project structures, including BOT and BOOT models, and he offers extensive advisory services on contract management, claims, and dispute resolution. Mr. Khosa is renowned for his exceptional skills in arbitration, with a successful track record in both domestic and international disputes, recently recognized by ICC Paris for a major arbitration victory. His expertise extends to corporate and commercial law, where he excels in capital markets, mergers and acquisitions, and technology licensing, supported by extensive experience in high-value transactions and corporate governance. Additionally, Mr. Khosa has handled over 700 litigation cases across various sectors, including taxation, construction, and telecommunications. He is a leading authority in telecommunication law, advising clients in Pakistan and Afghanistan, and has made significant contributions to the oil and gas sector. His deep understanding of employment law further complements his practice, encompassing a wide range of labor regulations and corporate restructuring issues. With over 22 years of legal practice, Mr. Khosa has accumulated a wealth of experience across constitutional, corporate finance, tax, and international family matters. His achievements have been recognized with numerous international awards, including "Best Corporate Lawyer of the Year," and he is a respected visiting speaker at the National Judicial Academy in Islamabad. His memberships include the Punjab Bar Council, Supreme Court Bar Association, and the Honorable Society of Lincoln's Inn. He is a Certified Director from Pakistan Institute of Corporate Governance, accredited by the International Finance Corporation (IFC) and approved by Securities and Exchange Commission of Pakistan (SECP). He is Chairman of PIAHCL Board HR & Legal Committee.

Syed Zibber Mohiuddin

Director

Syed Zibber Mohiuddin is an Independent Director on PIAHCL Board since March 26, 2024. During his carrier he has held several key leadership and entrepreneurial positions over the last 27 years. Currently, Mr. Mohiuddin is the CEO of Panasian Group and Vice Chairman of VPL Limited. He is serving as a director on the Boards of several private and public limited companies including Engro Enfrashare. From 2002 till 2009 he was the President of Ericsson in Pakistan. From 2002 till 2005 Mr. Mohiuddin served on the Management Board of Ericsson's Southeast Asia region comprising ten countries, while serving from 2005 till 2009 on the Management Board of Ericsson Middle East covering fourteen countries. Under Mr. Mohiuddin's leadership, Ericsson in Pakistan grew from a workforce of 39 employees to over 1900 while being responsible for implementing and managing mobile networks with over 20 million subscribers. Prior to Ericsson, Mr. Mohiuddin worked for various companies in United States, Europe and Asia namely Merrill Lynch, Prudential Securities and IBM. Mr. Mohiuddin earned a Bachelor of Business Administration in Finance, from The George Washington University in 1991 and a Master of Business Administration in International Business from The George Washington University in 1994. During 2006 to 2007, he completed an Executive Development Program at Columbia University, Graduate School of Business. He is a Certified Director from Pakistan Institute of Corporate Governance, accredited by the International Finance Corporation (IFC) and approved by Securities and Exchange Commission of Pakistan (SECP). He is a Member of PIAHCL Board Audit Committee.

Mr. Asad Rasool

Director / Chief Executive Officer

Mr. Asad Rasool was appointed as the Chief Executive Officer of PIA Holding Company Limited on April 10, 2025. He brings with him over 20 years of extensive and proven experience in Transaction Advisory, global Equity Capital Markets (ECM) and Corporate / Commercial Banking. His corporate finance advisory experience spans across privatisation, public private partnership (PPP), mergers and acquisitions (M&A), corporate restructuring, enterprise valuations, and both buy-side and sell-side due diligences. He has worked across a diverse range of sectors including financial services, exploration and production (E&P), industrials, airlines, real estate, and telecommunications. Prior to assuming his current role, Mr. Rasool served as a Financial Advisor to the Ministry of Defence / Aviation, Government of Pakistan. He also held the position of Senior Transaction Advisory Manager at the Privatisation Commission of Pakistan, where he led complex privatisation mandates and provided strategic input on key privatization initiatives. Additionally, his role as Advisor on Privatisation (Finance & Markets – Global Practices) at the World Bank Group underscores his commitment to promoting economic efficiency and transparency within public sector enterprises. Mr. Rasool is a member of the Institute of Chartered Accountants Australia & New Zealand (CA ANZ). He holds a Master's degree in Commerce from the University of New South Wales, Australia, and a Bachelor's degree in Civil Engineering from the University of Engineering and Technology (UET), Lahore. He is serving as Director on the Board of Pakistan International Airlines Corporation Limited, PIA Investment Limited, Skyrooms Private Limited and Sabre Travel Network Pakistan (Private) Limited. He is also a Member of PIAHCL Board HR & Legal Committee.

Mr. Hammad Shamimi

Federal Secretary Privatisation Division

Mr. Hammad Shamimi is a nominated Director on PIAHCL Board. He has more than 31 years of work experience in administration and project management in a variety of core disciplines in the public sector. Exposure in policy planning and implementation, governance structures and reforms and service delivery mechanisms are some of his areas of strength. He did his Masters in English Literature from Government College, Lahore in 1990. Later on, he also completed his degree in Development Studies from Japan (2005) and MBA in HRM. Before joining the Privatisation Division, he worked as Additional Secretary in the Cabinet Division and Climate Change Division. He has also served as Consultant, Asian Development Bank and Project Director World Bank and UNDP. He is also a member of Pakistan's Civil Services. He is also a director on the Board of Pakistan International Airlines Corporation Limited.

REGULATORY APPOINTMENTS

Mr. Asad Rasool

Chief Executive Officer

Mr. Asad Rasool was appointed as the Chief Executive Officer of PIA Holding Company Limited on April 10, 2025. He brings with him over 20 years of extensive and proven experience in Transaction Advisory, global Equity Capital Markets (ECM) and Corporate / Commercial Banking. His corporate finance advisory experience spans across privatisation, public private partnership (PPP), mergers and acquisitions (M&A), corporate restructuring, enterprise valuations, and both buy-side and sell-side due diligences. He has worked across a diverse range of sectors including financial services, exploration and production (E&P), industrials, airlines, real estate, and telecommunications. Prior to assuming his current role, Mr. Rasool served as a Financial Advisor to the Ministry of Defence / Aviation, Government of Pakistan. He also held the position of Senior Transaction Advisory Manager at the Privatisation Commission of Pakistan, where he led complex privatisation mandates and provided strategic input on key privatization initiatives. Additionally, his role as Advisor on Privatisation (Finance & Markets – Global Practices) at the World Bank Group underscores his commitment to promoting economic efficiency and transparency within public sector enterprises. Mr. Rasool is a member of the Institute of Chartered Accountants Australia & New Zealand (CA ANZ). He holds a Master's degree in Commerce from the University of New South Wales, Australia, and a Bachelor's degree in Civil Engineering from the University of Engineering and Technology (UET), Lahore.

Mr. Saad Majeed

Chief Financial Officer

Saad Majeed is a senior finance professional with over 22 years of post-qualification experience in financial management, financial reporting, budgeting, treasury, audit, governance, risk management and internal controls across large corporates, regulated entities and international groups. He has extensive experience in IFRS-compliant financial reporting, budgetary control, treasury and cash flow management, regulatory compliance, ERP-based financial systems and strengthening financial control frameworks.

Prior to joining PIA Holding Company Limited, he served as Head of Internal Audit at DHA Islamabad—Rawalpindi, where he provided assurance and governance oversight and advised senior management and the Audit Committee on financial, operational and regulatory matters. Earlier, he held senior finance and business planning roles with Ooredoo Group and Wi-Tribe, including responsibility for group business planning, budgeting, forecasting, financial analysis and performance management. He also commenced his professional career in audit with Grant Thornton Pakistan, gaining extensive experience in statutory audits, corporate reporting and governance.

Mr. Majeed is an Associate Chartered Accountant (ACA) of ICAEW UK, a Fellow Chartered Certified Accountant (FCCA) of ACCA, UK, and a Chartered Public Finance Accountant (CPFA). His professional expertise encompasses financial reporting and consolidation, strategic financial planning, ERP-based financial controls, audit and assurance, risk management and stakeholder engagement

Mr. Adil Jamal

Acting Company Secretary

Adil Jamal is a senior legal and corporate governance professional with over 20 years of experience in corporate and commercial law, regulatory compliance, litigation, banking and finance, and Board affairs. He presently serves as Acting Company Secretary of PIA Holding Company Limited.

Before joining PIAHCL, he served at the Securities and Exchange Commission of Pakistan, including as Assistant Director at the Appellate Bench, and held legal and advisory positions in Pakistan and the United Kingdom.

Mr. Jamal is a Barrister-at-Law, called to the Bar of England and Wales by the Honourable Society of Lincoln's Inn. He holds an LL.B. (Hons.) from the University of London and is an Advocate of the High Courts of Pakistan.

CHAIRMAN'S REVIEW REPORT

For the year ended December 31, 2025

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Chairman's Review Report of PIA Holding Company Limited (PIAHCL) for the year ended December 31, 2025. During the year, the Company progressed from establishing the holding-company structure to active stewardship of transferred assets and liabilities, stronger group governance and support for the Government of Pakistan's privatization programme for Pakistan International Airlines Corporation Limited (PIACL).

PIAHCL's Mandate and Role

In line with its mandate under the Scheme of Arrangement, the Board and management focused on shareholder oversight and governance of subsidiaries, prudent management of legacy obligations and protection of strategic asset value. The Company also coordinated the corporate, legal and governance actions required for the PIACL privatisation process and continued to strengthen the systems and controls expected of a listed state-owned holding company.

PIAHCL continued to manage the assets and liabilities transferred under the Scheme of Arrangement, including legacy financial obligations, eligible retirees' pension and medical commitments, immovable properties and other non-core assets.

Facilitating the Privatisation of PIACL and Transfer of PEC

The year's principal milestone was the successful competitive bidding for a controlling interest in PIACL. On December 23, 2025, the Arif Habib Corporation-led consortium submitted the highest bid of Rs. 135 billion for a 75% stake against the reference price of Rs. 100 billion, and the Privatization Commission Board recommended the bid on December 24, 2025. Subsequently, the Share Purchase and Subscription Agreement and Shareholders' Agreement were executed on January 29, 2026, and First Completion took place on June 29, 2026. Consequently, 66.67% of PIACL's shareholding was transferred to PIA Equity Limited, PIAHCL retained 33.33%, and PIACL became an associated undertaking of PIAHCL. These matters have been appropriately disclosed as subsequent events in the financial statements.

A further restructuring milestone was the transfer of the Precision Engineering Complex to Precision Engg Comp (Private) Limited (PECPL) under a Scheme of Arrangement sanctioned by the Securities and Exchange Commission of Pakistan on December 5, 2025, with effect from May 1, 2025. PECPL assumed the specified PEC-related obligations, including pension liabilities of approximately Rs. 2.9 billion relating to 381 retired employees and future pension and provident-fund liabilities of approximately Rs. 1.1 billion relating to 223 serving employees.

Governance and Strategic Assets

The Board, supported by its Audit & Finance Committee and HR & Legal Committee, maintained oversight of financial reporting, internal controls, risk, compliance, senior appointments and subsidiary performance. PIAHCL also continued its oversight of PIA Investments Limited, Skyrooms (Private) Limited and Sabre Travel Network Pakistan (Private) Limited, with emphasis on sound governance, operational sustainability and preservation and enhancement of asset value.

Outlook

Looking ahead, PIAHCL will support orderly implementation of the PIACL transaction, manage retained assets and obligations prudently, strengthen governance and internal controls, enhance subsidiary oversight and pursue value-maximizing options for the Group's assets. The Company remains committed to transparent decision-making, accountable stewardship and sustainable value creation for all shareholders.

Acknowledgement

On behalf of the Board, I acknowledge the support of the Government of Pakistan, the Ministry of Defence, the Ministry of Finance, the Privatization Commission, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange and all other stakeholders. I also thank my fellow Directors and the management and employees of PIAHCL and the Group companies for their dedication and professionalism.

Tariq Bajwa
Chairman
PIA Holding Company Limited
Date: 27th August 2026

مستقبل کا لائحہ عمل

آنے والے عرصے میں، پی آئی اے ایچ سی ایل، پی آئی اے سی ایل کے لین دین (ٹرانزیکشن) کے منظم نفاذ میں معاونت کرے گی، اپنے پاس برقرار رکھے گئے اثاثوں اور ذمہ داریوں کا دانشمندی سے انتظام کرے گی، گورننس اور داخلی کنٹرولز کو مضبوط بنائے گی، ذیلی اداروں کی نگرانی کو بہتر کرے گی اور گروپ کے اثاثوں کی قدر میں زیادہ سے زیادہ اضافے کے امکانات پر کام کرے گی۔ کمپنی شفاف فیصلہ سازی، ذمہ دارانہ انتظام اور تمام شیئر ہولڈرز کے لیے پائیدار قدر کی تخلیق کے عزم پر قائم ہے۔

اظہار تشکر

بورڈ کی جانب سے، میں حکومت پاکستان، وزارت دفاع، وزارت خزانہ، نجکاری کمیشن، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج اور دیگر تمام اسٹیک ہولڈرز کے تعاون کا اعتراف کرتا ہوں۔ میں اپنے ساتھی ڈائریکٹرز اور پی آئی اے ایچ سی ایل گروپ کمپنیوں کی انتظامیہ اور ملازمین کا بھی ان کی لگن اور پیشہ ورانہ مہارت پر شکریہ ادا کرتا ہوں۔

طارق باجوہ

چیئرمین

پی آئی اے ہولڈنگ کمپنی لمیٹڈ

تاریخ: 27 اگست 2026

چیئرمین کی جائزہ رپورٹ

برائے سال اختتام 31 دسمبر 2025

معزز شیئرہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے مجھے 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے پی آئی اے ہولڈنگ کمپنی لمیٹڈ (پی آئی اے ایچ سی ایل) کی چیئرمین کی جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔ اس سال کے دوران، کمپنی کا ڈھانچہ تشکیل دینے کے بعد، منتقل شدہ اثاثوں اور واجبات کی فعال نگرانی، گروپ کی گورننس کو مضبوط بنانے، اور پاکستان انٹرنیشنل ایئر لائنز کارپوریشن لمیٹڈ (پی آئی اے سی ایل) کے لیے حکومت پاکستان کے نجکاری پروگرام میں معاونت فراہم کرنے جیسے امور پر توجہ مرکوز کی گئی۔

پی آئی اے ایچ سی ایل کا مینڈیٹ اور کردار

اسکیم آف ارینجمنٹ کے تحت اپنے تفویض کردہ مینڈیٹ کے مطابق، بورڈ اور انتظامیہ نے ذیلی کمپنیوں کی شیئرہولڈر نگرانی اور گورننس، سابقہ واجبات کے محتاط انتظام اور اسٹریٹجک اثاثوں کی قدر کے تحفظ پر توجہ مرکوز رکھی۔ کمپنی نے پی آئی اے سی ایل کی نجکاری کے عمل کے لیے درکار کارپوریٹ، قانونی اور گورننس سے متعلق اقدامات میں بھی رابطہ کاری کی اور ایک لسٹڈ سرکاری ملکیتی ہولڈنگ کمپنی سے متوقع نظام اور کنٹرولز کو مزید مضبوط بنانے کا عمل جاری رکھا۔

پی آئی اے ایچ سی ایل نے اسکیم آف ارینجمنٹ کے تحت منتقل کیے گئے اثاثوں اور واجبات کا انتظام جاری رکھا، جن میں سابقہ مالیاتی واجبات، اہل ریٹائرڈ ملازمین کے پنشن اور طبی سہولیات سے متعلق ذمہ داریاں، غیر منقولہ جائیدادیں اور دیگر غیر بنیادی اثاثے شامل ہیں۔

پی آئی اے سی ایل کی نجکاری اور پی ای سی کی منتقلی میں معاونت

سال کی اہم ترین پیش رفت پی آئی اے سی ایل میں کنٹرولنگ حصص کے حصول کے لیے کامیاب مسابقتی بولی تھی۔ 23 دسمبر 2025 کو عارف حبیب کارپوریشن کی سربراہی میں قائم کنسورشیم نے 75 فیصد حصص کے لیے 135 ارب روپے کی سب سے زیادہ بولی پیش کی، جبکہ حوالہ جاتی قیمت 100 ارب روپے مقرر تھی، اور 24 دسمبر 2025 کو نجکاری کمیشن کے بورڈ نے مذکورہ بولی کی سفارش کر دی۔ بعد ازاں، 29 جنوری 2026 کو شیئر پرچیز اینڈ سبسکرپشن ایگریمنٹ اور شیئرہولڈرز ایگریمنٹ پر دستخط کیے گئے، جبکہ پہلی تکمیل 29 جون 2026 کو عمل میں آئی۔ چنانچہ، پی آئی اے سی ایل کے 66.67 فیصد حصص پی آئی اے ایکویٹی لمیٹڈ کو منتقل کر دیے گئے، جبکہ پی آئی اے ایچ سی ایل نے 33.33 فیصد حصص برقرار رکھے، اور پی آئی اے سی ایل پی آئی اے ایچ سی ایل کا ایک منسلک ادارہ بن گیا۔

ان امور کو مالیاتی گوشواروں میں بعد از تاریخ واقعات کے طور پر مناسب طور پر ظاہر کیا گیا ہے۔

تنظیمی تشکیل نو کے عمل میں ایک اور اہم سنگ میل پریسیژن انجینئرنگ کمپلیکس (پی ای سی) کا پریسیژن انجینئرنگ کمپنی (پرائیویٹ) لمیٹڈ (پی ای سی پی ایل) کو منتقلی کا مرحلہ تھا، جو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے 5 دسمبر 2025 کو منظور شدہ اسکیم آف ارینجمنٹ کے تحت عمل میں آئی، جس کا اطلاق 1 مئی 2025 سے مؤثر تھا۔ پی ای سی پی ایل نے پی ای سی سے متعلق مخصوص ذمہ داریاں سنبھال لیں، جن میں 381 ریٹائرڈ ملازمین سے متعلق تقریباً 2.9 ارب روپے کی پنشن واجبات اور 223 حاضر سروس ملازمین سے متعلق مستقبل کی پنشن اور پروویڈنٹ فنڈ کی تقریباً 1.1 ارب روپے کی واجبات شامل ہیں۔

گورننس اور اسٹریٹجک اثاثے

بورڈ نے اپنی آڈٹ اینڈ فنانس کمیٹی اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی کی معاونت سے مالیاتی رپورٹنگ، اندرونی کنٹرولز، خطرات، ضابطہ جاتی تعمیل، اعلیٰ سطحی تقرریوں اور ذیلی کمپنیوں کی کارکردگی پر نگرانی برقرار رکھی۔ پی آئی اے ایچ سی ایل نے پی آئی اے انویسٹمنٹس لمیٹڈ، اسکائی رومز (پرائیویٹ) لمیٹڈ اور سیبر ٹریول نیٹ ورک (پرائیویٹ) لمیٹڈ کی نگرانی بھی جاری رکھی، جس میں مؤثر گورننس، آپریشنل پائیداری، اور اثاثوں کی قدر کے تحفظ اور اس میں اضافے پر خصوصی توجہ مرکوز رکھی گئی۔

DIRECTORS' REPORT

For the year ended December 31, 2025

DEAR SHAREHOLDERS

The Board of Directors of PIA Holding Company Limited ("PIAHCL" or the "Company") is pleased to present the Annual Report together with the Audited Financial Statements of the Company and the Group for the year ended December 31, 2025, along with the Auditors' Reports thereon.

PERFORMANCE REVIEW

The year ended December 31, 2025 represents the first full year of operations of PIAHCL following the implementation of the Scheme of Arrangement.

KEY FINANCIAL HIGHLIGHTS – CONSOLIDATED

Particulars	2025
Total Assets	PKR 437.66 billion
– Assets held for sale	PKR 179.17 billion
– Other assets	PKR 258.49 billion
Total Liabilities	PKR 1,014.56 billion
– Liabilities held for sale	PKR 180.28 billion
– Other liabilities	PKR 834.27 billion
Net Negative Equity	PKR 576.89 billion
Revenue	PKR 25.71 billion
Operating Profit	PKR 17.36 billion
– Loss from Continuing Operations	PKR (36.62) billion
– Gain from Discontinued Operations	PKR 18.45 billion
Loss before Tax	PKR (18.17) billion
– Taxation and Levy	PKR (7.22) billion
Loss after Tax	PKR (25.39) billion
Loss per Share – A Class	PKR 4.85
Loss per Share – B Class	PKR 2.43

The Group operated in a challenging environment, impacted by inherited liabilities, finance costs, foreign exchange exposures and restructuring matters. Continuing operations generated revenue of PKR 25.71 billion and operating profit of PKR 17.36 billion, but incurred a pre-tax loss of PKR 36.62 billion due mainly to finance costs. Following the classification of PIACL as a discontinued operation/asset held for sale, a gain of PKR 18.45 billion was recognized. The Group consequently recorded a loss before tax of PKR 18.17 billion and loss after tax of PKR 25.39 billion. Total assets stood at PKR 437.66 billion against total liabilities of PKR 1,014.56 billion, resulting in negative equity of PKR 576.89 billion.

AUDITORS' REPORT

The Auditors have expressed a qualified opinion on the unconsolidated and consolidated financial statements for the year ended December 31, 2025, primarily in relation to the transfer of certain assets and liabilities of Precision Engineering Complex ("PEC") to Precision Engineering Complex (Private) Limited.

The transfer of PEC was undertaken pursuant to a Federal Government/Cabinet-approved arrangement. Accordingly, Management considers that the transaction was based on the Government-approved valuation and terms, rather than an independently negotiated valuation by PIAHCL.

The auditors have also drawn attention to certain matters without modifying their opinion, including the Government of Pakistan's confirmation to extend maximum financial support to the Company to maintain its going concern status, certain claims not acknowledged by the Company and the adjustment of markup on Government of Pakistan loans.

SUBSIDIARY AND STRATEGIC INVESTMENT REVIEW

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED

PIACL remained a wholly-owned subsidiary of PIAHCL during the year. During 2025, the subsidiary continued to focus on operational improvement, financial restructuring, route rationalization, cost optimization and preparations relating to its privatization.

Particulars	2025	2024	Change
Revenue – net	PKR 211.66 billion	PKR 204.16 billion	+3.7%
Profit from Operations	PKR 13.40 billion	PKR 9.36 billion	+43.2%
Profit/(Loss) before Tax	PKR 10.26 billion	PKR (4.59) billion	Turned profitable
Net Profit for the Year	PKR 5.58 billion	PKR 26.20 billion	-78.7%
Total Assets	PKR 190.58 billion	PKR 187.29 billion	+1.8%
Net Worth (Equity)	PKR 9.82 billion	PKR 3.55 billion	+176.4%

PIACL's revenue increased 3.7% to PKR 211.66 billion, while operating profit rose 43.2% to PKR 13.40 billion, reflecting continued post-restructuring operational improvement. Finance costs declined significantly to PKR 1.72 billion from PKR 10.07 billion due to the reduced debt burden. Although reported net profit fell to PKR 5.58 billion from PKR 26.20 billion, the 2024 result included a one-off deferred tax credit of PKR 30.79 billion. On an underlying basis, profit before tax improved from a loss of PKR 4.59 billion to a profit of PKR 10.26 billion.

PIA INVESTMENTS LIMITED

PIAIL owns and operates the Roosevelt Hotel in New York, USA and the Scribe Hotel in Paris, France. Its consolidated results (in USD, as reported) for 2025 compared with 2024 are set out below:

Particulars	2025	2024	Change
Revenue	US$ 86.59 million	US$ 123.84 million	-30.1%
Profit after Tax	US$ 7.26 million	US$ 24.84 million	-70.8%
—Attributable to owners of PIAIL	US$ 6.78 million	US$ 24.14 million	-71.9%
Total Comprehensive Income	US$ 44.50 million	US$ (2.93) million	Turned positive
Total Equity (incl. NCI)	US$ 508.77 million	US$ 464.26 million	+9.6%
Total Assets	US$ 880.87 million	US$ 855.93 million	+2.9%

Revenue: approximately US$86.6 million, down 30%, primarily due to the sharp decline in Roosevelt Hotel revenue.Net profit: approximately US$7.25 million, indicating that PIAIL remained profitable despite the revenue contraction. Comprehensive income: increased substantially to US$44.50 million, mainly due to the US$40.2 million revaluation surplus on the Roosevelt and Scribe properties.

SKYROOMS (PRIVATE) LIMITED

Particulars	2025 (Mgmt Accounts	2024 (Mgmt Accounts)	Change
Revenue	PKR 2,003.88 million	PKR 1,617.26 million	+23.9%
Gross Loss	PKR (87.94) million	PKR (174.72) million	Loss narrowed 49.7%
Loss before Taxation	PKR (118.76) million	PKR (207.45) million	Loss narrowed 42.7%
Net Loss for the Year	PKR (197.25) million	PKR (272.87) million	Loss narrowed 27.7%
Total Assets	PKR 393.00 million	PKR 232.24 million	+69.2%
Total Equity (Deficit)	PKR (1,373.63) million	PKR (1,206.26) million	Deficit widened 13.9%

Sky rooms' revenue increased 23.9% in 2025, while its pre-tax loss improved by 42.8% to PKR 118.76 million from PKR 207.45 million. The hotel segment remained loss-making, with expenses of PKR 595.57 million exceeding revenue of PKR 413.37 million.

SABRE TRAVEL NETWORK (PRIVATE) LIMITED

Sabre Travel Network (Private) Limited continued its operations as a provider of technology and reservation services to the travel industry.

Particulars	2025	2024	Change
Revenue	PKR 712.72 million	PKR 726.49 million	-1.9%
Profit before Tax and Levy	PKR 11.58 million	PKR 15.67 million	-26.1%
Net Profit for the Year	PKR 2.08 million	PKR 2.53 million	-17.9%
Total Assets	PKR 392.86 million	PKR 508.45 million	-22.7%
Total Equity	PKR 49.26 million	PKR 47.19 million	+4.4%

Sabre Travel Network's revenue remained broadly stable, declining marginally by 1.9%. Profit before tax and levy fell 26.1% to PKR 11.58 million and net profit declined 17.9% to PKR 2.08 million, driven primarily by a sharp reduction in other income (down 74.4% to PKR 3.25 million) rather than any deterioration in core operating performance, which held up well at the gross profit level relative to revenue.

Carve-out of Precision Engineering Complex

During the year, the Company proceeded with the carve-out and separation of its Precision Engineering Complex ("PEC") pursuant to a Scheme of Arrangement under the Companies Act, 2017 sanctioned by the Securities and Exchange Commission of Pakistan on December 5, 2025 with effect from May 01, 2025.

BOARD COMPOSITION AND GOVERNANCE

The Board has constituted specialized committees to support effective oversight and decision-making, including the Board Audit Committee and the Board HR & Legal Committee. These committees comprise Directors based on their expertise and contribute significantly to corporate governance and strategic oversight. As at December 31, 2025, the Board comprised the following categories of Directors:

Category	Number
Total Directors	11
Male Directors	10
Female Directors	Nil
Independent Directors	6
Non-Executive Directors	3
Executive Director	1
Casual Vacancy	1

Federal Government appointed Female Director, however, she regretted to join and request for replacement of the Female Director was made to the Ministry of Aviation/Defence on August 30, 2024. The appointment remained pending during the year.

DIRECTOR - REREMUNERATION POLICY

In accordance with Regulation 34 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company has a formal remuneration policy for Directors, as approved by the Members at the Statutory Meeting held on 22 February 2025. Under the approved policy, a Director is entitled to a meeting attendance fee of Rs. 50,000 for each meeting of the Board or a Board Committee attended, together with applicable travel, accommodation and related expenses in accordance with the approved policy.

CORPORATE GOVERNANCE

The Company has adopted the Listed Companies (Code of Corporate Governance) Regulations, 2019 and is also subject to the State-Owned Enterprises (Governance and Operations) Act, 2023.The Statement of Compliance with the CCG Regulations for the year ended December 31, 2025 forms part of the Annual Report. The Statement of Compliance identifies certain areas where work was in progress during the year and compliance was achieved in the year 2026.

INTERNAL CONTROLS

The Board recognizes the importance of a robust internal control environment and remains committed to strengthening the Company's internal control, and internal audit arrangements. Accordingly, an internal audit firm was subsequently appointed in 2026 to develop internal audit mechanisms and strengthen risk management and internal controls.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company and the Group include:

- dependence on continued financial support from the Government of Pakistan;
- significant long-term financing obligations;
- legacy liabilities and restructuring matters;
- claims and litigation exposures;
- risks associated with the restructuring and privatization of PIACL;
- operational and financial risks relating to subsidiaries and strategic investments.

DIVIDEND AND RESERVES

In view of the financial position and loss incurred during the year, the Board does not recommend payment of any dividend for the year ended December 31, 2025.

LOSS PER SHARE

The Company recorded a loss per share for the year ended December 31, 2025. During the period, the Company registered a basic and diluted loss of Rs. 6.27 per 'A' Class share and Rs.3.13 per 'B' Class share.

PATTERN OF SHAREHOLDING

As of the reporting date, the Government of Pakistan through the Secretary, Ministry of Defence, holds 95.99% of shares in PIAHCL, Public Sector Companies hold 0.10%, financial institutions hold 0.02%, and the remaining 3.89% is held by other investors, including individuals.

MATERIAL CHANGES AND COMMITMENTS AFTER THE YEAR-END

The First Completion under the Share Purchase and Subscription Agreement (SPSA) executed on January 29, 2026 took place on June 29, 2026.Pursuant to the First Completion, the share transfer and equity subscription contemplated under the SPSA have been implemented. Consequently, PIA Equity Limited, the special purpose vehicle established by the successful bidder consortium, now holds 66.67% of the issued and paid-up share capital of the PIACL, while PIAHCL retains the remaining 33.33%.

ENVIRONMENTAL IMPACT

The Company recognizes the importance of environmental sustainability and responsible management of environmental impacts arising from its business and investments.

CORPORATE SOCIAL RESPONSIBILITY

PIAHCL recognizes its responsibility as a state-owned enterprise to contribute positively to society and to support initiatives relating to youth development, education, sports, community welfare and other areas of social development.

During the year, the Company continued to focus primarily on institutional restructuring and establishment of its governance framework. The Board remains committed to developing a formal CSR framework aligned with the Company's objectives and relevant national priorities.

FUTURE OUTLOOK

During 2026, the Company intends to focus on strengthening its governance and control framework, optimizing the value of its assets and investments, and strengthening the financial sustainability of the Group.

Key priorities include:

- playing its role under SHA and SPSA relating to PIACL;
- strengthening risk management and internal audit arrangements;
- improving internal financial controls and governance systems;
- optimizing the value of assets and strategic investments;
- strengthening the operational and financial performance of subsidiaries;
- exploring appropriate strategic partnerships and investment/divestment opportunities; and
- improving compliance with applicable corporate governance and state-owned enterprise requirements.

ACKNOWLEDGEMENTS

The Board acknowledges and appreciates the continued support and guidance extended by the Government of Pakistan, Ministry of Defense, Ministry of Finance, Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange and other regulatory authorities and stakeholders.

The Board also appreciates the efforts and commitment of the management and employees of PIAHCL and its subsidiaries in supporting the Company's objectives during this important phase of institutional development and restructuring.

The Directors remain committed to strengthening the Company's governance, financial position, internal controls and operational effectiveness and to creating sustainable value for all stakeholders.

For and on behalf of the Board of Directors

Asad Rasool Chief Executive Officer	**Tariq Bajwa** Chairman

Date: 27th August 2026

مقصد کا ادارہ بھی "پی آئی اے انکوبی لمیٹڈ"، اب پی آئی اے سی ایل کے جاری شدہ اور ادا شدہ حصص کے سرمائے کا 66.67 فیصد حصہ رکھتی ہے، جبکہ پی آئی اے ایچ سی ایل کے پاس بقیہ 33.33 فیصد حصہ برقرار ہے۔

ماحولیاتی اثرات

کمپنی ماحولیاتی پائیداری کی اہمیت اور اپنے کاروبار اور سرمایہ کاری کے نتیجے میں پیدا ہونے والے ماحولیاتی اثرات کے ذمہ دارانہ انتظام کو تسلیم کرتی ہے۔

کارپوریٹ سماجی ذمہ داری

پی آئی اے ایچ سی ایل ایک سرکاری ملکیتی ادارے کی حیثیت سے معاشرے میں مثبت کردار ادا کرنے اور نوجوانوں کی ترقی، تعلیم، کھیلوں، کمیونٹی کی فلاح و بہبود اور سماجی ترقی کے دیگر شعبوں سے متعلق اقدامات کی معاونت کی اپنی ذمہ داری کو تسلیم کرتی ہے۔

سال کے دوران کمپنی کی بنیادی توجہ ادارہ جاتی تنظیم نو اور اپنے طرز حکمرانی کے فریم ورک کے قیام پر مرکوز رہی۔ بورڈ کمپنی کے مقاصد اور متعلقہ قومی ترجیحات سے ہم آہنگ ایک باقاعدہ CSR Framework تیار کرنے کے لیے بدستور پرعزم ہے۔

مستقبل کا منظر نامہ

2026 کے دوران کمپنی کا ارادہ ہے کہ وہ اپنے گورننس اور کنٹرول فریم ورک کو مزید مضبوط بنانے، اپنے اثاثہ جات اور سرمایہ کاری کی قدر کو بہتر بنانے اور گروپ کی مالیاتی پائیداری کو مضبوط کرنے پر توجہ مرکوز کرے۔ اہم ترجیحات میں شامل ہیں:

- پی آئی اے سی ایل سے متعلق SHA اور SPSA کے تحت اپنا کردار ادا کرنا؛
- رسک مینجمنٹ اور انٹرنل آڈٹ کے انتظامات کو مزید مضبوط بنانا؛
- اندرونی مالیاتی کنٹرولز اور گورننس سسٹمز میں بہتری لانا؛
- اثاثہ جات اور اسٹریٹجک سرمایہ کاری کی قدر کو بہتر بنانا؛
- ذیلی ادارہ جات کی آپریشنل اور مالیاتی کارکردگی کو مضبوط بنانا؛
- موزوں اسٹریٹجک شراکت داریوں اور سرمایہ کاری / اثاثہ فروخت کے مواقع تلاش کرنا؛ اور
- قابل اطلاق کارپوریٹ گورننس اور سرکاری ملکیتی اداروں سے متعلق تقاضوں کی تعمیل کو بہتر بنانا۔

اظہار تشکر

بورڈ، حکومت پاکستان، وزارت خزانہ، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج اور دیگر ریگولیٹری اداروں اور اسٹیک ہولڈرز کی جانب سے فراہم کردہ مسلسل تعاون اور رہنمائی کا اعتراف اور شکریہ ادا کرتا ہے۔

بورڈ پی آئی اے ایچ سی ایل اور اس کے ذیلی ادارہ جات کی انتظامیہ اور ملازمین کی ان کوششوں اور عزم کو بھی سراہتا ہے جن کے ذریعے ادارہ جاتی ترقی اور تنظیم نو کے اس اہم مرحلے کے دوران کمپنی کے مقاصد کے حصول میں معاونت فراہم کی گئی۔

ڈائریکٹرز کمپنی کی گورننس، مالیاتی پوزیشن، اندرونی کنٹرولز اور آپریشنل مؤثریت کو مزید مضبوط بنانے اور تمام اسٹیک ہولڈرز کے لیے پائیدار قدر پیدا کرنے کے لیے بدستور پرعزم ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے اور ان کے لیے

اسد رسول	طارق باجوہ
چیف ایگزیکٹو آفیسر	چیئرمین

تاریخ: 27 اگست 2026

وفاقی حکومت نے ایک خاتون ڈائریکٹر مقرر کی تھی، تاہم انہوں نے عہدہ سنبھالنے سے معذرت کر لی، اور خاتون ڈائریکٹر کے متبادل کی تقرری کے لیے 30 اگست 2024 کو وزارتِ ہوابازی / دفاع سے درخواست کی گئی۔ سال کے دوران یہ تقرری زیرِ التوا رہی۔

ڈائریکٹرز کے معاوضے کی پالیسی

لسٹڈ کمپنیز (کارپوریٹ گورننس کا ضابطہ) کے ضوابط، 2019 کے ضابطہ نمبر 34 کے تحت، کمپنی کے پاس ڈائریکٹرز کے لیے معاوضے کی ایک باضابطہ پالیسی موجود ہے، جس کی منظوری 22 فروری 2025 کو منعقدہ قانونی اجلاس میں اراکین نے دی تھی۔ منظور شدہ پالیسی کے تحت، ایک ڈائریکٹر بورڈ یا بورڈ کمیٹی کے ہر اس اجلاس میں شرکت پر 50,000 روپے کی فیس وصول کرنے کا حقدار ہے جس میں اس نے شرکت کی ہو؛ اس کے ساتھ ساتھ، منظور شدہ پالیسی کے مطابق سفر، رہائش اور متعلقہ اخراجات کی ادائیگی بھی کی جائے گی۔

کارپوریٹ گورننس

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کو اپنایا ہے اور یہ سرکاری ملکیتی اداروں (گورننس اور آپریشنز) ایکٹ، 2023 کے بھی تابع ہے۔ 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے سی سی جی ضوابط کی تعمیل کا بیان سالانہ رپورٹ کا حصہ ہے۔ تعمیل کا یہ بیان ان مخصوص شعبوں کی نشاندہی کرتا ہے جہاں سال کے دوران مکمل تعمیل حاصل نہیں ہو سکی اور سال 2026 میں متعلقہ تقاضوں کی تکمیل اور مطابقت حاصل کر لی گئی۔

اندرونی کنٹرولز

بورڈ ایک مضبوط اندرونی کنٹرول کے نظام کی اہمیت کو تسلیم کرتا ہے اور کمپنی کے اندرونی کنٹرول اور اندرونی آڈٹ کے انتظامات کو مزید مضبوط بنانے کے لیے پُرعزم ہے۔ چنانچہ، 2026 میں بعد ازاں ایک اندرونی آڈٹ فرم کا تقرر کیا گیا، تاکہ اندرونی آڈٹ کے طریقہ کار وضع کیے جا سکیں اور خطرات کے انتظام اور اندرونی کنٹرولز کو مزید مضبوط بنایا جا سکے۔

بنیادی خطرات اور غیر یقینی صورتحال

کمپنی اور گروپ کو درپیش بنیادی خطرات اور غیر یقینی صورتحال میں درج ذیل شامل ہیں:

- حکومتِ پاکستان سے مسلسل مالی معاونت پر انحصار؛
- طویل مدتی فنانسنگ کی نمایاں ذمہ داریاں؛
- سابقہ واجبات (Legacy Liabilities) اور تنظیم نو سے متعلق معاملات؛
- دعوے اور مقدمات سے متعلق خطرات؛
- پی آئی اے سی ایل کی تنظیم نو اور نجکاری سے وابستہ خطرات؛
- ذیلی اداروں جات اور اسٹریٹجک سرمایہ کاری سے متعلق آپریشنل اور مالیاتی خطرات۔

منافع اور ذخائر

سال کے دوران کمپنی کی مالیاتی پوزیشن اور ہونے والے نقصان کے پیشِ نظر، بورڈ 31 دسمبر 2025 کو اختتام پذیر ہونے والے سال کے لیے کسی بھی منافع (Dividend) کی ادائیگی کی سفارش نہیں کرتا۔

فی حصص نقصان

کمپنی نے 31 دسمبر 2025 کو اختتام پذیر ہونے والے سال کے لیے فی حصص نقصان ریکارڈ کیا۔ دورانِ مدت، کمپنی نے 'A' Class کے ہر حصص پر Rs. 6.27 اور 'B' Class کے ہر حصص پر Rs. 3.13 کا بنیادی اور تحلیل شدہ نقصان ریکارڈ کیا۔

حصص کی ملکیت کا پیٹرن

رپورٹنگ کی تاریخ تک، حکومتِ پاکستان (سیکریٹری، وزارتِ دفاع کے توسط سے) پی آئی اے ایچ سی ایل کے 95.99 فیصد شیئرز کی مالک ہے، جبکہ پبلک سیکٹر کی کمپنیاں 0.10 فیصد، مالیاتی ادارے 0.02 فیصد اور بقیہ 3.89 فیصد شیئرز دیگر سرمایہ کاروں (بشمول انفرادی سرمایہ کار) کی ملکیت ہیں۔

سال کے اختتام کے بعد اہم تبدیلیاں اور وعدے

29 جنوری 2026 کو طے پانے والے شیئر پرچیز اینڈ سبسکرپشن ایگریمنٹ (ایس پی ایس اے) کے تحت پہلی تکمیل 29 جون 2026 کو عمل میں آئی۔ پہلی تکمیل کے نتیجے میں، SPSA کے تحت متوقع حصص کی منتقلی اور ایکویٹی سبسکرپشن پر عمل درآمد کر دیا گیا ہے۔ چنانچہ، کامیاب بولی دہندگان کے کنسورشیم کی جانب سے قائم کردہ خصوصی

اسکائی رومز (پرائیویٹ) لمیٹڈ

تفصیلات	2025 (مینجمنٹ اکاؤنٹس)	2024 (مینجمنٹ اکاؤنٹس)	تبدیلی
آمدنی	2,003.88 ملین روپے	1,617.26 ملین روپے	+23.9%
مجموعی نقصان	(87.94) ملین روپے	(174.72) ملین روپے	نقصان میں 49.7% کمی
قبل از ٹیکس نقصان	(118.76) ملین روپے	(207.45) ملین روپے	نقصان میں 42.7% کمی
سال کا خالص نقصان	(197.25) ملین روپے	(272.87) ملین روپے	نقصان میں 27.7% کمی
کل اثاثہ جات	393.00 ملین روپے	232.24 ملین روپے	+69.2%
کل ایکویٹی (خسارہ)	(1,373.63) ملین روپے	(1,206.26) ملین روپے	خسارہ 13.9% بڑھ گیا

اسکائی رومز کی آمدنی میں 2025 کے دوران 23.9 فیصد اضافہ ہوا، جبکہ ٹیکس سے قبل نقصان میں 42.8 فیصد کی واقع ہوئی اور یہ 207.45 ملین روپے سے کم ہو کر 118.76 ملین روپے رہ گیا۔ ہوٹل کے شعبے میں اب بھی نقصان ہوا جہاں 595.57 ملین روپے کے اخراجات، 413.37 ملین روپے کی آمدنی سے زیادہ رہے۔

سیبر ٹریول نیٹ ورک (پرائیویٹ) لمیٹڈ

سیبر ٹریول نیٹ ورک (پرائیویٹ) لمیٹڈ نے ٹریول انڈسٹری کو ٹیکنالوجی اور ریزرویشن کی خدمات فراہم کرنے والے ادارے کے طور پر اپنی سرگرمیاں جاری رکھیں۔

تفصیلات	2025	2024	تبدیلی
آمدنی	712.72 ملین روپے	726.49 ملین روپے	-1.9%
ٹیکس اور لیوی سے قبل منافع	11.58 ملین روپے	15.67 ملین روپے	-26.1%
سال کا خالص منافع	2.08 ملین روپے	2.53 ملین روپے	-17.9%
کل اثاثہ جات	392.86 ملین روپے	508.45 ملین روپے	-22.7%
کل ایکویٹی	49.26 ملین روپے	47.19 ملین روپے	+4.4%

سیبر ٹریول نیٹ ورک کی آمدنی مجموعی طور پر مستحکم رہی اور اس میں معمولی یعنی 1.9 فیصد کی کمی واقع ہوئی۔ قبل از ٹیکس اور لیوی (levy) منافع 26.1 فیصد کم ہو کر 11.58 ملین روپے اور خالص منافع 17.9 فیصد کم ہو کر 2.08 ملین روپے رہ گیا؛ اس کی بنیادی وجہ دیگر آمدنی میں نمایاں گراوٹ (جو 74.4 فیصد کمی کے ساتھ 3.25 ملین روپے رہ گئی) تھی، نہ کہ بنیادی آپریشنل کارکردگی میں کوئی بگاڑ، کیونکہ آمدنی کے حساب سے مجموعی منافع کی سطح پر اچھی کارکردگی برقرار رکھی۔

پریسیژن انجینئرنگ کمپلیکس کی علیحدگی

اس سال کے دوران، کمپنی نے کمپنیز ایکٹ 2017 کے تحت "اسکیم آف ارینجمنٹ" کے مطابق اپنے پریسیژن انجینئرنگ کمپلیکس (پی ای سی) کی علیحدگی اور الگ ادارے کے طور پر تنظیم نو کے عمل کو آگے بڑھایا۔ اسے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے 5 دسمبر 2025 کو منظور کیا تھا، اور جس کا اطلاق یکم مئی 2025 سے مؤثر تھا۔

بورڈ کی تشکیل اور طرزِ حکمرانی

بورڈ نے مؤثر نگرانی اور فیصلہ سازی میں معاونت کے لیے خصوصی کمیٹیاں تشکیل دی ہیں، جن میں بورڈ آڈٹ کمیٹی اور بورڈ ایچ آر (HR) اینڈ لیگل کمیٹی شامل ہیں۔ یہ کمیٹیاں ڈائریکٹرز پر مشتمل ہوتی ہیں جن کا انتخاب ان کی مہارت کی بنیاد پر کیا جاتا ہے، اور یہ کارپوریٹ گورننس اور اسٹریٹجک نگرانی میں نمایاں کردار ادا کرتی ہیں۔ 31 دسمبر 2025 تک، بورڈ 11 ڈائریکٹرز کی درج ذیل اقسام پر مشتمل تھا:

کیٹیگری	تعداد
کل ڈائریکٹرز	11
مرد ڈائریکٹرز	10
خواتین ڈائریکٹرز	کوئی نہیں
آزاد ڈائریکٹرز	6
نان ایگزیکٹو ڈائریکٹرز	3
ایگزیکٹو ڈائریکٹر	1
عارضی خالی آسامی	1

وفاقی حکومت / کابینہ کی جانب سے منظور شدہ انتظام کے تحت عمل میں لائی گئی۔ چنانچہ، انتظامیہ کا موقف ہے کہ یہ لین دین حکومت کی جانب سے منظور شدہ قدر تخمینہ اور شرائط کی بنیاد پر کیا گیا ہے نہ کہ پی آئی اے ایچ سی ایل کی جانب سے آزادانہ طور پر گفت و شنید کے ذریعے طے کردہ قدر تخمینہ کی بنیاد پر۔ آڈیٹرز نے اپنی رائے میں کسی ترمیم کے بغیر بعض امور کی جانب بھی توجہ مبذول کرائی ہے، جن میں حکومت پاکستان کی جانب سے کمپنی کو اس کی حیثیت بطور تسلسل کاروبار کی صلاحیت برقرار رکھنے کے لیے زیادہ سے زیادہ مالی معاونت فراہم کرنے کی تصدیق، کمپنی کی جانب سے تسلیم نہ کیے گئے بعض دعوے، اور حکومت پاکستان کے قرضوں پر مارک اپ کی ایڈجسٹمنٹ شامل ہیں۔

ذیلی ادارہ اور اسٹریٹجک سرمایہ کاری کا جائزہ

پاکستان انٹرنیشنل ایئر لائنز کارپوریشن لمیٹڈ

سال کے دوران پی آئی اے سی ایل، پی آئی اے ایچ سی ایل کی مکمل ملکیتی ذیلی کمپنی رہی۔ سال 2025 کے دوران، ذیلی کمپنی نے کاروباری آپریشنز میں بہتری، مالیاتی تنظیم نو، روٹس کو معقول بنانا، اخراجات کو بہترین سطح پر لانے، اور اپنی نجکاری سے متعلق تیاریوں پر توجہ مرکوز رکھی۔

تفصیلات	2025	2024	تبدیلی
آمدنی۔ خالص	211.66 ارب روپے	204.16 ارب روپے	+3.7٪
آپریشنز سے منافع	13.40 ارب روپے	9.36 ارب روپے	+43.2٪
منافع / (نقصان) قبل از ٹیکس	10.26 ارب روپے	(4.59) ارب روپے	منافع میں تبدیل
سال کا خالص منافع	5.58 ارب روپے	26.20 ارب روپے	-78.7٪
کل اثاثہ جات	190.58 ارب روپے	187.29 ارب روپے	+1.8٪
خالص مالیت (ایکویٹی)	9.82 ارب روپے	3.55 ارب روپے	+176.4٪

پی آئی اے سی ایل کی آمدنی 3.7 فیصد بڑھ کر 211.66 ارب روپے ہو گئی، جبکہ آپریٹنگ منافع 43.2 فیصد اضافے کے ساتھ 13.40 ارب روپے ہو گیا، جو تنظیم نو کے بعد کاروباری کارکردگی میں مسلسل بہتری کی عکاسی کرتا ہے۔ قرضوں کے بوجھ میں کمی کے باعث مالیاتی اخراجات بھی نمایاں طور پر کم ہو کر 1.72 ارب روپے رہ گئے، جو گزشتہ سال 10.07 ارب روپے تھے۔ اگرچہ رپورٹ شدہ خالص منافع 5.58 ارب روپے رہ گیا، جو گزشتہ سال کے 26.20 ارب روپے کے مقابلے میں کم ہے، تاہم سال 2024 کے نتائج میں 30.79 ارب روپے کا ایک وقتی مؤخر ٹیکس کریڈٹ شامل تھا۔ بنیادی کاروباری کارکردگی کی بنیاد پر، ٹیکس سے قبل منافع 4.59 ارب روپے کے نقصان سے بہتر ہو کر 10.26 ارب روپے کے منافع میں تبدیل ہو گیا۔

پی آئی اے انویسٹمنٹس لمیٹڈ

پی آئی اے آئی ایل امریکہ کے شہر نیویارک میں واقع روزویلٹ ہوٹل اور فرانس کے شہر پیرس میں واقع سکرائب ہوٹل کی ملکیت اور انتظام سنبھالتی ہے۔ 2024 کے مقابلے میں 2025 کے لیے اس کے مجموعی نتائج (امریکی ڈالر میں، جیسا کہ رپورٹ کیے گئے ہیں) ذیل میں دیے گئے ہیں:

تفصیلات	2025	2024	تبدیلی
آمدنی	86.59 ملین امریکی ڈالر	123.84 ملین امریکی ڈالر	-30.1٪
بعد از ٹیکس منافع	7.26 ملین امریکی ڈالر	24.84 ملین امریکی ڈالر	-70.8٪
پی آئی اے آئی ایل کے مالکان سے منسوب	6.78 ملین امریکی ڈالر	24.14 ملین امریکی ڈالر	-71.9٪
کل جامع آمدنی	44.50 ملین امریکی ڈالر	(2.93) ملین امریکی ڈالر	مثبت ہو گئی
این آئی سی (ایکویٹی) بشمول	508.77 ملین امریکی ڈالر	464.26 ملین امریکی ڈالر	+9.6٪
کل اثاثہ جات	880.87 ملین امریکی ڈالر	855.93 ملین امریکی ڈالر	+2.9٪

آمدنی: تقریباً 86.6 ملین امریکی ڈالر، جو 30 فیصد کم رہی۔ اس کمی کی بنیادی وجہ روزویلٹ ہوٹل کی آمدنی میں نمایاں کمی تھی۔ خالص منافع: تقریباً 7.25 ملین امریکی ڈالر، جو اس امر کی نشاندہی کرتا ہے کہ آمدنی میں کمی کے باوجود پی آئی اے آئی ایل منافع بخش رہی۔ مجموعی جامع آمدنی: نمایاں اضافے کے ساتھ 44.50 ملین امریکی ڈالر ہو گئی، جس کی بنیادی وجہ روزویلٹ اور سکرائب جائیدادوں کی دوبارہ قدر بندی سے حاصل ہونے والا 40.2 ملین امریکی ڈالر کا فاضل تھا۔

ڈائریکٹرز کی رپورٹ

31 دسمبر 2025 کو اختتام پذیر ہونے والے سال کے لیے

معزز شیئر ہولڈرز

پی آئی اے ہولڈنگ کمپنی لمیٹڈ (پی آئی اے ایچ سی ایل یا کمپنی) کے بورڈ آف ڈائریکٹرز کے لیے یہ امر باعثِ مسرت ہے کہ وہ 31 دسمبر 2025 کو اختتام پذیر ہونے والے سال کے لیے کمپنی اور گروپ کی سالانہ رپورٹ بمع آڈٹ شدہ مالیاتی گوشوارے، بشمول ان پر آڈیٹرز کی رپورٹ پیش کر رہے ہیں۔

کارکردگی کا جائزہ

31 دسمبر 2025 کو اختتام پذیر ہونے والا سال اسکیم آف ارینجمنٹ ("انتظامی و قانونی سمجھوتے کی اسکیم") کے نفاذ کے بعد پی آئی اے ایچ سی ایل کے آپریشنز کا پہلا مکمل سال ہے۔

اہم مالیاتی جھلکیاں۔ مربوط

تفصیلات	2025
کل اثاثے	437.66 ارب روپے
۔فروخت کے لیے رکھے گئے اثاثے	179.17 ارب روپے
۔دیگر اثاثے	258.49 ارب روپے
کل واجبات	1,014.56 ارب روپے
۔فروخت کے لیے رکھے گئے واجبات	180.28 ارب روپے
۔دیگر واجبات	834.27 ارب روپے
خالص منفی ایکویٹی	576.89 ارب روپے
آمدنی	25.71 ارب روپے
آپریٹنگ منافع	17.36 ارب روپے
۔مسلسل جاری آپریشنز سے نقصان	(36.62) ارب روپے
منقطع آپریشنز سے حاصل شدہ منافع	18.45 ارب روپے
ٹیکس سے قبل نقصان	(18.17) ارب روپے
۔ٹیکس اور لیوی	(7.22) ارب روپے
ٹیکس کے بعد نقصان	(25.39) ارب روپے
فی حصص نقصان۔ کلاس A	4.85 روپے
فی حصص نقصان۔ کلاس B	2.43 روپے

گروپ نے ایک مشکل کاروباری ماحول میں اپنی سرگرمیاں جاری رکھیں، جس پر ورثے میں ملنے والے واجبات، مالیاتی اخراجات، زرِ مبادلہ سے متعلق خطرات اور تنظیمِ نو سے متعلق امور کے اثرات رہے۔ جاری آپریشنز سے 25.71 ارب روپے کی آمدنی اور 17.36 ارب روپے کا آپریٹنگ منافع حاصل ہوا، تاہم بنیادی طور پر مالیاتی اخراجات کے باعث 36.62 ارب روپے کا قبل از ٹیکس نقصان برداشت کرنا پڑا۔ پی آئی اے سی ایل کو منقطع آپریشن / فروخت کے لیے رکھے گئے اثاثے کے طور پر درجہ بندی کیے جانے کے بعد 18.45 ارب روپے کا منافع تسلیم کیا گیا۔ نتیجتاً، گروپ نے 18.17 ارب روپے کا قبل از ٹیکس نقصان اور 25.39 ارب روپے کا بعد از ٹیکس نقصان ریکارڈ کیا۔ کل اثاثے 437.66 ارب روپے جبکہ کل واجبات 1,014.56 ارب روپے رہے، جس کے نتیجے میں خالص منفی ایکویٹی 576.89 ارب روپے رہی۔

آڈیٹرز کی رپورٹ

آڈیٹرز نے 31 دسمبر 2025 کو اختتام پذیر ہونے والے سال کے لیے غیر مربوط اور مربوط مالیاتی گوشواروں کے بارے میں مشروط رائے کا اظہار کیا ہے، جس کی بنیادی وجہ ہیروز انجینئرنگ کمپلیکس ("پی ای سی") کے بعض اثاثوں اور واجبات کی ہیروز انجینئرنگ کمپلیکس (پرائیویٹ) لمیٹڈ کو منتقلی سے متعلق امور ہیں۔ پی ای سی کی منتقلی

ATTENDANCE OF DIRECTORS
AT BOARD & COMMITTEE MEETINGS

BOARD COMMITTEES

Board Audit & Finance Committee

- Mr. Shazad Dada – Chairman
- Mr. Javed Kureishi – Member
- Mr. Imdad Ullah Bosal – Member
- Syed Zibber Mohiuddin – Member

Board Human Resource & Legal Committee

- Mr. Yousaf Khosa – Chairman
- Mr. Naeem Iqbal – Member
- Mr. Asad Rasool – Member

Both committees held **(05) five meetings each** during the year.

BOARD MEETINGS

During the year, the Board held **(08) eight meetings**.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS – 2025

Attendance is stated against meetings held during each director's relevant tenure and committee membership.

S. No	Name	Designation	Meetings Attended	Audit & Finance Attended / Held	HR & Legal Attended / Held
1	Mr Tariq Bajwa	Chairman	8 / 8	—	—
2	Mr Imdad Ullah Bosal *Secretary, Finance Division*	Director	0 / 8	0 / 5	—
3	Mr Shazad Dada	Director	8 / 8	5 / 5 *Chairman*	—
4	AVM Muhammad Amir Hayat	Director	2 / 2	—	1 / 1
5	Mr Naeem Iqbal	Director	8 / 8	—	5 / 5
6	Mr Jawad Paul Khawaja	Director	0 / 2	—	—
7	Mr Yousaf Khosa	Director	8 / 8	—	5 / 5 *Chairman*
8	Syed Zibber Mohiuddin	Director	8 / 8	5 / 5	—
9	Mr Javed Kureishi	Director	7 / 8	5 / 5	—
10	Lt. Gen. (Retd) Muhammad Ali *Secretary Defence*	Director	1 / 6	—	—
11	Mr Asad Rasool *Chief Executive Officer*	Director	6 / 6	—	3 / 3
12	Mr Hammad Shamimi *Secretary, Privatization Division*	Director	6 / 6	—	—

Note: Figures are Attended / Held during the relevant tenure or membership; a dash indicates non-membership. HR & Legal Committee membership changed during the year: AVM Muhammad Amir Hayat (1 / 1) was replaced by Mr Asad Rasool (3 / 3).

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF PIA HOLDING COMPANY LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of PIA Holding Company Limited (the Company) for the period ended 31 December 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the period ended 31 December 2025.

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Further, we highlight below instance of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance (SoC):

SoC paragraph reference	Regulation reference	Description
1	7	The Board does not have a female director.

Chartered Accountants
Karachi
Date: 04 September 2026
UDIN: CR202510154IqeM6UmYb

PIAHCL

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (THE REGULATIONS)

Name of company: PIA Holding Company Limited

Year Ended: 31 December 2025

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are Eleven (11) as per the following:

   a) Male: Ten (10)
   b) Female* -
   c) Casual Vacancy One (01)

   * A request for a replacement of female director was sent to the Ministry of Aviation on 30 August 2024 and the appointment is still pending.

2. The composition of the Board of Directors (the Board) as on 31 December 2025 was as follows:

Category	Names	Date of Appointment
Independent Directors	Mr Tariq Bajwa Mr Shazad Dada Mr Naeem Iqbal Mr Yousaf Khosa Mr Javed Kureishi Syed Zibber Mohiuddin	26 March 2024 26 March 2024 26 March 2024 26 March 2024 26 March 2024 26 March 2024
Non-Executive Directors	Mr. Imdad Ullah Bosal *Federal Secretary Finance* Lt Gen (R) Muhammad Ali HI(M) *Federal Secretary Defence* Mr Hammad Shamimi *Federal Secretary Privatization Division*	26 March 2024 06 February 2025 26 March 2025
Executive Director	Mr. Asad Rasool *Chief Executive Officer*	10 April 2025

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Company.

4. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.

5. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 and the Regulations.

6. The meetings of the Board were presided over by the Chairman and in his absence, by a Director elected by the Board for this purpose. The Board has complied with the

requirements of Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

7. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Companies Act, 2017 and the Regulations.

8. The Board has approved the appointment of Chief Financial Officer and Company Secretary, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations. However, there were no new appointments of Chief Financial Officer and Company Secretary during the year.

9. The Chief Executive Officer and Chief financial officer have duly endorsed the financial statements before approval of the Board.

10. The Board has formed committees comprising of members given below:

AUDIT COMMITTEE		HUMAN RESOURCE & LEGAL COMMITTEE	
Mr. Shazad Dada	Chairman	**Mr. Yousaf Khosa**	Chairman
Mr. Javed Kureishi	Member	**Mr. Naeem Iqbal**	Member
Mr. Imdad Ullah Bosal	Member	**Mr. Asad Rasool**	Member
Syed Zibber Mohiuddin	Member		

11. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.

12. The frequency of meetings of the committees were as per the following

Committee's Name	Frequency of Meetings (yearly)
Audit Committee	05
Human Resource & Legal Committee	05

13. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Company Secretary or Director of the Company.

14. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

15. We confirm that all other requirements of regulations 3, 6, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

16. Explanation for non-compliance with requirements, other than regulations 3, 6, 8, 27, 32, 33 and 36 are below:

S. No.	Requirement	Explanation	Reg No.
1	The Board shall establish risk management policies and determine the company's risk tolerance. It shall annually review business risks to ensure an effective system of risk identification, management, and internal controls is in place.	The Company was in the process of formalizing its Risk Management Policy during the year. The development of the policy took place alongside the carve-out of Precision Engineering Complex (PEC) to PAF and the privatization process of Pakistan International Airlines Corporation Limited (PIACL), which required significant management attention during the year. The policy, including the Company's risk tolerance and framework for periodic review of business risks, is being finalized for consideration and approval by the Board.	10 (2)
2	The Board shall ensure the establishment of a formal code of conduct fostering an ethical corporate culture and mitigating conflicts of interest at all levels. The Board is also responsible for its effective dissemination, supported by relevant policies and procedures, across the organization.	The Code of Conduct for Employees was approved in June 2025 and has been implemented across the Company. A separate Code of Conduct for the Board, covering matters relating to ethical conduct and conflicts of interest, was developed during 2025 and subsequently approved by the Board in 2026.	10 (3) (ii)
3	The Board shall ensure the establishment, effective implementation, and maintenance of a sound internal control system across all levels of the company. Every company is required to establish an independent internal audit function, led by a suitably qualified and experienced individual reporting functionally to the Audit Committee and administratively to the Chief Executive Officer. The function may be performed in-house or outsourced (excluding the company's external auditors), with all internal audit reports subject to review by external auditors and discussion with the Audit Committee.	Internal controls were in place during the year through the Company's financial, operational and administrative procedures, supported by management oversight and periodic reporting to the Board. During the year, management also worked towards bringing these controls together under a more formalized framework. The appointment of an independent internal audit function took place subsequent to the year end, following the Board's direction, with an internal audit firm appointed in 2026.	10 (3) (iii) (iv) 31

S. No.	Requirement	Explanation	Reg No.
4	The Board is responsible for ensuring the maintenance of a comprehensive record of all significant policies, including their approval and revision dates. These policies must encompass critical areas such as risk governance, human resource planning, financial authority, ESG considerations, related party transactions, and whistle-blowing mechanisms.	During the year, the Company was in the process of formalizing significant policies. As part of this process, the employee policies and schedule of powers were formally approved and implemented. The Board remains committed to finalizing and approving the remaining significant policies to ensure compliance.	10 (4)
5	Listed companies are required to conduct a Directors' Orientation Program to apprise board members of applicable laws, these Regulations, and their fiduciary responsibilities.	The Directors have significant professional and Board-level experience. On appointment, each Director is provided with a Board pack covering the applicable laws and regulations, the Company's governance framework and their fiduciary responsibilities. Directors are also kept updated through Board papers, briefings and regular management updates. The Company considers the existing induction and ongoing briefing arrangements to address the orientation requirements.	18
6	Listed companies are required to arrange Directors' Training for all directors, whether nominated by institutional, local, or foreign shareholders, who meet the criteria prescribed by the Commission.	The Board comprises senior civil servants, corporate leaders and business executives, with most Directors having prior experience of serving on the Boards of various companies. The Directors also meet the prescribed educational and experience criteria, including at least 14 years of education and relevant Board experience. Considering their existing experience and exposure to Board responsibilities, the Company has not considered a separate formal Directors' Training Program necessary to date.	19

Asad Rasool
Chief Executive Officer

Tariq Bajwa
Chairman

PIA Holding Company Limited

Pattern of Shareholding
As at December 31, 2025

Shareholding From		Shareholding To	Number of Shareholders	Total Shares Held Ordinary 'A' Class	Total Shares Held Ordinary 'B' Class
1	to	100	9,031	258,017	2,210
101	to	500	30,532	8,584,438	717
501	to	1000	5,441	4,615,769	
1001	to	5000	7,044	17,712,413	
5001	to	10000	1,582	12,286,899	
10001	to	15000	590	7,556,909	
15001	to	20000	367	6,684,374	
20001	to	25000	260	6,063,594	
25001	to	30000	147	4,147,960	
30001	to	35000	107	3,493,253	34,557
35001	to	40000	99	3,798,852	
40001	to	45000	59	2,508,041	
45001	to	50000	128	6,312,222	
50001	to	55000	49	2,579,407	
55001	to	60000	38	2,231,047	
60001	to	65000	22	1,381,553	
65001	to	70000	30	2,031,044	
70001	to	75000	23	1,694,341	
75001	to	80000	17	1,329,587	
80001	to	85000	14	1,164,903	
85001	to	90000	13	1,151,019	
90001	to	95000	5	459,527	
95001	to	100000	65	6,485,200	
100001	to	105000	9	916,027	
105001	to	110000	8	860,147	
110001	to	115000	10	1,133,579	
115001	to	120000	6	714,865	
120001	to	125000	11	1,370,044	
125001	to	130000	7	902,300	
130001	to	135000	4	530,595	
135001	to	140000	5	690,241	
140001	to	145000	4	573,091	
145001	to	150000	17	2,529,576	
150001	to	155000	2	301,386	
155001	to	160000	7	1,107,700	
160001	to	165000	1	163,000	
165001	to	170000	2	335,460	
170001	to	175000	5	866,818	
175001	to	180000	6	1,070,000	
180001	to	185000	4	735,500	
185001	to	190000	7	1,316,009	
190001	to	195000	3	579,344	
195001	to	200000	16	3,195,950	
200001	to	205000	5	1,012,176	

PIA Holding Company Limited

Pattern of Shareholding
As at December 31, 2025

Shareholding			Number of	Total Shares Held	
From		To	Shareholders	Ordinary 'A' Class	Ordinary 'B' Class
205001	to	210000	2	414,000	
210001	to	215000	1	213,145	
215001	to	220000	4	876,000	
220001	to	225000	6	1,344,345	
225001	to	230000	2	459,501	
230001	to	235000	2	464,997	
235001	to	240000	2	475,080	
245001	to	250000	9	2,249,862	
250001	to	255000	3	757,145	
255001	to	260000	1	258,000	
260001	to	265000	2	527,365	
265001	to	270000	1	270,000	
270001	to	275000	2	548,000	
275001	to	280000	3	832,540	
280001	to	285000	1	283,576	
295001	to	300000	4	1,200,000	
300001	to	305000	5	1,506,340	
305001	to	310000	1	307,000	
310001	to	315000	2	625,233	
315001	to	320000	1	318,000	
340001	to	345000	1	341,000	
345001	to	350000	4	1,398,590	
350001	to	355000	1	354,000	
365001	to	370000	2	735,880	
370001	to	375000	2	745,500	
375001	to	380000	2	760,000	
380001	to	385000	1	385,000	
390001	to	395000	1	390,016	
395001	to	400000	1	400,000	
400001	to	405000	1	404,500	
420001	to	425000	1	423,282	
425001	to	430000	2	857,000	
440001	to	445000	1	443,499	
455001	to	460000	1	460,000	
470001	to	475000	1	475,000	
490001	to	495000	1	494,500	
495001	to	500000	8	3,998,500	
505001	to	510000	1	510,000	
515001	to	520000	1	518,500	
530001	to	535000	2	1,065,500	
545001	to	550000	1	547,500	
565001	to	570000	1	567,504	
575001	to	580000	2	1,156,716	
580001	to	585000	1	580,400	

PIA Holding Company Limited

Pattern of Shareholding
As at December 31, 2025

Shareholding From		Shareholding To	Number of Shareholders	Total Shares Held Ordinary 'A' Class	Total Shares Held Ordinary 'B' Class
585001	to	590000	1	588,985	
595001	to	600000	1	600,000	
605001	to	610000	2	1,213,964	
615001	to	620000	1	620,000	
625001	to	630000	1	625,128	
630001	to	635000	1	630,067	
680001	to	685000	1	683,000	
690001	to	695000	1	691,500	
710001	to	715000	1	711,000	
720001	to	725000	1	725,000	
775001	to	780000	1	780,000	
820001	to	825000	1	825,000	
915001	to	920000	1	920,000	
1000001	to	1005000	1	1,002,500	
1095001	to	1100000	1	1,100,000	
1175001	to	1180000	1	1,175,263	
1190001	to	1195000	1	1,193,500	
1230001	to	1235000	1	1,231,516	
1235001	to	1240000	1	1,239,791	
1495001	to	1500000	1	1,500,000	
1580001	to	1585000	1	1,584,257	
1695001	to	1700000	1	1,700,000	
1740001	to	1745000	1	1,745,000	
1780001	to	1785000	1	1,782,292	
2285001	to	2290000	1	2,285,500	
2290001	to	2295000	1	2,290,528	
2645001	to	2650000	1	2,650,000	
4995001	to	5000000	1	5,000,000	
6090001	to	6095000	1	6,090,135	
9590001	to	9595000	1	9,592,922	
5025000001	to	5025100000	1	5,023,608,577	1,462,515
			55,928	**5,233,762,118**	**1,499,999**

PIA Holding Company Limited

Categories of Shareholders

As at December 31, 2025

Categories of Shareholders	Number of Shareholders	Number of Shares Held Ordinary "A" Class	Ordinary "B" Class	Percentage
Government of Pakistan				
Federal Government which holds more than fiver percent voting rights shares held in the name of Secretary, Ministry of Defence and Secretary Aviation Division	1	5,023,608,577	1,462,515	95.99
Associated Companies, undertakings and related parties	-	-	-	-
Mutual Funds				
CDC - Trustee Alfalah GHP Income Fund	1	20,000	-	0.00
CDC - Trustee National Investment (Unit) Trust	1	202,650	-	0.00
Aba Ali Habib Securities (Pvt) Limited - MF	1	65,000	-	0.00
CDC - Trustee JS Momentum Factor Exchange Traded Fund	1	1,231,516	-	0.02
Directors and their spouse(s) and minor children				
Mr Imdad Ullah Bosal, Director (Federal Secretary, Finance Division)	1	1	-	0.00
Executives	-	-	-	-
Public Sector Companies and Corporations	8	5,015,194	-	0.10
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds	16	887,842	-	0.02
General Public				
a) Local	54,293	175,013,600	2,714	3.34
b) Foreign	1,390	3,641,043	141	0.07
Foreign Companies	14	29,777	-	0.00
Others	201	24,046,918	34,629	0.46
Totals	**55,928**	**5,233,762,118**	**1,499,999**	**100.00**

The above two statements include 17,593 Shareholders holding 189,127,671 Ordinary 'A' Class Shares and 2,826 Ordinary 'B' Class Shares through the Central Depository Company of Pakistan Limited

SHARE CAPITAL (December 31, 2025)

December 2025	December 2024		December 2025	December 2024
------ Number of Shares ------			-------- Pak Rupees --------	
		Authorized Capital		
		Ordinary Share Capital		
5,349,250,000	5,349,250,000	'A' class shares of Rs.10/- each	**53,492,500,000**	53,492,500,000
1,500,000	1,500,000	'B' class shares of Rs.5/- each	**7,500,000**	7,500,000
5,350,750,000	5,350,750,000		**53,500,000,000**	53,500,000,000
		Issued, subscribed and paid up share capital		
		Ordinary share capital		
5,233,762,118	5,233,762,118	**'A' class shares of Rs.10/- each**	52,337,621,180	52,337,621,180
1,499,999	1,499,999	**'B' class shares of Rs.5/- each**	7,499,995	7,499,995
			52,345,121,175	52,345,121,175

UNCONSOLIDATED FINANCIAL STATEMENTS

Grant Thornton

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INDEPENDENT AUDITOR'S REPORT

To the members of PIA Holding Company Limited

Report on the Audit of the Unconsolidated Financial Statements

Qualified Opinion

We have audited the annexed financial statements of **PIA Holding Company Limited** (the Company), which comprise the unconsolidated statement of financial position as at **31 December 2025**, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated financial statements, including material 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 explanations given to us, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 31 December 2025 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

As disclosed in note 12.2 to the unconsolidated financial statements, the Company has transferred assets and liabilities relating to Precision Engineering Complex (PEC) to Precision Engineering Complex (Private) Limited. The said transaction resulted in a gain on discontinued operations of Rs. 5,097.14 million. Further, during the year, the Company incurred a net loss of Rs. 429.93 million in respect of PEC operations. However, for the purposes of our audit, we have not been provided with the information and documents to obtain sufficient appropriate audit evidence. Accordingly, we have been unable to satisfy ourselves with respect to the above PEC transactions.

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 other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter

We draw attention to the following:

i) note 1.2 to the unconsolidated financial statements which states that the Government of Pakistan (GoP) has confirmed to extend maximum financial support to the Company to maintain its going concern status. Hence, the sustainability of future operations of the Company is dependent on the said support.

ii) note 19 to the unconsolidated financial statements which states that the Company is exposed to certain claims which are not acknowledged by the Company, the ultimate outcome of which cannot presently be determined and accordingly, no provision has been made in respect of these claims in the unconsolidated financial statements.

iii) note 14.2 to the unconsolidated financial statements in respect of adjustment of mark-up on GoP loans.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

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

Following is the key audit matter:

Key audit matter	How the matter was addressed in our audit
Long-term financing	
As disclosed in note 14 to the unconsolidated financial statements, long-term financing amounts to Rs. 411,432.11 million which constitutes approximately 53.9% of total liabilities of the Company. Given the significance of long-term financing to the Company's total liabilities, we have identified long-term financing as a key audit matter.	Our key procedures amongst others included the following: - Obtained and reviewed financing agreements to assess the key terms and conditions of the loans. - Obtained direct confirmations from lenders and reconciled confirmed balances with the financial statements.

Key audit matter	How the matter was addressed in our audit
	- Recalculated finance costs recognized during the year and assessed the application of mark-up rates in accordance with the terms of the underlying agreements. - Assessed compliance with the covenants and other conditions stipulated in the financing agreements and evaluated the impact of any non-compliance, where applicable. - Evaluated whether long-term financing had been appropriately classified and presented in accordance with the requirements of the applicable financial reporting framework. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

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

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

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017), State-Owned Enterprises (Governance and Operations) Act, 2023 and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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.

Board of directors of the Company are responsible for overseeing the Company's financial reporting process.

Grant Thornton

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide to the Board of directors 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.

GrantThornton

From the matters communicated with the Board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current year 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017), State-Owned Enterprises (Governance and Operations) Act, 2023 and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the period 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 Muhammad Khalid Aziz.

Chartered Accountants
Place: Karachi
Date: 04 September 2026
UDIN: AR202510154KnII1vR4U

PIAHCL

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		13,417	5,794
Investment property	6	9,855,643	10,601,020
Long-term investments	7	4,630,148	56,905,466
Other receivable	12.2	1,296,954	-
		15,796,162	67,512,280
CURRENT ASSETS			
Trade debts	8	-	-
Loan to subsidiary	9	3,901,635	3,879,802
Other receivables	10	4,257,975	9,286,060
Cash and bank balances	11	6,252,902	2,239,999
		14,412,512	15,405,861
Assets held for sale	12	52,345,120	524,629
TOTAL ASSETS		82,553,794	83,442,770
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	13	52,345,120	52,345,120
Reserves		(733,064,271)	(698,988,529)
		(680,719,151)	(646,643,409)
NON CURRENT LIABILITIES			
Long-term financing	14	408,406,359	374,516,785
Deferred liabilities	15	34,179,992	31,945,356
		442,586,351	406,462,141
CURRENT LIABILITIES			
Trade and other payables	16	193,606,622	194,817,420
Accrued mark-up	17	112,742,815	111,459,187
Advance from subsidiaries	18	11,250,434	11,187,297
Taxation - net		60,968	24,242
Current portion of long term financing	14	3,025,755	3,132,440
		320,686,594	320,620,586
Liabilities related to assets held for sale	12	-	3,003,452
TOTAL EQUITY AND LIABILITIES		82,553,794	83,442,770
CONTINGENCIES	19		

The annexed notes from 1 to 31 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

	Note	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
		---------- (Rupees in '000) ----------	
General and administrative expenses	20	**(4,043,764)**	(3,567,145)
Other expenses	21	**(1,864,503)**	(135,701)
Other income	22	**18,830,254**	1,768,076
Finance cost	23	**(49,821,440)**	(46,011,933)
Loss from continued operations		**(36,899,453)**	(47,946,703)
Gain / (loss) from discountinued operations	12.2.2	**4,667,208**	(382,316)
Loss before taxation		**(32,232,245)**	(48,329,019)
Taxation	24	**(580,934)**	793,778
Net loss for the year / period		**(32,813,179)**	(47,535,240)
		---------- (Rupees) ----------	
Loss per share - basic and diluted	25		
Loss attributable to:			
'A' class ordinary shares of Rs. 10/- each		**(6.27)**	(9.08)
'B' class ordinary shares of Rs. 5/- each		**(3.13)**	(4.54)

The annexed notes from 1 to 31 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
	---------- (Rupees in '000) ----------	
Net loss for the year / period	**(32,813,179)**	(47,535,240)
Items not to be reclassified to profit or loss in subsequent periods		
Unrealised gain on revaluation of investments at FVOCI - net	**69,802**	-
Remeasurement (loss) / gain on employee benefit obligations - net	(1,332,385)	2,075,048
Total comprehensive loss for the year / period	(34,075,742)	(45,460,192)

The annexed notes from 1 to 31 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

		Capital reserve	Revneue reserves				
	Share capital	Demerger reserve	Remeasurement gain / (loss) on employee benefit obligations	Unrealised gain on revaluation of investments at FVOCI	Accumulated loss	Total reserves	Total equity
	(Rupees in '000)						
Ordinary shares under the Scheme	52,345,110	-	-	-	-	-	52,345,110
Issuance of 1,000 ordinary shares of Rs. 10/- each	10	-	-	-	-	-	10
Reserve under the Scheme	-	(653,528,337)	-	-	-	(653,528,337)	(653,528,337)
	52,345,120	(653,528,337)	-	-	-	(653,528,337)	(601,183,217)
Net loss for the period	-	-	-	-	(47,535,240)	(47,535,240)	(47,535,240)
Other comprehensive income	-	-	2,075,048	-	-	2,075,048	2,075,048
Total comprehensive (loss) / income for the period	-	-	2,075,048	-	(47,535,240)	(45,460,192)	(45,460,192)
Balance as at 31 December 2024	52,345,120	(653,528,337)	2,075,048	-	(47,535,240)	(698,988,529)	(646,643,409)
Net loss for the year	-	-	-	-	(32,813,179)	(32,813,179)	(32,813,179)
Other comprehensive (loss) / income	-	-	(1,332,365)	69,802	-	(1,262,563)	(1,262,563)
Total comprehensive (loss) / income for the year	-	-	(1,332,365)	69,802	(32,813,179)	(34,075,742)	(34,075,742)
Balance as at 31 December 2025	52,345,120	(653,528,337)	742,683	69,802	(80,348,419)	(733,064,271)	(680,719,151)

The annexed notes from 1 to 31 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
		---------- (Rupees in '000) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(32,232,245)	(48,329,016)
Adjustments for:			
Finance cost	23	49,821,440	46,011,933
Liabilities no longer payable - written back	22	(16,617,617)	-
Gain on disposal of discontinued operations	12	(5,097,141)	-
Provision for employee benefit obligations	15.1.1	3,998,230	3,408,660
Interest / Profit on loan / bank balances	22	(1,262,581)	(1,138)
Remeasurement loss / (gain) on investment property	21 & 22	745,377	(918,182)
Exchange loss	21	332,536	40,430
Other receivables written off	21	14,989	89,232
Depreciation	20	735	171,628
Allowance for ECL		-	95,667
Dividend income		-	(196,901)
		32,035,968	48,701,329
Working capital changes:			
Other receivables	10	4,969,534	(552,415)
Trade and other payables	16	(1,180,573)	4,353,814
		3,788,961	3,801,399
Employee benefit obligations paid		(405,770)	(1,976,321)
Finance cost paid		(31,978,106)	-
Due from a related party		(1,296,954)	-
Net cash (used in) / generated from operations		(30,088,145)	2,197,389
CASHFLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(8,358)	-
Profit on bank balances received		743,020	1,138
Net cash generated from investing activities		734,662	1,138
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		33,366,386	-
Net increase in the cash and cash equivalents		4,012,903	-
Cash and cash equivalents acquired under the SoA		-	41,470
Cash and cash equivalents at the beginning of the year / period		2,239,999	-
Cash and cash equivalents at end of the year / period		6,252,902	2,239,999

The annexed notes from 1 to 31 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 PIA Holding Company Limited (the Company) was incorporated in Pakistan under the Companies Act, 2017 (the Act) on 21 March 2024 and listed on Pakistan Stock Exchange on 27 May 2024. The Company acts as the holding company of its subsidiaries and associates.

1.2 During the year, the Company incurred a net loss of Rs. 32,813 million resulting in accumulated loss of Rs. 80,348 million and negative equity of Rs. 680,719 million as of 31 December 2025. Further, as of that date, the current liabilities of the Company exceeded its current assets by Rs. 253,929 million. However, the management has made an assessment of the Company's ability to continue as a going concern and believes that the sustainability of the future operations of the Company is dependent on the support of the Government of Pakistan (GoP). Therefore, no material uncertainty exists and going concern basis of accounting is appropriate. Accordingly, these unconsolidated financial statements are prepared on a going concern basis.

1.3 In accordance with the Scheme of Arrangement (the SoA) signed between the Company and Pakistan International Airlines Corporation Limited (PIACL), PIACL completed a business restructuring exercise and accordingly, the entire shareholding of PIACL was transferred to the Company and PIACL became the wholly owned subsidiary of the Company. As a result of the restructuring of the PIACL's business, net liabilities amounting to Rs. 653,528.34 million were transfered to the Company.

The Company is in the process of transfer of ownership title of immoveable property as these are currently in the name of PIACL. Further, the agreements with subsidiaries / group companies are in the name of PIACL and the Company is in the process of necessary updation in these agreements.

1.4 Geographical location and addresses of major business units / immovable assets of the Company are as under:

Location	Purpose	Covered area (Square Yards)
Fazal-e-Haq Road, Blue Area, Islamabad	Registered office	25,840
Gulistan e Jauhar, Karachi	Amneity plots	48,200
Commissioner Road, Turbat	Investment property	18,295
Nathia Gali Road, Abbottabad	Investment property	17,091
Port Road, Ormara	Investment property	10,000
Sector I-11/4 PirWadhai, Islamabad	Investment property	7,200
Ahmed Shah Abdali Road, Multan	Investment property	6,534
Egerton Road, Lahore	Investment property	4,598
Airport, Skardu	Investment property	4,235
264 Ra – Lines, Karachi	Investment property	3,935
Polo Ground, Chitral	Investment property	3,666
Airport Road, Gawadar.	Investment property	2,865
Block 16, 28/6 Civil Lines, Faisalabad	Investment property	1,974
K.D.A Scheme 1 Karsaz, Karachi	Investment property	1,874
Minara Road, Sukkur	Investment property	1,872
Paris Road, Sialkot	Investment property	1,778
Shah Faisal Colony, Karachi	Investment property	1,667
N.L.I Road, Gilit	Investment property	1,276
Mohib Road Chishma Bazar, Skardu	Investment property	1,250
Faizabad Road, Swat	Investment property	1,210
Township Phase 1 Mingora, Swat	Investment property	1,210
K.D.A Scheme 1 Karsaz, Karachi	Investment property	1,120
Chattar, Muzaffarabad, Azad Kashmir	Investment property	444
Thandi Sarak, Hyderabad	Investment property	340
Canit Road, Dera Ismail Khan	Investment property	234

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting standards issued by International Accounting Standard Board as notified under the Act; and
- provisions of, directives and notifications issued under the Act.
- provisions of and directives issued under the Act and the requirements of the State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE Act).

Where the provisions of, directives and notifications issued under the Act differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Act have been followed.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except otherwise disclosed in the unconsolidated financial statements.

2.3 Functional and presentation currency

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

3 NEW ACCOUNTING STANDARDS

3.1 Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Company's accounting period beginning on 01 January 2025, but are considered either to be not relevant or to not have any significant effect on the Company's operations and are, therefore, not detailed in these unconsolidated financial statements.

3.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's accounting periods beginning on or after 01 January 2026. However, the Company expects that these standards (other than IFRS 18) will not have any material impact on the Company's financial statements in the period of initial application. The Company is currently working to identify impacts that IFRS 18 will have on the financial statements.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDEMENTS

The preparation of unconsolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the year in which the estimates is revised and in any future years effective. Significant accounting estimates and judgements are disclosed in the relevant notes to these unconsolidated financial statements.

5 MATERIAL ACCOUNTING POLICIES

5.1 Investment property

Property held for rental earning or capital appreciation or both are classified as investment property. These are measured initially at cost, including related transaction costs directly attributable to acquisition and subsequently carried at their fair values based on market value determined by professional independent valuers on a continuing basis. Gain or loss arising as a result of fair valuation is recorded in the statement of profit or loss.

5.2 Investments in subsidiaries and associates

These are stated at cost less accumulated impairment losses, if any.

5.3 Discountinued operations/ assets / liabilities held for sale

A discontinued operation is a component of the Company's business that has been discontinued or disposed off or is held-for-sale. Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

These are classified as held for sale if their carrying amounts will be recovered principally through sale / disposal rather than through continuing use. Such assets / liabilities are measured at the lower of their carrying amount and fair value less costs to sell.

5.4 Cash and cash equivalents

These are stated at cost.

5.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.5.1 Financial assets

i) **Initial recognition and measurement**

On initial recognition, financial assets are classified at amortised cost; Fair Value through Other Comprehensive Income (FVTOCI) or Fair Value through Profit or Loss (FVTPL). These are measured at at fair value and transaction cost, if any, except for financial asssets at FVTPL, in which case, transaction cost is charged to statement of profit or loss.

ii) **Subsequent measurement**

At amortised cost:

These are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in statement of profit or loss when the asset is derecognised, modified or impaired.

At FVTOCI:

These are subsequently measured at fair value with net changes in fair value recognised in the other incomprehensive income.

At FVTPL:

The Company has not designated any financial asset at FVTPL as of the reporting date.

iii) **Derecognition**

A financial asset is primarily derecongnized when the right to receive cash flows from the asset have expired.

iv) **Impairment**

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. ECLs for a corporate guarantee contract are the cash shortfalls adjusted by the risks that are specific to the cash flows.

5.5.2 **Financial liabilities**

i) **Initial recognition and measurement**

On initial recognition, financial liabilities are classified at amortised cost or FVTPL and these are measured at at fair value less transaction cost, if any, except for financial asssets at FVTPL, in which case, transaction cost is charged to statement of profit or loss.

ii) **Subsequent measurement**

At FVTPL:

The Company has not designated any financial liability as at FVTPL as of the reporting date.

At amortised cost:

These are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss.

iii) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

5.5.3 **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.6 **Revenue recognition**

Other income is recognized on accrual basis.

5.7 **Employee benefits**

The Company operates an unfuded gratuity scheme for eligible employees. Further, In accordance with the SOA, pension and medical obligations of the employees of PIACL who were retired on or before 30 September 2023 have been transferred to the Company. These are accounted for on the basis of actuarial valuation carried out anually using the projected unit credit method. The latest actuarial valuations were carried out as of 31 December 2025.

5.8 **Taxation**

The charge for current taxation is based on taxable income at the current rates in accordance with Income Tax Ordinance, 2001.

Deferred tax is provided in full using the balance sheet liability method on all temporary differences arising at the reporting date, between the tax bases of the assets and the liabilities and their carrying amounts. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting period.

5.9 **Provisions**

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

5.10 **Foreign currency transactions**

Foreign currency transactions are recorded at the exchange rates approximating those ruling on the date of the transactions. Monetary assets and liabilities in foreign currencies are translated at the rates using the average spot rate on the reporting date. Gains and losses on translation are taken to the statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items, measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value was determined.

		2025	2024
6	**INVESTMENT PROPERTY**	(Rupees in '000)	
	Land	7,649,957	8,339,537
	Buildings	2,205,686	2,261,483
		9,855,643	10,601,020

6.1 The fair valuation of the investment property as at 31 December 2025 was performed by an independent valuer which falls under level 2 of fair value hierarchy. The forced sale value of the investment property is estimated to be Rs. 7,885 (2024:8,481) million.

		Note	2025	2024
7	**LONG-TERM INVESTMENTS**	Note	(Rupees in '000)	
	At cost			
	Subsidiaries	7.1	4,415,712	56,760,833
	Associate	7.2	-	-
			4,415,712	56,760,833
	At FVOCI			
	Pakistan Services Limited		214,436	144,633
			4,630,148	56,905,466

		Note	2025	2024
7.1	**Subsidiaries**			
	Pakistan International Airlines Corporation Limited 5,234,511,117 ordinary shares of Rs. 10 each. Equity held 100%		52,345,121	52,345,121
	PIA Investments Limited (PIAIL) 792,000 ordinary shares of AED 100 each. Equity held 100%	7.1.1	4,415,712	4,415,712
	Skyrooms (Private) Limited		40,000	40,000
	Midway House (Private) Limited		28,520	28,520
	Sabre Travel Network Pakistan (Private) Limited		2	2
			68,522	68,522
	Provision for impairment		(68,522)	(68,522)
			-	-
	Reclassified to asset held for sale	12	(52,345,121)	-
			4,415,712	56,760,833

7.1.1 PIAIL was incorporated on 10 September 1977 in Sharjah, United Arab Emirates as a limited liability company.

		2025	2024
7.2	**Associate**	(Rupees in '000)	
	Minhal Incorporated	396	396
	Provision for impairment	(396)	(396)
		-	-

8 TRADE DEBTS	2025	2024
	(Rupees in '000)	
Considered doubtful	6,167,182	6,167,182
Allowance for ECL	(6,167,182)	(6,167,182)
	-	-

9 LOAN TO SUBSIDIARY - considered good

Represents loan to PIAIL amounting to US$ 13.928 million. Carrying interest rate of 1 month KIBOR + 1.45% per annum and is receivable on demand.

10 OTHER RECEIVABLES	Note	2025	2024
		(Rupees in '000)	
Considered good			
Related Parties			
Pakistan International Airlines Corporation Limited		258,456	99,207
Minhal France S.A. (MFSA)		702,955	-
Accrued interest on loan to PIAIL		2,345,820	1,755,842
Current portion of receivable of PECPL	12.2	784,752	-
		4,091,983	1,855,049
Financial institutions		41,008	7,431,011
Others		124,984	-
		4,257,975	9,286,060
Considered doubtful		542,607	542,607
Provision for impairment		(542,607)	(542,607)
		-	-
		4,257,975	9,286,060

10.1 The ageing analysis of other receivables due from related parties is as follows:

2025	Total	Not yet due	Due but not impaired 30 - 90 days	Due but not impaired 90 and above days
	(Rupees in '000)			
Pakistan International Airlines Corporation Limited	258,438	-	17,924	240,514
Minhal France S.A	702,955	-	119,733	583,222
Precision Engineering Complex (Private) Limited	784,752	784,752	-	-
PIA Investments Limited	2,345,820	-	129,890	2,215,929
	4,091,965	784,752	267,548	3,039,665

10.2 The maximum amount outstanding from related parties at any time during the year calculated by reference to month end balances are as follows:

	2025	2024
	(Rupees in '000)	
Pakistan International Airlines Corporation Limited	258,456	99,207
Minhal France S.A.	702,955	-
Precision Engineering Complex (Private) Limited	784,752	-
PIA Investments Limited	2,345,820	1,755,842

11	CASH AND BANK BALANCES	Note	2025	2024
			(Rupees in '000)	
	Bank balances			
	Current account		53	1,103,920
	Deposit accounts	11.1	6,252,795	1,239,999
			6,252,848	2,343,919
	Cash in hand		55	-
			6,252,902	2,343,920
	Reclassified to assets held for sale		-	(103,920)
			6,252,902	2,239,999

11.1 These carry profit rates ranging from 6% to 10.5% (2024: 6%) per annum.

12	ASSETS AND LIABILITIES HELD FOR SALE / DISCOUNTINUED OPERATIONS	Note	2025	2024
			(Rupees in '000)	
	Pakistan International Airlines Corporation Limited	12.1	52,345,120	-
	Precision Engineering Complex	12.2	-	2,478,823
			52,345,120	2,478,823

12.1 During the year, the Company entered into a Share Purchase Agreement with Arif Habib led consortium whereby, 100% shareholding of PIACL will be transferred to said consortium. Accordingly, in accordance with the requirements of IFRS-5 "Non-current Assets Held for Sale and Discontinued Operations", the Company has reclassified its investment in PIACL to assets held for sale.

12.2 During the year, the Company has transferred its Precision Engineering Complex (PEC) operations to Precision Engineering Complex (Private) Limited (PECPL) against total cash consideration of Rs. 2,500 million, receivable over four years. Accordingly, in accordance with the requirements of IFRS 9, "Financial Instruments", the Company has recorded the said receivable at its present value using a discount rate of 11% per annum as follows:

	Note	2025	2024
		(Rupees in '000)	
Receivable from PECPL		2,500,000	-
Effect of discounting	23	(418,294)	-
		2,081,706	-
Less: Current portion	10	(784,752)	-
		1,296,954	-

12.2.1 The break-up of assets / liabilities held for sale are as follows:

	2025	2024
	(Rupees in '000)	
Assets		
Property and equipment	2,000	2,000
Stores and spares	102,510	147,508
Advances	2,914	21,846
Other receivables	68,087	249,355
Bank balances	451,929	103,920
	627,440	524,629
Liabilities		
Deferred liabilities	2,017,166	1,826,262
Trade and other payables	1,207,415	1,177,190
	3,224,581	3,003,452
Net liabilities	(2,597,141)	(2,478,823)

12.2.2 Income and expenses related to discontinued PEC operations are as follows:

	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
	(Rupees in '000)	
Other income	**101,094**	293,358
General and administrative expenses	**(531,027)**	(675,673)
Net loss during the period	**(429,933)**	(382,316)
Sale consideration	**2,500,000**	-
Net liabilities	**(2,597,141)**	-
Gain on disposal of discontinued operations	**5,097,141**	-
	4,667,208	(382,316)

12.2.3 Cash flows related to discontinued PEC operations are as follows:

	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
	(Rupees in '000)	
Net cash generated from operations	**348,009**	61,334

13 **SHARE CAPITAL**

Authorised share capital

2025	2024		2025	2024
Number of shares			(Rupees in '000)	
5,349,250,000	5,349,250,000	'A' class shares of Rs.10/- each	**53,492,500**	53,492,500
1,500,000	1,500,000	'B' class shares of Rs. 5/- each	**7,500**	7,500
			53,500,000	53,500,000

Issued, subscribed and paid-up share capital

2025	2024		2025	2024
Number of shares			(Rupees in '000)	
5,233,762,118	5,233,762,118	'A' class shares of Rs.10/- each	**52,337,620**	52,337,620
1,499,999	1,499,999	'B' class shares of Rs. 5/- each	**7,500**	7,500
			52,345,120	52,345,120

13.1 As at 31 December 2025, GoP held 5,023,608,577 'A' class ordinary shares and 1,462,515 'B' class ordinary shares respectively representing 96% holding.

13.2 The voting rights, board selection and similar rights of shareholders are in proportion to the shareholding of the shareholders.

14 **LONG-TERM FINANCING**	Note	2025	2024
		(Rupees in '000)	
Financial institutions - secured	14.1	**262,263,350**	262,066,660
Government of Pakistan - unsecured	14.2	**142,646,188**	108,953,302
Sukuk certificates - secured	14.3	**3,496,822**	3,496,823
		408,406,359	374,516,785

14.1 Financial Institutions	Note	2025	2024
		---------- (Rupees in '000) ----------	
Local currency			
National Bank of Pakistan - a related party		**60,386,973**	57,864,240
JS Bank Limited		**21,906,163**	21,906,163
Soneri Bank Limited		**1,076,722**	1,076,722
Askari Bank Limited		**35,533,555**	35,533,555
Habib Bank Limited		**34,123,660**	33,643,139
The Bank of Punjab		**58,662,544**	58,662,544
Pak Oman Microfinance Bank Limited		**783,834**	783,834
Al Baraka Bank Limited		**7,220,450**	7,220,450
Faysal Bank Limited		**22,621,564**	22,621,564
Bank Islami Limited		**6,812,806**	6,812,806
Meezan Bank Limited		**901,737**	901,737
Pak China Investment Company Limited		**901,737**	901,737
Pak Kuwait Investment Company (Private) Limited		**2,254,342**	2,254,342
	14.1.1	**253,186,087**	250,182,833
Foreign currency			
National Bank of Pakistan - a related party		**10,218,364**	12,677,969
Habib Bank Limited		**1,884,654**	2,338,298
	14.1.2	**12,103,018**	15,016,267
		265,289,105	265,199,100
Less: Current portion		**(3,025,755)**	(3,132,440)
		262,263,350	262,066,660

14.1.1 The Company has obtained long-term finance through the syndicate term finance agreement. The principal will be repaid in bullet upon maturity in December 2033. It carries mark-up rate at the lower of 1 year KIBOR or 12% per annum and is secured by first pari passu hypothecation and mortgage charge over the present and future assets of the Company to the extent of Rs. 317,100.4 million and by continuing guarantee of GoP.

14.1.2 The Company has obtained foreign currency loans from conventional banks. The principal will be repaid in 10 equal semi annual installments over a period of 5 years commencing from 1 January 2025. These carry mark-up rate of SOFR + 5.4% per annum and are secured by first pari passu hypothecation and mortgage charge over the present and future assets of the Company to the extent of Rs. 317,100.4 million and by continuing guarantee of GoP.

14.2 These carry mark-up rates ranging from 10% to 17.54% per annum. The principal will be repaid in 20 years with grace period of 5 years and the markup wil be paid in equal installments over the loan tenure. Up till last year, the Company was recording markup on GoP loans at prevailing rate for the respective year. However, during the year, the GoP has confirmed that mark-up on such loans is based on rate prescribed by GoP. Accordingly, the Company has adjusted the excess markup amount in the current year amounting to Rs. 15,958 million (note 22).

14.3 These carry mark-up rate at the lower of 1 year KIBOR or 12% per annum. The principal will be repaid in bullet upon maturity 31 December 2033 and the markup will be paid annually commencing from 01 January 2025. These are secured by first pari passu hypothecation and mortgage charge over the present and future assets of the Company to the extent of Rs. 317,100.4 million and by continuing guarantee of GoP.

14.4 Movement in long term financing is as follows:

	2025	2024
	---------- (Rupees in '000) ----------	
Opening balance	**377,649,224**	-
Transferred from PIACL	-	328,075,995
Reclassified from short term borrowings / accrued markup	-	49,317,161
Additions during the year / period	**36,696,139**	-
Repayment during the year / period	**(3,064,930)**	-
Exchange loss	**151,680**	256,068
Closing balance	**411,432,113**	377,649,224
Current portion	**(3,025,755)**	(3,132,440)
	408,406,359	374,516,784

15	DEFERRED LIABILITIES	Note	2025	2024
			(Rupees in '000)	
	Medical		17,305,511	14,350,864
	Pension		16,872,862	17,594,492
	Gratuity		1,618	-
		15.1	34,179,991	31,945,356

			2025				2024		
15.1	**Movement in liability during the year / period**	**Note**	**Pension**	**Medical**	**Gratuity**	**Total**	**Pension**	**Medical**	**Total**
			(Rupees in '000)						
	Opening balance		18,795,702	14,975,915	-	33,771,617	-	-	-
	Transferred from PIACL		-	-	-	-	19,619,958	15,641,923	35,261,881
	Recognized in profit or loss	15.1.1	2,140,990	1,855,632	1,618	3,998,230	1,902,461	1,506,199	3,408,660
	Benefits paid		(1,586,631)	(1,862,624)	-	(3,449,261)	(1,143,060)	(833,261)	(1,976,321)
	Recognized in other comprehensive income	15.1.2	(1,137,261)	3,013,833	-	1,876,571	(1,583,657)	(1,338,946)	(2,922,603)
	Closing balance		18,212,794	17,982,746	1,618	36,197,157	18,795,702	14,975,915	33,771,617
	Reclassified to liabilities related to assets held for sale		(1,339,932)	(677,234)	-	(2,017,166)	(1,201,210)	(625,051)	(1,826,262)
			16,872,862	17,305,511	1,618	34,179,991	17,594,492	14,350,864	31,945,355

		For the year				For the period from 21 March 2024 to 31 December 2024		
15.1.1	**Recognised in profit or loss**	**Pension**	**Medical**	**Gratuity**	**Total**	**Pension**	**Medical**	**Total**
		(Rupees in '000)						
	Current service cost	9,191	769	1,618	11,588	20,000	1,559	21,559
	Interest cost	2,131,799	1,854,863	-	3,986,662	1,882,461	1,504,640	3,387,101
		2,140,990	1,855,632	1,618	3,998,330	1,902,461	1,506,199	3,408,660

15.1.2	**Recognized in other comprehensive income**							
	Unrealized actuarial gain	(1,137,261)	3,013,833	-	1,876,571	(1,583,657)	(1,338,946)	(2,922,603)

15.2	**Significant actuarial assumptions**	Note	2025	2024
			(Rupees in '000)	
	Discount rate used for interest cost charged		14.75%	14.75%
	Expected rate of increase in salaries		11.25%	11.25%
15.3	**Sensitivity Analysis on significant actuarial assumptions:**			
	Discount rate +1%		31,421,895	31,421,895
	Discount rate -1%		36,467,755	36,467,755
	Long term salary increases +1%		36,732,393	36,732,393
	Long term salary increases -1%		31,161,892	31,161,892

16	TRADE AND OTHER PAYABLES	Note	2025	2024
	Related parties			
	Pakistan International Airlines Corporation Limited		11,512,445	12,127,961
	PIA Investments Limited		401,037	-
	Pakistan Airport Authority (PAA)		148,793,647	148,793,647
	Pakistan State Oil Company Limited		23,762,400	23,762,400
	National Insurance Corporation Limited		-	1,135,010
	PIACL - Provident Fund		8,893,593	8,893,593
			193,563,112	194,712,611
	Others		43,511	104,809
		16.1	193,606,623	194,817,420

16.1	Opening Balance	194,817,420	-
	Transferred from PIACL	-	158,341,992
	Reclassified from short term borrowings / accrued interest	-	25,893,593
	Addition during the period	4,136,763	11,759,024
	Payments during the period	(4,808,860)	-
	write-back during the period	(559,142)	-
	Exchange Loss	19,191	-
	Reclassified to liabilities related to assets held for sale	-	(1,177,189)
		193,606,622	194,817,420

		Note	2025	2024
17	ACCRUED MARK-UP		---------- (Rupees in '000)	----------
	Long term financing	17.1	107,586,591	107,023,499
	Advance from PIAIL		5,156,223	4,435,688
			112,742,815	111,459,187

17.1 Include accrued mark-up on borrowings from GoP and National Bank of Pakistan amounting to Rs. 76,628 million and Rs.16,967 million (2024: 74,625 million and 17,893 million) respectively.

		Note	2025	2024
18	ADVANCE FROM SUBSIDIARIES - unsecured			
	PIA Investments Limited	18.1	11,242,800	11,179,663
	Sabre Travel Network Pakistan (Private) Limited		7,634	7,634
			11,250,434	11,187,297

18.1 This carries interest rate of 1 month LIBOR + 1.75% per annum and is repayable on demand.

19 CONTINGENCIES

As at 31 December 2025, Pakistan Airport Authority (PAA) raised claims amounting to Rs. 280,480 million, out of which Rs. 131,927 million are not acknowledged by the Company. The disputed amounts primarily relate to late payment surcharge and interest charges that have not been accepted by the Company. The Company, in view of legal advice, expects a favourable outcome, accordingly, no provision has been recognized in these unconsolidated financial statements.

		Note	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
20	GENERAL AND ADMINISTRATIVE EXPENSES		---------- (Rupees in '000)	----------
	Salaries and other benefits		43,552	7,453
	Employee benefit obligations		3,914,984	3,292,612
	Auditor's remuneration	20.1	12,700	8,000
	Legal and professional		35,638	-
	Depreciation		735	171,627
	Others		36,155	87,453
			4,043,764	3,567,145
20.1	Auditor's remuneration			
	Statutory audit / review fee		7,000	5,500
	Certificates and other services		4,500	1,500
	Out of pocket		1,200	1,000
		-	12,700	8,000
21	OTHER EXPENSES			
	Remeasurement loss on investment property		745,379	-
	Management services from PIAIL		771,599	-
	Exchange loss		332,536	40,430
	Allowance for ECL		-	95,271
	Other receivables writen off		14,989	-
			1,864,503	135,701

22 OTHER INCOME	Note	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
		(Rupees in '000)	
Income from financial assets			
Interest on loan to PIAIL		519,561	536,064
Profit on bank balances		743,020	1,138
		1,262,581	537,201
Income from non financial assets			
Remeasurement gain on investment property		-	918,182
Liabilities no longer payable - written back		16,517,617	-
Management fee from MFSA		891,332	11,302
Rental income		158,312	104,490
Dividend income		-	196,901
Others		411	-
		17,567,672	1,230,875
		18,830,254	1,768,076

23 FINANCE COST

Mark-up / interest on:

	Note	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
Long term financing		48,710,018	45,487,246
Advance from PIAIL		693,128	524,687
		49,403,146	46,011,933
Effect of discounting	12.2	418,294	-
		49,821,440	46,011,933

24 TAXATION

	Note	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
Current	24.1	36,728	53,777
Deferred	24.2	544,206	(847,555)
		580,934	(793,778)

24.1 Represents current tax expense on rental income from investment property.

24.2 Deferred tax	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
	(Rupees in '000)	
Deductible temporary differences arising on:		
Unused tax losses	-	1,200,437
Provisions	353,476	27,629
	353,476	1,228,066
Taxable temporary difference arising on:		
Deferred liabilities	(303,349)	(266,273)
Others	(50,127)	(961,792)
	(353,476)	(1,228,066)
	-	-

	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
24.2.1 Charge for the period	---------- (Rupees in '000)	----------
Recognised in:		
- profit or loss	544,206	(847,555)
- other comprehensive income	(544,206)	847,555
	-	-

24.2.2 In view of its accounting policy, the Company has not recognised deferred tax asset amounting to Rs. 21,383 (2024: Rs 13,460) million on unused tax loss amounting to Rs 73,736 (2024: Rs. 46,412) million.

25 LOSS PER SHARE - basic and diluted	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
Net loss for the year / period (Rupees in 000)	(32,813,179)	(47,535,240)
Weighted average number of ordinary shares	52,345,120	52,345,120
Loss attributable to:		
'A' class ordinary shares (Rupees)	(6.27)	(9.08)
'B' class ordinary shares (Rupees)	(3.13)	(4.54)

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

26.1 Risk management framework

The Board of Directors has overall responsibility for the establishment and over sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

26.2 Financial risks

The Company's activities expose it to a variety of financial risks as follows:

26.2.1 Credit risk

Credit risk is the risk of financial loss to the Company if one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economical, political or other conditions. As of 31 December 2025, the Company is exposed to such risk in respect of loan to subsidiary, other receivables and bank balances. The Company seeks to minimize the credit risk exposure through having exposures only to parties considered credit worthy and obtaining securities, where applicable. The credit quality of bank balances can be assessed by reference to external credit ratings as follows:

Bank balances	2025	2024
	--------- (Rupees in '000)	---------
A1+	6,252,902	2,239,999

26.2.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies prudent liquidity risk management by maintaining sufficient bank balances and the availability of funding through commited credit facilities. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

2025	Less than 3 months	3 to 12 months	More than 12 months	Above 5 years	Total
	(Rupees in '000)				
Long-term financing	-	3,025,755	9,077,263	396,038,519	408,141,537
Trade and other payables	193,606,622	-	-	-	193,606,622
Accrued mark-up	112,742,815	8,882,592	17,817,367	60,709,340	200,152,114
Advance from subsidiaries	11,250,434	-	-	-	11,250,434
	317,599,871	11,908,346	26,894,630	456,747,859	813,150,707

2024	Less than 3 months	3 to 12 months	More than 12 months	Above 5 years	Total
	(Rupees in '000)				
Long-term financing	-	3,132,440	12,529,759	358,854,586	374,516,785
Trade and other payables	194,817,420	-	-	-	194,817,420
Accrued mark-up	111,459,187	-	8,882,592	78,526,707	198,868,486
Advance from subsidiaries	-	11,187,297	-	-	11,187,297
	306,276,607	14,319,737	21,412,351	437,381,293	779,389,988

26.2.3 Market risk

Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and comprise of the following:

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's long-term financing at floating rates. The Company manages interest rate risk by maintaining arrangement with number of financial institutions to have access to the best possible rate, if financing from banks is required. Management of the Company estimates that 1% increase / decrease in the market interest rate, with all other factors remaining constant, would decrease / increase the Company's loss before tax by Rs. 120.31 million.

ii) **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company is mainly exposed to such risk in respect of the following:

	2025			2024	
	USD	EURO	(Rs. in '000)	USD	(Rs. in '000)
Financial assets					
Loan to subsidiary	13,928,290	-	3,897,136	13,928,290	3,879,029
Other receivable	-	2,137,614	702,954	-	-
	13,928,290	2,137,614	4,600,090	13,928,290	3,879,029
Financial liabilities					
Long-term financing	(43,206,065)	-	(12,089,057)	(88,134,000)	(24,545,319)
Advance from subsidiaries	(40,135,211)	-	(11,229,832)	(40,135,000)	(11,177,598)
	(83,341,276)	-	(23,318,889)	(88,134,000)	(24,545,319)
Trade and other payables	-	(1,827,880)	(601,026)	-	-

The exchange rates applied during the year and at year end were as follows:

	Average rate for the year		Spot rate for the year	
	2025	2024	2025	2024
			--------- (Rupees) ---------	
USD	281.05	279.30	279.80	278.5
EURO	318.10	318.10	301.42	290.08

Sensitivity analysis

Every 5% increase or decrease in exchange rate, with all other variables held constant, will decrease or increase loss before tax by Rs. 439.65 million.

iii) **Equity price risk**

Equity price risk is the risk of loss arising from uncertainties about future values of investments securities movements in prices of equity investments. As of the reporting date, the Company is not materiality exposed to equity price risk.

25.2.4 **Fair values of financial assets and liabilities**

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction other than in a forced or liquidation sale. All the financial assets and liabilities are carried at amortized cost except investment in PIA Investments Limited which is carried as FVOCI (level 1).

The following table shows assets recognized at fair value, analyzed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;

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

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

26.2.5 **Capital risk management**

The primary objective of the Company's capital management is to ensure that it maintains capital ratios in order to support and sustain future development of its business operations and maximize shareholders' value. During the year, Company has incurred a net loss and has negative gearing ratio. However, the mitigating factors to address the going concern status of the Company are disclosed in note 1.2.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Company monitors capital using a debt equity ratio, which is net debt divided by total equity. Equity comprises of share capital, capital reserve and revenue reserves.

27 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries, associates, state-controlled entities and key management personnel. The transactions with related parties, other than those disclosed elsewhere in these unconsolidated financial statements, are as follows:

Name	Basis of relationship	Nature of transaction	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
			---------- (Rupees in '000) ----------	
Government of Pakistan	Majority Shareholder	Finance cost	17,988,326	13,084,237
National Bank of Pakistan	Associate (common ownership)	Finance cost	8,414,727	8,443,807
Minhal France S.A	Sub-subsidiary	Consultancy fee	891,332	11,302
PIA Investments Limited	Subsidiary	Management fee	771,599	-
National Insurance Company Limited	Associate (common ownership)	Insurance premium	-	9,375
Muhammad Amir Hayat Asad Rasool Amos Nadeem Athar Hussain Rao Muhammad Imran Haroon Rasheed Abbasi Syed Qamar Maqbool	Key management personnel	Salaries and other benefits	26,813	7,453

28 SHARIAH DISCLOSURES

	2025	2024
	--------- (Rupees in '000) ---------	
Disclosure in relation to the Statement of Financial Position-Liability side		
Long-term financing as per islamic mode	56,110,884	56,110,884
Short-term borrowings as per islamic mode	N/A	N/A
Accrued markup on conventional financing	25,255,900	25,136,430
Disclosure in relation to the Statement of Financial Position-Asset side		
Long-term investments - shariah compliant	N/A	N/A
Short-term investments - shariah compliant	N/A	N/A
Bank balances - shariah compliant	3,188,802	3,188,856

Disclosure in relation to the Statement of Profit or Loss	2025	2024
	---------- (Rupees in '000) ----------	
Revenue earned from shariah compliant business	N/A	N/A
Profit earned from conventional loan	N/A	N/A
Unrealised gain on remeasurement of shariah compliant long term investments	N/A	N/A
Share of loss from shariah compliant joint venture	N/A	N/A
Exchange loss incurred on actual currency	37,008	15,316
Exchange gain earned using conventional derivative financial instruments	N/A	N/A
Profit paid on islamic mode of financing	81,059	339,810
Interest earned from conventional financing	5,782	4,012
Interest paid on conventional financing	28,093	15,460

Relationship with Shariah Compliant Financial Institutions:

Name:	Relationship:
Al Baraka Bank Pakistan Limited	Diminishing Musharaka
Faysal Bank Limited	Diminishing Musharaka
Meezan Bank Limited	Diminishing Musharaka
Pak China Investment	Diminishing Musharaka
Pak Kuwait Investment	Diminishing Musharaka
Bank Islami Pakistan Limited	Diminishing Musharaka
Habib Bank Limited - Islamic Banking	Diminishing Musharaka
Bank Makramah Limited (Summit Bank Ltd)	Sukuk Musharaka
Zarai Taraqiati Bank Limited	Sukuk Musharaka
Dawood Family Takaful Limited	Sukuk Musharaka
M.N. Textiles (Private) Ltd	Sukuk Musharaka
Pakistan Mobile Communication Ltd - Provident Fund	Sukuk Musharaka
DCCL - Trustee AKD Islamic Income Fund	Sukuk Musharaka
SSG LPG (Private) Ltd - Employees Gratuity Fund	Sukuk Musharaka
Arbisoft (Private) Limited - Employees Provident Fund	Sukuk Musharaka
HBL Islamic Asset Allocation Income Fund - Plan II	Sukuk Musharaka
SeaGold (Private) Ltd - Employees Provident Fund	Sukuk Musharaka
MCB Islamic Bank Limited	Bank Balance

29 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors in its meeting held on 27th August 2026

30 NUMBER OF EMPLOYEES

The total number of employees at the year end were 13 (2024: 235) and average number of employees during the year were 8 (2024: 241).

31 GENERAL

31.1 Corresponding figures have been re-arranged and re-classified for the purpose of better presentation.

31.2 All figures are rounded up to thousands.

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

Grant Thornton

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Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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INDEPENDENT AUDITORS' REPORT

To the Members of PIA Holding Company Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the annexed consolidated financial statements of **PIA Holding Company Limited** (the Holding Company) and its subsidiaries (together as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material 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, except for the possible effects of the matters described in the basis for qualified opinion section of our report, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Qualified Opinion

As disclosed in note 19.4 to the consolidated financial statements, the Group has transferred assets and liabilities relating to Precision Engineering Complex (PEC) to Precision Engineering Complex (Private) Limited. The said transaction resulted in a gain on discontinued operations of Rs. 5,097.14 million. Further, during the year, the Group incurred a net loss of Rs. 429.93 million in respect of PEC operations. However, for the purposes of our audit, we have not been provided with the information and documents to obtain sufficient appropriate audit evidence. Accordingly, we have been unable to satisfy ourselves with respect to the above PEC transactions.

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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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Relating to Going Concern

We draw attention to note 1.3 to the consolidated financial statements which states that during the year, the Group incurred a net loss of Rs 25,391 million resulting in accumulated loss of Rs. 796,891 million and negative equity of Rs. 576,894 million as of 31 December 2025. As of that date, current liabilities of the Group also exceed its current assets by Rs. 327,809 million. Further, as disclosed in the above note, one of the subsidiary companies has ceased its operations during the year. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to the following:

i) note 27 to the consolidated financial statements which states that the Group is exposed to various tax and other contingencies, the ultimate outcome of these claims cannot presently be determined and accordingly, no provision has been made in this respect in these consolidated financial statements.

ii) note 21.2 to the consolidated financial statements in respect of adjustment of mark-up on Government of Pakistan loans.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1	**Long term financing** As disclosed in note 21 to the consolidated financial statements, long-term financing amounts to Rs 412,721.04 million which constitutes approximately 40.5% of total liabilities of the Group.	Our key procedures amongst others included the following: - Obtained and reviewed financing agreements to assess the key terms and conditions of the loans. - Obtained direct confirmations from lenders and reconciled confirmed balances with the financial statements.

S. No.	Key audit matter	How the matter was addressed in our audit
	Given the significance of long-term financing to the Groups' total liabilities, we have identified long-term financing as a key audit matter.	- Recalculated finance costs recognized during the year and assessed the application of mark-up rates in accordance with the terms of the underlying agreements. - Assessed compliance with the covenants and other conditions stipulated in the financing agreements and evaluated the impact of any non-compliance, where applicable. - Evaluated whether long-term financing had been appropriately classified and presented in accordance with the requirements of the applicable financial reporting framework. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

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

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017), State-Owned Enterprises (Governance and Operations) Act, 2023 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors 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 Board of Directors, we determine those matters that were of most significance in the audit of the consolidated 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.

The engagement partners on the audit resulting in this independent auditors' report is Muhammad Khalid Aziz.

Chartered Accountants
Place: Karachi
Date: 04 September 2026
UDIN: AR2025101547kZhluqbU

	Note	2025	2024 (Restated)
		----------- (Rupees in '000) -----------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	222,073,566	309,304,918
Investment property	8	5,801,451	3,271,453
Intangibles	9	9,612,203	9,686,687
Long-term investments		214,453	144,634
Other receivable	10	1,296,955	2,104,225
Long-term deposits and prepayments	11	132,201	6,807,309
		239,130,829	331,319,226
CURRENT ASSETS			
Stores and spares	12	28,390	4,304,040
Trade debts	13	663,731	13,005,316
Advances	14	412,620	7,198,823
Trade deposits and short-term prepayments	15	120,601	10,453,625
Other receivables	16	1,102,999	13,104,938
Short term investments	17	9,194,884	-
Cash and bank balances	18	7,834,092	16,351,527
		19,357,317	64,418,271
Assets held for sale	19	179,174,651	524,629
TOTAL ASSETS		437,662,797	396,262,126
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		54,000,000	54,000,000
Issued, subscribed and paid-up share capital	20	52,345,120	52,345,120
Reserves		(787,011,701)	(759,856,396)
Surplus on revaluation of property, plant and equipment - net		150,331,271	142,604,490
Attributable to the Holding Company's shareholders		(584,335,310)	(564,906,786)
Non-controlling interest		7,441,894	5,999,176
		(576,893,416)	(558,907,610)
NON-CURRENT LIABILITIES			
Long-term financing	21	412,721,032	398,459,945
Lease liabilities	22	67,516	14,426,525
Long-term advances and deposits		118,357	118,186
Deferred taxation	23	39,807,074	6,325,295
Deferred liabilities	24	35,501,193	59,922,259
		488,215,172	479,252,210
CURRENT LIABILITIES			
Trade and other payables	25	191,802,028	328,309,054
Unclaimed dividend		65,634	65,634
Accrued mark-up	26	111,565,604	107,911,798
Taxation - net		413,989	5,859,174
Current maturities of non current liabilities	21	42,210,884	30,768,414
		346,058,139	472,914,074
		834,273,311	952,166,284
Liabilities related to assets held for sale	19	180,282,902	3,003,452
TOTAL EQUITY AND LIABILITIES		437,662,797	396,262,126
CONTINGENCIES AND COMMITMENTS	27		

The annexed notes from 1 to 46 form an integral part of these consolidated financial statements.

62

Chief Executive Officer — Director — Chief Financial Officer

PIA HOLDING COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024 (Restated)
		----------- (Rupees in '000) -----------	
Revenue - net	28	**25,709,046**	239,652,337
Cost of services	29		
Aircraft fuel		-	(75,586,032)
Others		(9,319,398)	(112,330,728)
		(9,319,398)	(187,916,760)
Gross profit		**16,389,648**	51,735,577
Distribution costs	30	(531,240)	(9,496,499)
Administrative expenses	31	(16,529,065)	(25,925,384)
Other expenses	32	-	(540,758)
Other income	33	18,030,055	4,202,278
		969,750	(31,760,364)
Profit from operations		**17,359,398**	19,975,213
Exchange loss - net	-	(332,536)	(2,292,771)
Finance cost	34	(53,645,904)	(60,227,779)
Loss from continued operations		**(36,619,042)**	(42,545,337)
Gain / (loss) from discountinued operations	19.4	**18,447,920**	(524,582)
Loss before levy and income tax		**(18,171,122)**	(43,069,919)
Levy		(2,109,705)	(1,540,047)
Loss before income tax		**(20,280,827)**	(44,609,966)
Taxation	35	(5,110,557)	30,183,623
Net loss for the year		**(25,391,384)**	(14,426,343)
Attributable to:			
Equity holders of the Holding Company		(25,526,526)	(14,624,641)
Non-controlling interest		135,142	198,298
		(25,391,384)	(14,426,343)
Loss per share - basic and diluted	36	----------- (Rupees) -----------	
Loss attributable to:			
'A' class Ordinary shares of Rs.10/- each		(4.85)	(2.78)
'B' class Ordinary shares of Rs. 5/- each		(2.43)	(1.39)

The annexed notes from 1 to 46 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR SIX YEAR ENDED 31 DECEMBER 2025

	2025	2024 (Restated)
	------------ (Rupees in '000) ------------	
Net loss for the year	(25,391,384)	(14,426,343)
Other comprehensive income		
Items that will be reclassified subsequently to consolidated statement of profit or loss		
Loss on re-measurement of derivative - net	(15,268)	-
Exchange differences on translation of foreign operations	(686,317)	(573,765)
	(701,585)	(573,765)
Items that will not be reclassified subsequently to consolidated statement of profit or loss		
Remeasurement of post retirement defined benefits obligations - net	(1,899,654)	3,055,306
Unrealised gain / (loss) on revaluation of investments at FVOCI - net	69,802	(30,549)
Surplus on revaluation of property, plant and equipment - net	9,942,046	6,229,681
	8,112,194	9,254,439
Total comprehensive loss for the year	(17,980,775)	(5,745,669)
Attributable to:		
Equity holders of the Holding Company	(19,423,493)	(9,985,023)
Non-controlling interest	1,442,718	(107,757)
	(17,980,775)	(5,745,669)

The annexed notes from 1 to 46 form an integral part of these consolidated financial statements. 52

Chief Executive Officer

Director

Chief Financial Officer

	Note	2025	2024
		------------ (Rupees in '000) ------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	37	8,035,900	38,379,086
Payments for:			
Profit on bank deposits received		743,020	90,974
Tax paid		(29,780)	(77,770)
Employee benefit obligations paid		(430,516)	(3,962,493)
Long-term deposits and prepayments - net		142,829	(880,035)
Net cash generated from operating activities		8,461,453	33,549,761
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(447,732)	(1,736,094)
Investments made		(13,000,100)	(886,598)
Proceeds from disposal of operating fixed assets		216,731	50,546
Net cash used in investing activities		(13,231,101)	(2,572,146)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing obtained / (paid)		32,530,751	(4,674,419)
Finance cost paid		(35,912,776)	(8,265,167)
Lease liabilities paid		(46,459)	(8,738,538)
Net cash used in financing activities		(3,428,484)	(21,678,124)
Increase in cash and cash equivalents		(8,198,132)	9,299,491
Cash and cash equivalents at beginning of the year		16,351,527	7,932,285
Effects of exchange rate changes on cash and cash equivalents		(319,303)	(880,249)
Cash and cash equivalents at end of the year		7,834,092	16,351,527

The annexed notes from 1 to 46 form an integral part of these consolidated financial statements.

92

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2025

	Attributable to the Holding Company's shareholders														
		Capital Reserves					Revenue Reserves		Other component of equity						
	Share capital	Reserve for replacement of fixed assets	Capital redemption reserve fund	General capital reserve	Legal reserve	Hedging Reserve	General reserves	Accumulated losses	Unrealised gain / (loss) on remeasurement of investment at FVOCI	Foreign currency translation reserves	Actuarial gain / (loss) on defined benefit obligations	Total Reserves	Non - controlling interest	Surplus on Revaluation of Property plant and equipment	Total
	(Rupees in '000)														
Balance as at 01 January 2024	52,345,110	1,566,779	250,000	284,259	96,027	59,381	1,779,674	(759,941,888)	187,185	16,418,351	(11,817,734)	(750,757,958)	5,910,766	139,292,258	(553,159,822)
New equity issued	10	-	-	-	-	-	-	-	-	-	-	-	-	-	10
Loss for the year	-	-	-	-	-	-	-	(14,624,641)	-	-	-	(14,624,641)	198,298	-	(14,426,343)
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	(30,549)	981,480	3,055,306	4,006,237	(107,757)	4,782,198	8,680,673
Total comprehensive income / (loss) for the year	-	-	-	-	-	-	-	(14,624,641)	(30,545)	981,480	3,055,306	(10,618,405)	90,541	4,782,198	(5,745,667)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation - net of tax	-	-	-	-	-	-	-	1,469,961	-	-	-	1,469,961	-	(1,469,961)	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(2,131)	-	(2,131)
Balance as at 31 December, 2024 (Restated)	52,345,120	1,566,779	250,000	284,259	96,027	59,381	1,779,674	(773,096,568)	156,646.00	17,399,831	(8,762,428)	(759,856,396)	5,999,176	142,604,495	(558,907,610)
Loss for the year	-	-	-	-	-	-	-	(25,526,526)	-	-	-	(25,526,526)	135,142	-	(25,391,384)
Other comprehensive income / (loss)	-	-	-	-	536	(13,438)	-	19,946	69,802	(1,518,079)	(1,899,654)	(1,340,886)	1,307,576	9,438,885	7,405,077
Total comprehensive income / (loss) for the year	-	-	-	-	536	(13,438)	-	(25,506,580)	69,802	(1,518,079)	(1,899,654)	(26,867,413)	1,442,718	9,438,885	(17,985,807)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation - net of tax	-	-	-	-	-	-	-	1,712,108	-	-	-	1,712,108	-	(1,712,108)	-
Balance as at 31 December 2025	52,345,120	1,566,779	250,000	284,259	96,563	45,943	1,779,674	(796,891,040)	226,448	15,881,752	(10,662,082)	(787,011,701)	7,441,894	150,331,271	(576,853,416)

The annexed notes from 1 to 48 form an integral part of these consolidated financial statements.

52

Chief Executive Officer

Director

Chief Financial Officer

1 LEGAL STATUS AND NATURE OF BUSINESS

The 'Group' consists of PIA Holding Company Limited (PIAHCL), i.e. the Holding Company, its subsidiaries and associates.

1.1 PIA Holding Company (the Holding Company)

The Holding Company was incorporated in Pakistan under the Companies Act, 2017 (the Act) as a public limited company on 21 March 2024 and listed on Pakistan Stock Exchange on 27 May 2024. The registered office of the Company is situated at PIA Building, 49-AKM Fazal-e-Haq Road, Blue Area, Islamabad. The principal activity of the Company is to act as the holding company of its subsidiaries and associates.

1.2 Geographical location and addresses of major business units / immovable assets of the Group are as under:

Location	Purpose	Covered area (Square Yards)
Gulistan e Jauhar, Karachi	Registered office	25,840
Fazal-e-Haq Road, Blue Area, Islamabad	Amenity plots	48,200
Commissioner Road, Turbat	Investment property	18,295
Nathia Gali Road, Abbottabad	Investment property	17,091
Port Road, Ormara, Baluchistan	Investment property	10,000
33-The Mall, Arbad Road, Peshawar	Booking Office	9,931
Warehouse, Sector I-11/4, Pir Wadhai, Islamabad	Investment property	7,200
65 Ahmed Shah Abdali Road, Multan	Investment property	6,534
Egerton Road, Lahore	Investment property	4,598
5th The Mall Road, Saddar, Rawalpindi	Booking Office	4,328
Tehsil Gumba near old runway, Airport, Skardu	Investment property	4,235
264 Ra-Lines, Karachi	Investment property	3,935
17 Shahrah-e-Hali, Cantonment, Quetta	Booking Office	3,732
Polo Ground, Chitral	Investment property	3,666
Airport Road, Gawadar	Investment property	2,865
Saxon Woods Road, Scarsdale, New York	Booking Office	2,275
Block 16, 26/6 Civil Lines, Faisalabad	Investment property	1,974
B-33, K.D.A Scheme 1, Karsaz, Karachi	Investment property	1,874
Minara Road near Jamia Masjid, Sukkur	Investment property	1,872
Plot opposite Chamber of Commerce, Paris Road, Sialkot	Investment property	1,778
PIA Housing Colony Water Tank, Shah Faisal Colony, Karachi	Investment property	1,667
Plot on PIA City Road near NLI Shopping Centre, Gilgit	Investment property	1,276
Chashma Bazar, Mohib Road, Skardu	Investment property	1,250
Faizabad, Saidu Shareef, Maingora, Swat	Investment property	1,210
Township Phase 1, Mingora, Swat	Investment property	1,210
PIA Staff Housing Colony, Saidu Sharif, Swat	Booking Office	1,208
Jinnah Avenue, 49 Blue Area, Islamabad	Booking Office	1,195
C-1, K.D.A Scheme 1, Karsaz, Karachi	Investment property	1,120
Barakhamba Road, New Delhi	Booking Office	451
Chattar, Muzaffarabad, Azad Kashmir	Investment property	444
Civic Center, Thandi Sarak, Hyderabad	Investment property	340
JM Amsterdam, The Netherlands	Booking Office	309
Amsterdam, The Netherlands	Booking Office	300
Halklar Dustligr Street, Tashkent	Booking Office	291
Survey No. 3A, Cantt Road, D.I. Khan	Investment property	234
Cuffe Parade, Mumbai	Booking Office	193
NT Amsterdam, The Netherlands	Booking Office	118

1.2 Subsidiaries and associates

1.2.1 Pakistan International Airlines Corportaion Limited (PIACL)

The principal activity of the Subsidiary is to provide commercial air transportation, which includes passenger, cargo and postal carriage services. Other activities of the Subsidiary Company include provision of engineering and allied services. The head office of the Subsidiary is situated at PIA Building, Jinnah International Airport, Karachi.

PIACL was incorporated on January 10, 1955 under the Pakistan International Airlines Company Ordinance, 1955, which was subsequently repealed and replaced by the Pakistan International Airlines Company Act, 1956. With effect from April 19, 2016, PIACL converted from a statutory corporation to a public limited company by shares, through Act No. XV of 2016 'The Pakistan International Airlines Company (Conversion) Act, 2016' (the Conversion Act) approved by the Parliament of Pakistan. The head office of the PIACL is situated at PIA Building, Jinnah International Airport, Karachi. PIACL is the subsidary company of the Holding Company and it's main source of earnings are from providing commercial air transportation, engineering and allied services. The Holding Company held 100% shares of PIACL as at 31 December 2025.

1.2.2 PIA Investments Limited (PIAIL)

PIAIL was incorporated on September 10, 1977 in Sharjah, United Arab Emirates as a limited liability Company under a decree issued by H. H., The Ruler of Sharjah. During 1986, PIAIL was registered in British Virgin Islands under International Business Companies Ordinance, 1984 (now BVI Business Companies (Amendment) Act, 2012) as a Company limited by shares.The principal activity of PIAIL is to carry on business as promoters of and investors in projects related to construction, development and operation of hotels, motels and restaurants throughout the world. The Holding Company's controlling interest in PIAIL is 100% as at 31 December 2025.

Following are the details of PIAIL's subsidiaries:

Subsidiaries	Place of Incorporation	Effective ownership and voting power of PIAIL (%)	note
Roosevelt Hotel Corporation N.V.	Netherlands - Antilles	100	a
RHC Operating LLC (RHC)	State of Delaware, USA	100	a
Minhal France S.a r.l.	Luxembourg	100	b
Minhal France B.V.	Netherlands	100	d
PIA Hotels Limited	British Virgin Islands	100	b
PIA Aviation Limited (PAL)	British Virgin Islands	100	b
Minhal France S.A (MFSA)	France	90	d
Avant Hotels (Private) Limited	Pakistan	62.5	c

a) Roosevelt Hotel Holding Company N.V. is the intermediary Holding Company and a sole member of RHC Operating LLC, a Holding Company which owns the Roosevelt Hotel, New York. During the year 2004, to comply with the requirements of then outstanding loans, RHC transferred the net operating assets of the Roosevelt Hotel to RHC Operating LLC.

b) These companies are intermediary holding companies except PIA Hotels Limited and PAL which are dormant companies.

c) Avant Hotels (Private) Limited (Avant) is a joint venture between PIAIL and Pakistan Cricket Board (PCB) being subscribers to 62.5% and 37.5% respectively of Avant's shares. However, Avant is at its planning phase and has not started its commercial activities.

d) Minhal France SA. is a subsidiary of Minhal France BV, whose registered office is in Rotterdam, Netherlands. MFSA's activities are principally in the hotel and restaurant sector. MFSA also earns rental income from leasing shop space. The management is undertaken by ACCOR with the assistance of Holding Company.

PIAIL has been consolidated in these consolidated financial statements on the basis of its audited consolidated financial statements for the year ended 31 December 2025.

1.2.3 Skyroom (Private) Limited (SRL)

SRL was incorporated on May 20, 1975 in Pakistan as a private limited Company under the Act. The principal activity of SRL is to manage Airport Hotel, Karachi. The Holding Company's controlling interest in SRL is 100% as at 31 December 2025.

1.2.4 Sabre Travel Network Pakistan (Private) Limited (Sabre)

Sabre was incorporated in Pakistan on October 12, 2004 as a private Company limited by shares, under the Act. The principal activity of Sabre is to market and distributes a computer reservation system to subscribers in Pakistan under a sub-distribution agreement with Sabre Asia Pacific (Pte.) Ltd. The Holding Company controlling interest in Sabre is 70% as at 31 December 2025.

1.2.5 Associate

Minhal Incorporated (Minhal), Sharjah was incorporated on January 1, 1977 in Sharjah, United Arab Emirates as a limited liability Company and is currently registered in British Virgin Islands. The principal activities of Minhal are to carry on business as promoters. PIAHCL has contolling interest in associate is 40% as at 31 December 2025. The Company as on 31 December 2024 is dormant and provision of impairment has been charged on the investment of the associate.

1.3 Going Concern Assumption

During the year, the Group incurred a net loss of Rs. 25,391 million resulting in accumulated loss of Rs. 796,891 million and negative equity of Rs. 576,893 million as of 31 December 2025. Further, as of that date, the current liabilities of the Group exceeded its current assets by Rs. 327,810 million. In addition, during the year, the agreement between RHC and the New York City Health and Hospitals Corporation for the operation of the Roosevelt Hotel as a temporary migrant housing facility was terminated, resulting in the cessation of operations of RHC. However, in view of the above, the management has made an assessment of the going concern status of the Group and based on Government of Pakistan's (GoP) active privatization programme for the redevelopment of the Hotel site and the continued financial support from the GoP in the foreseeable future, these consolidated financial statements have been prepared on a going concern basis.

2 BASIS OF CONSOLIDATION

These consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries and its associate as at and for the year ended 31 December 2025.

2.1 Subsidiaries

Subsidiaries are those entities over which the Group has the power to govern the financial and operating policies generally the Holding Company a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which the control is transferred to the Group. They are derecognised from the date control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The consideration transferred for the acquisition is the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The excess of the consideration transferred and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in case of a bargain purchase, the difference is recognised in consolidated statement of profit or loss.

The assets and liabilities of subsidiary companies have been consolidated on a line by line basis and the carrying value of investments held by the Holding Company is eliminated against the subsidiaries' shareholders' equity in the consolidated financial statements. All material intra-group transactions and balances are eliminated in full.

The financial statements of the subsidiaries are not prepared for the same reporting year as the Holding Company. The accounting policies for subsidiary companies have been changed to ensure consistency with the policies adopted by the Holding Company, where necessary.

Non-controlling interests represent the portion of profit or loss and net assets that is not held by the Group and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position, separately from Holding Company shareholders' equity. Transactions with non - controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

2.2 Associates

Associated companies are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting rights of another entity.

The associate of the Group is accounted for using the equity method (equity accounted investees) and is recognised initially at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment loss. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align with the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of loss exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further loss is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

The carrying amount of investment in associate is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the investment is estimated which is higher of its value in use and its fair value less costs to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount and is charged to the consolidated statement of profit or loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent Page | 02 of carrying amount that would have been determined if no impairment loss had been recognized. A reversal of impairment loss is recognized in the consolidated statement of profit or loss.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

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

- IFRS Accounting standards issued by International Accounting Standard Board as notified under the Act;
- provisions of, directives and notifications issued under the Act and;
- provisions of and directives issued under the Act and the requirements of the State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE Act).

Where provisions of and directives issued under the Act and SOE Act differ from the IFRSs, the provisions of and directives issued under the Act and SOE Act have been followed.

3.2 Basis of measurement

3.2.1 These consolidated financial statements have been prepared under the historical cost convention except otherwise disclosed in the consolidated financial statements.

3.3 Functional and Presentation Currency

Items included in the consolidated financial statements relating to each entity of the Group are measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Pakistani Rupees ('PKR', 'Rupees' or 'Rs') which is the Holding Company's functional and presentation currency.

4 NEW ACCOUNTING STANDARDS

4.1 Standards / amendments that are effective in current year

There are certain new and amended standards, and amendments that are mandatory for the Group's accounting periods beginning on or after 01 January 2025 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated financial statements.

4.2 Accounting Standards not effective yet

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Group's accounting periods beginning on or after 01 January 2026. However, the Group expects that these standards (other than IFRS 18) will not have any material impact on the Group's financial statements in the period of initial application. The Company is currently working to identify impacts that IFRS 18 will have on the financial statements.

5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these consolidated financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires management to make estimates, assumptions and judgements that affect the application of policies and reported amounts of assets, liabilities, incomes 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 the 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 an on-going basis. Revisions to the 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 underlying assumptions are reviewed on an on-going basis. Revisions to the 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.

5.1 Property, plant and equipment

The Group reviews appropriateness of the rates of depreciation / useful lives and residual values used in the calculation of depreciation at each financial year end. Further, the Group estimates revalued amounts and useful lives of leasehold land and buildings on leasehold land based on the periodic valuations carried out by independent professional valuers. Any change in estimate in future might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment, surplus on revaluation and annual transfer of incremental / decremental effect of depreciation from surplus on revaluation of property, plant and equipment to accumulated losses directly in equity.

5.2 Investment Property

The Group revalues the investment property at fair value on each reporting date. Fair values are based on active market prices, adjusted, if necessary, for any differences in nature, location or condition of the specified assets.

5.3 Trade Debts and other receivables

These are stated initially at fair value and subsequently measured at amortised cost less an allowance for ECL. Allowance for ECL is based on lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivable. Bad debts, if any, are written off when considered irrecoverable.

5.4 Employee Benefits

The liabilities relating to defined benefit plans are determined through actuarial valuations using the Projected Unit Credit Method. The method involves making assumptions about discount rates, future salary increases, mortality rates, future increase in medical costs and future pension increases. Due to the long-term nature of these benefits, such estimates are subject to certain uncertainties.

5.5 Taxation

In making estimate for income tax payable by the Group, the Group takes into account the applicable tax laws. Deferred tax asset is recognised for unused tax losses and available credits to the extent that it is probable that sufficient taxable temporary differences and taxable profits will be available against which such losses and credits can be utilised. Significant judgement is exercised to determine the amount of deferred tax asset / liability to be recognised.

5.6 Frequent flyer programme

PIACL operates a frequent flyer programme that provides travel awards to members of the programme based on cumulative mileage. PIACL accounts for award credits as separately identifiable component of the sales transaction in the period in which they are granted. The consideration received as sale proceed is allocated to award credits based on their fair value and is accounted for as a liability in these consolidated financial statements.

Fair value of awarded credits is estimated with reference to fair value of services against which the award credits may be redeemed. Determination of fair value of award credit involves estimations, based on the average of air fares, the value of each award credit assuming a 100% redemption rate, and estimating the expected award credit redemption rate. These estimates are reviewed as and when a significant change in underlying assumptions is observed and the liability is adjusted annually as appropriate. The provision for frequent flyer programme is determined based on the valuation carried out by an independent professional valuer.

5.7 Provision for cost of redelivery of aircraft and engines

PIACL has several operating leases for its aircraft and engines that include certain maintenance cost to be incurred at the time of redelivery of asset at the end of the lease term. The amount of maintenance cost is discounted at the incremental borrowing rate and accounted for as a deferred liability in these consolidated financial statements. Significant assumptions and estimates are used to determine the amount of the maintenance cost that will be incurred by the Holding Company at the time of redelivery of the asset under these arrangements.

6 MATERIAL ACCOUNTING POLICIES

6.1 Property, plant and equipment

Operating fixed assets - owned

Land classified as 'others' are stated at cost, whereas buildings classified as 'others' are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Leasehold land and buildings thereon and hotel properties are initially recognised at cost and are subsequently measured at revalued amounts, which are the fair values at the date of revaluation, less accumulated depreciation and impairment losses, if any.

Other items of property, plant and equipment including aircraft fleet are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Aircraft and related equipment acquired on an exchange basis are stated at amounts paid plus fair value of the asset traded-in.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost incurred to replace a component of an item of property, plant and equipment is capitalised and the asset so replaced is derecognised.

Major renewals, improvements and major overhauls to aircraft are capitalised and depreciated over the period to the next major overhaul. All other repairs and maintenance including cost incurred under contracts in relation to aircraft are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Depreciation is charged to the consolidated statement of profit or loss, applying the straight-line method whereby the cost or revalued amount of assets, less their residual values, is written down over their expected useful lives.

In respect of additions and disposals of assets, depreciation is charged from the month in which the asset is available for use until it is derecognised, i.e. up to the month preceding the disposal.

Useful lives (except for buildings at revaluation model) are determined by the management based on expected usage of asset, expected physical wear and tear, technical and commercial obsolescence and other similar factors. The useful lives of buildings at revaluation model are determined by the management based on the appraisal of an independent valuer. The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted, if appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognised

When revalued assets are sold or retired from operation, the relevant remaining surplus is transferred to consolidated statement of profit or loss and to retained earnings, respectively.

Right of use assets

The Group mainly leases aircraft, engines, local and international sales offices, and counters at various airports. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on individual basis and contain a wide range of different terms and conditions. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of-use asset is initially measured at the commencement date of lease based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset, less any lease incentive received.

The right-of-use asset is subsequently depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The extension and termination options are included in Group's determination of lease term only when the Group is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in the consolidated statement of profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Capital Spares

Rotable and repairable stores are stated at cost and treated as property, plant and equipment and are depreciated based on the average remaining useful life of the related aircraft. Capital spares which are not useable are treated as scrap and charged to the consolidated statement of profit or loss.

Capital work-in progress

These are stated at cost less impairment, if any, and consist of expenditure incurred and advances made in respect of assets in the course of their acquisition, construction and installation. The assets are transferred to relevant category of property, plant and equipment when they are available for intended use.

Surplus on revaluation of property, plant and equipment

Surplus on revaluation of land and buildings is recognised in consolidated statement of comprehensive income as surplus on revaluation of property, plant and equipment which is presented as separate component within equity. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Cost / revalued amount at the date of the revaluation is adjusted / eliminated against the gross carrying amount of the asset and the net amount is added to the revalued amount of the asset. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred tax) is transferred directly to retained earnings.If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in consolidated statement of comprehensive income and accumulated in equity under the heading of revaluation surplus. If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the consolidated statement of profit Page | 97 or loss. However, the decrease is recognised in the consolidated statement of comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in the consolidated statement of comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus. However, the increase is recognised in the consolidated statement of profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in the consolidated statement of profit or loss. The revaluation reserve is not available for distribution to Company's shareholders.

6.2 Investment Property

Property held for rental earning or capital appreciation or both are classified as investment property. These are measured initially at cost, including related transaction costs directly attributable to acquisition and subsequently carried at their fair values based on market value determined by professional independent valuers on a continuing basis. Gain or loss arising as a result of fair valuation is recorded in the statement of profit or loss.

6.3 Intangibles

Goodwill

Goodwill represents the difference between the consideration paid for acquiring interests in a Group and the value of the Group's share of its net assets at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The impairment loss, if any, resulting from such review is charged to the consolidated statement of profit or loss. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to the operating segment.

6.4 Financial assets

i) Initial recognition and measurement

On initial recognition, financial assets are classified at amortised cost; Fair Value through Other Comprehensive Income (FVTOCI) or Fair Value through Profit or Loss (FVTPL). These are measured at at fair value and transaction cost, if any, except for financial asssets at FVTPL, in which case, transaction cost is charged to statement of profit or loss.

ii) Subsequent measurement

At amortised cost:

These are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in statement of profit or loss when the asset is derecognised, modified or impaired.

At FVTOCI:

These are subsequently measured at fair value with net changes in fair value recognised in the other incomprehensive income.

At FVTPL:

These are subsequently measured at fair value with net changes in fair value recognised in the other incomprehensive income.

iii) Derecognition

A financial asset is primarily derecongnized when the right to receive cash flows from the asset have expired.

iv) Impairment

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. ECLs for a corporate guarantee contract are the cash shortfalls adjusted by the risks that are specific to the cash flows.

6.4.1 Financial liabilities

i) Initial recognition and measurement

On initial recognition, financial liabilities are classified at amortised cost or FVTPL and these are measured at at fair value less transaction cost, if any, except for financial asssets at FVTPL, in which case, transaction cost is charged to statement of profit or loss.

ii) Subsequent measurement

At FVTPL:

The Company has not designated any financial liability as at FVTPL as of the reporting date.

At amortised cost:

These are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss.

iii) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

6.4.2 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6.5 Cash and cash equivalents

These are stated at cost.

6.6 Provisions

Provisions are recognised in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

6.7 Employee Benefits

Pension funds

In accordance with Scheme of Arrangement (the SoA) signed between the Company and Pakistan International Airlines Corporation Limited (PIACL), pension of the employees of PIACL who were retired on or before 30 September 2023 have been transferred to the Holding Company. These are accounted for on the basis of acturial valuation carried out annually. These are accounted for on the basis of actuarial valuation carried out anually using the projected unit credit method. The latest actuarial valuations were carried out as of 31 December 2025.

PIACL operates a defined benefit pension scheme for all the permanent employees. Pension scheme is a final salary pension scheme and is invested through three funds namely Pakistan Airline Pilot Association (PALPA), Flight Engineering Association (FENA) and Employees' Pension Funds. Under the PALPA and FENA pension fund, employees are entitled to basic salary and flight allowance whereas under Employees' Pension Fund, employees are entitled to basic salary and certain other allowances. Contributions are made to the scheme at the advice of actuary. For all the permanent employees hired on or after 1 July 2008 in lieu of the pension funds as described above, the PIACL operates a defined contribution pension fund whereby a contribution of 5% of the pensionable benefits is made to the Fund in accordance with the relevant rules. Actuarial valuation is carried out annually. Net interest expense, current service cost and any past service cost are recognised in consolidated statement of profit or loss whereas any actuarial gains / losses are recognised immediately in consolidated statement of comprehensive income.

MFSA's employees are entitled to an indemnity under the law on retirement and in accordance with hotel industry labor agreements. Provision is made for the liability at the reporting date in accordance with the agreements

RHC participates in a Union-sponsored multiemployer defined benefit pension plan under a collective bargaining agreement with the New York Hotel Trades Council and the Hotel Association of New York City, Inc. Contributions to the plan are determined in accordance with the terms of the agreement. The plan is subject to the risks of multiemployer plans, including potential withdrawal liability and shared funding of benefits across participating employers.

Medical Obligations

PIACL operates an unfunded defined benefit medical scheme and provides medical allowances and free hospitalisation benefits to all its retired employees and their spouses in accordance with their service regulations. The post-retirement medical benefit is accounted for on the basis of actuarial valuation that is carried out annually. Net interest expense and current service cost and past service cost are recognised in consolidated statement of profit or loss and any actuarial gains / (losses) are recognised immediately in consolidated statement of comprehensive income.

Provident Fund

The Group operates a defined contribution provident fund scheme for all its permanent employees. Equal monthly contributions are required to be made to the fund by the Group and the employees in accordance with the fund's rules.

Gratuity fund scheme

SRL operates an unfunded defined benefit gratuity scheme for all its permanent employees who have completed the prescribed qualifying period of service. Provision for gratuity is made in accordance with actuarial valuation to cover obligation under the scheme in respect of employees who have completed the minimum qualifying period.

PIAIL operates a funded gratuity scheme for its permanent employees who have completed one year of service. An accrual is made for maximum benefit that is payable to employees based on their number of years of service as at reporting date, as the management of PIAIL believes that the liability amount is not material in the overall context of PIAIL's consolidated financial statements.

Compensated absences

PIACL accounts for all accumulated compensated absences when the employees render service that increases their entitlement to future compensated absences on the basis of actuarial valuation that is carried out annually.

RHC accounts for all accumulated compensated absences when the employees render services.

6.8 **Taxation**

Current / Levies

The charge for current taxation is computed in accordance with Income Tax Ordinance, 2001 (the Ordinance).The Company has elected to designate the amount computed in accordance with the Ordinance as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax is recognized as a levy.

Deferred Tax

Deferred tax is provided in full using the balance sheet liability method on all temporary differences arising at the reporting date, between the tax bases of the assets and the liabilities and their carrying amounts. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting period.

6.9 **Revenue Recognition**

The Group principally earns revenue from the carriage of passengers, cargo, room and shop, mail and excess baggage and provision of handling services to other airlines, engineering services, air charters and related activities

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

a) Revenue from passenger services includes air transportation services provided to the passengers. Coupon/sector on a ticket are considered to be a single performance obligation. The value of a coupon/sector on a ticket is considered to be transaction price in accordance with IFRS 15. Passenger revenue is recognized when the transportation service is provided. The value of unused tickets is included in current liabilities as 'advance against transportation (unearned revenue)' until recognized as revenue.

b) Cargo revenue is recognized when the transportation service is provided. The value of unused airway bills generated is included in current liabilities as 'advance against transportation (unearned Revenue)' until recognized as revenue.

c) Revenue from room and shop, food, beverages and other related services is recognised as and when services are rendered. Income from shop rentals is recognised on a straight line basis over the lease term.

d) This revenue is generated when passengers pay additional charges for carrying more than their allotted weight of luggage. The revenue is recognised at the point in time when the passengers pay the charges.

e) The charter revenue is generated on booking of entire plane by a customer. Revenue is recognised at the point of time when the services are provided to the customers.

f) Cancellation charges include revenue from charges deducted when a ticket is refunded by the customer. At the time of refund, the amount deducted at that time is recognised as revenue.

g) Expired tickets revenue represents revenue earned on expiry of ticket on the unutilized period of last 12 months. Passenger tickets issued 12 months ago or earlier (if not extended) and are not utilized for transportation, are considered as expired tickets and unearned revenue relating to these expired tickets are recognised as revenue.

h) Others include revenue generated from other miscellaneous services provided by the Group. Revenue is recognized at the point when such services are rendered.

6.10 Frequent flyer programme revenue

PIACL operates loyalty programmes. The airline's 'frequent flyer programme' allows frequent travelers to accumulate travel miles that entitle them to a choice of various awards, primarily free travel. The fair value attributed to the awarded mileage credits is deferred as a liability and recognised as revenue on redemption of the miles by the participants to whom the miles are issued, when the miles expire or when they are not expected to be redeemed.

In addition, miles are sold to commercial partner to use in promotional activity. The fair value of the miles sold is deferred and recognised as revenue on redemption of the miles by the participants to whom the miles are issued. The cost of redemption of miles is recognised when miles are redeemed.

Interest / mark-up and dividend income

The Group recognises interest income / mark-up on bank balance and interest bearing advances on a time proportion basis using effective interest method.

Dividend income is recognised when the Group's right to receive dividend is established.

6.11 Borrowing Cost

The Group recognises the borrowing costs as an expense in the period in which these costs are incurred, except the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset.

6.12 Foreign currency transactions

Foreign currency translations are recorded at the exchange rate approximating those ruling on the date of the transactions. Monetary assets and liabilities in foreign currencies are translated at the rates using the average spot rate on the reporting date. Gains and losses on translation are taken to the consolidated statement of profit or loss currently

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value was determined.

Foreign operations

Assets including Goodwill and liabilities of foreign entities are translated into Pakistan Rupees at reporting date exchange rates. Income and expense items are translated at exchange rates approximating the rates of exchange at the dates of the transactions. Items of equity are carried at their historical values. Differences in exchange rates are recognized as foreign currency translation reserve and are included in other comprehensive income.

6.13 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is CEO, who is responsible for allocating resources and assessing performance of the operating segments. The Holding Company prepares financial statement on the basis of a single reportable segment which is consistant with the internal reporting used by the chief operating decision-maker of the Holding Company.

6.14 Discountinued operations/ assets / liabilities held for sale

A discontinued operation is a component of the Company's business that has been discontinued or disposed off or is held-for-sale. Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

These are classified as held for sale if their carrying amounts will be recovered principally through sale / disposal rather than through continuing use. Such assets / liabilities are measured at the lower of their carrying amount and fair value less costs to sell.

			2025	2024
7	**PROPERTY, PLANT AND EQUIPMENT**	Note	----------- (Rupees in '000)	-----------
	Operating fixed assets:			
	- owned	7.1	298,486,740	289,738,364
	- right of use asset	7.2	15,968,204	19,175,434
			314,454,944	308,913,798
	Capital work-in-progress	7.3	6,938,993	391,122
			321,393,937	309,304,918
	Less: reclassified to assets held for sale		(99,320,371)	-
			222,073,566	309,304,918

7.1 Operating fixed assets - owned

	Land: Leasehold (note 7.6)	Land: Others	Buildings on: Leasehold land	Buildings on: Other land	Hotel Property (note 7.13)	Workshops and hangars	Aircraft Fleet	Equipment	Engineering equipment and tools	Vehicle	Furniture, fixtures and fittings	Computer and office automation	Heat ventilation and air conditioning	Kitchen and bar equipment	Television / dish / stand	Capital spares	Total
	31 December 2025																
	Rupees in '000'																
As At 01 January 2025																	
Cost or revalued amount	16,180,380	27,896	14,058,618	2,301,382	249,324,530	1,120,397	127,813,052	5,735,586	2,125,890	3,455,440	20,745,662	2,267,692	22,185	7,417	18	9,146,674	454,432,821
Accumulated depreciation	12,969,862	(21,971)	(8,243,156)	(3,974,224)	(49,276,025)	(987,318)	(83,254,332)	(3,818,510)	(2,002,750)	(3,073,571)	(15,441,466)	(2,118,547)	(17,711)	(5,921)	(825)	(5,327,991)	(164,694,458)
Net book value	29,150,242	5,925	5,815,462	(1,672,842)	200,048,505	133,079	44,558,720	1,917,077	123,140	381,869	5,304,196	149,145	4,474	1,496	(807)	3,818,683	289,738,363
Net carrying value basis Year ended 31 December 2025																	
Opening net book value	29,150,242	5,925	5,815,462	(1,672,842)	200,048,505	133,079	44,558,720	1,917,077	123,140	381,869	5,304,196	149,145	4,474	1,496	(807)	3,818,683	289,738,364
Addition	-	-	238	-	-	-	-	9,317	4,571	7,125	382,188	9,413	-	-	-	1,960,904	2,373,750
Revaluation	-	-	-	-	11,309,017												11,309,017
Transfer from CWIP	-	-	-	-	-	-	7,596,744	7,480	14,179	124	2,225	46,912	-	-	-	-	7,721,660
	-	-	238	-	11,309,017	-	7,596,744	16,797	18,750	7,249	384,413	56,325	-	-	-	1,960,904	21,404,427
Transfers during the year																	
Cost or revalued amount	(2,219,558)	-	(1,145,132)	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,364,690)
Accumulated depreciation	-	-	(53,387)	-	-	-	-	-	-	-	-	-	-	-	-	-	(53,387)
	(2,219,558)	-	(1,198,519)	-		-		-	-	-	-						(3,418,077)
Translation adjustments																	
Cost or revalued amount	-	-	-	-	3,373,028	-	-	-	-	(45,285)	1,777,637	-	-	-	-	(74,268)	5,031,111
Accumulated depreciation	-	-	-	-	(1,450,113)	-	-	-	-	17,922	(886,476)	-	-	-	-	8,932	(2,309,735)
	-	-	-	-	1,922,914	-	-	-	-	(27,363)	891,161	-	-	-	-	(65,336)	2,721,376
Revaluation																	
Cost or revalued amount	1,340,952	-	799,276	-	-	-	-	-	-	-	-	-	-	-	-	-	2,140,228
Accumulated depreciation	-	-	(719,450)	-	-	-	-	-	-	-	-	-	-	-	-	-	(719,450)
	1,340,952	-	79,826	-	-	-	-	-	-	-	-	-	-	-	-	-	1,420,778
Disposals																	
Cost or revalued amount	-	-	(433)	-	-	-	(19,092,986)	-	-	-	(212,825)	-	-	-	-	-	(19,306,244)
Accumulated depreciation	-	-	433	-	-	-	14,776,371	-	-	-	3,332	-	-	-	-	-	14,780,136
	-	-	-	-	-	-	(4,316,615)	-	-	-	(209,493)	-	-	-	-	-	(4,526,108)
Depreciation charge for the year	-	-	(260,148)	-	(3,121,357)	(11,575)	(3,180,780)	(209,032)	(50,842)	(87,417)	(1,417,382)	(77,079)	-	-	(133)	(384,360)	(8,854,125)
Closing net book value	28,271,636	5,925	4,436,959	(1,672,842)	210,159,079	121,504	44,658,069	1,724,842	91,048	274,338	4,952,895	128,391	4,474	1,496	(940)	5,329,871	298,466,741
Reclassified to Asset held for sale																	
Cost or revalued amount	(23,683,077)	-	(19,700,787)	-	-	(829,881)	(114,756,322)	(4,918,580)	(2,103,273)	(3,358,230)	(1,057,413)	(2,368,388)	-	-	-	(11,033,310)	(183,820,291)
Accumulated depreciation	-	-	17,602,497	-	-	708,377	71,768,327	3,186,919	2,012,225	3,104,405	963,909	2,229,801	-	-	-	5,703,439	107,292,899
	(23,683,077)	-	(2,098,290)	-	-	(121,504)	(42,987,995)	(1,731,661)	(91,048)	(253,825)	(93,504)	(138,587)	-	-	-	(5,329,871)	(76,527,392)
Closing net Book Value	4,588,559	5,925	2,338,669	(1,672,842)	210,159,079	-	1,670,070	3,181	-	10,514	4,859,391	(8,196)	4,474	1,496	(940)	-	221,939,379
Gross carrying value basis As at 31 December 2025																	
Cost or revalued amount	15,301,774	27,896	13,712,696	2,301,382	264,006,574	1,120,397	116,416,810	5,812,383	2,144,643	3,417,404	22,694,886	2,318,017	22,185	7,417	18	11,033,310	460,337,763
Accumulated depreciation	12,969,862	(21,971)	(9,275,708)	(3,974,224)	(53,847,495)	(998,893)	(71,758,740)	(4,087,541)	(2,053,595)	(3,143,566)	(17,741,992)	(2,189,626)	(17,711)	(5,921)	(958)	(5,703,439)	(161,851,022)
Reclassified to Asset held for sale	(23,683,077)	-	(2,098,290)	-	-	(121,504)	(42,987,995)	(1,721,661)	(91,048)	(263,825)	(93,504)	(136,587)	-	-	-	(5,329,871)	(76,527,392)
	4,588,560	5,925	2,338,688	(1,672,842)	210,159,079	-	1,670,075	3,181	-	10,513	4,859,391	(8,196)	4,474	1,496	(940)	-	221,959,379

Operating fixed assets - owned

31 December 2024 (Rupees in '000')

	Land		Buildings on														
	Leasehold (note 7.1.5)	Others	Leasehold land (note 7.1.5)	Other land	Hotel Property (note 7.1.3)	Workshops and hangars	Aircraft fleet	Equipment	Engineering equipment and tools	Vehicle	Furniture, fixtures and fittings	Computer and office automation	Heat ventilation and air conditioning	Kitchen and bar equipment	Television / dish / stand	Capital spares	Total
As At 01 January 2024																	
Cost or revalued amount	15,753,026	29,896	13,864,208	2,326,543	249,189,083	1,241,589	127,130,179	5,691,414	2,103,867	3,145,250	20,618,439	2,288,833	22,185	7,417	18	8,363,257	451,765,524
Accumulated depreciation	-	-	(10,496,042)	(1,683,169)	(33,018,099)	(963,166)	(79,132,423)	(3,553,439)	(1,953,834)	(2,961,156)	(13,433,344)	(2,131,865)	(17,711)	(5,921)	(13)	(5,002,824)	(154,353,126)
Net book value	15,753,026	29,896	3,368,166	643,374	216,170,984	278,423	47,997,756	2,137,975	150,133	184,094	7,185,095	157,968	4,474	1,496	5	3,360,433	297,412,398
Net carrying value basis Year ended 31 December 2024																	
Opening net book value	15,753,026	29,896	3,368,166	643,374	216,170,984	278,423	47,997,756	2,137,975	150,133	184,094	7,185,095	157,968	4,474	1,496	5	3,360,433	297,412,398
Addition	-	-	14,060	114	135,447	-	782,873	39,211	17,770	391,374	165,262	41,581	-	-	-	763,417	2,301,158
Transfer from CWIP	-	-	-	-	-	-	-	9,790	8,063	-	-	3,865	-	-	-	-	21,738
	-	-	14,060	114	135,447	-	782,873	49,001	25,833	391,374	165,262	45,446	-	-	-	763,417	2,322,896
Transfers during the year																	
Cost or revalued amount	-	-	2,289,600	(2,289,600)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	20,318	(20,318)	(1,672,842)	1,672,842	-	-	-	-	-	-	-	-	-	-	-	-	-
	20,318	(20,318)	616,758	(616,758)		-		-	-	-	-						-
Translation adjustments																	
Cost or revalued amount	-	-	-	-	(3,972,820)	-	-	-	-	-	-	-	-	-	-	-	(3,972,820)
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	(469,055)	-	-	-	-	-	(469,055)
	-	-	-	-	(3,972,820)	-	-	-	-	-	(469,055)	-	-	-	-	-	(4,441,875)
Revaluation																	
Cost or revalued amount	427,204	-	190,324	-	(9,355,456)	-	-	-	-	-	-	-	-	-	-	-	(8,937,777)
Accumulated depreciation	12,949,544	-	155,158	-	-	-	-	-	-	-	-	-	-	-	-	-	13,104,702
	13,376,898	-	345,482	-	(9,355,456)	-	-	-	-	-	-	-	-	-	-	-	4,166,922
Disposals																	
Cost or revalued amount	-	-	-	1,573	-	-	-	129	-	8,068	(43,626)	(66,653)	-	-	-	-	(99,649)
Accumulated depreciation	-	-	-	(1,573)	-	-	-	(129)	-	(8,068)	(1,110)	66,560	-	-	-	-	54,788
	-	-	-	-	-	-	-	-	-	-	(44,736)	(123)	-	-	-	-	(44,851)
Written off during the year	-	(1,633)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,633)
Depreciation charge for the year	-	-	(231,872)	(26,734)	(2,729,510)	(145,344)	(4,201,909)	(269,900)	(52,626)	(83,859)	(1,552,367)	(53,266)	-	-	(612)	(335,167)	(9,673,366)
Reclassified as Asset Held for Sale																	
Cost	-	(2,000)		(26,852)		(121,102)		(4,858)	(3,127)	(144)	(14,431)	(124)					(172,638)
Accumulated Depreciation	-	-		26,852		121,102		4,858	3,127	144	14,431	124					170,638
	-	(2,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,000)
Closing net book value	29,150,242	5,925	4,142,620	-	200,048,505	133,079	44,558,720	1,917,077	123,140	381,869	5,304,196	149,145	4,474	1,496	(607)	3,818,683	289,738,364
Gross carrying value basis As at 31 December 2024																	
Cost or revalued amount	16,180,380	27,896	16,348,218	11,762	235,796,154	1,120,397	127,912,052	5,735,388	2,125,893	3,455,440	20,745,682	2,267,692	22,185	7,417	18	9,146,574	440,904,446
Accumulated depreciation	12,969,862	(21,971)	(12,205,598)	(11,762)	(35,747,649)	(987,318)	(83,354,332)	(3,818,310)	(2,002,753)	(3,073,571)	(15,441,485)	(2,118,547)	(17,711)	(5,921)	(625)	(5,327,891)	(151,166,082)
	29,150,242	5,925	4,142,620	-	200,048,505	133,079	44,558,720	1,917,077	123,140	381,869	5,304,196	149,145	4,474	1,496	(607)	3,818,683	289,738,364

7.1.1 Land classified as 'Others' are amenity plots licensed from Pakistan Airport Authority (PAA). These are non-transferable as these were allotted at below market price.

7.1.2 Aircraft fleet includes five engines (05) (2024: five (05) engines) held by a third party for overhauling purpose as at 31 December 2025.

7.1.3 Hotel properties

Minhal France S.A

The valuation was carried out as at 31 December 2025 by an independent appraiser. The appraiser determined that the market value of the freehold interest in Scribe Hotel as at 31 December 2025 amounted to Rs. 94,463.664 million (US $ 344.361 million) using Discounted Cash flow (DCF) method with an exit cap of 4.8% and discount rate of 6.6% which is higher than their alternative and recorded accordingly. This valuation includes lands, buildings and improvements and furniture and equipment. However, fair value of furniture and equipment approximates its carrying value resulting in the entire revaluation surplus allocated to lands, buildings and improvements. Before revaluation the carrying value of lands, buildings and improvements at 31 December 2025 amounted to Rs. 94,463.664 million (US $ 344.361 million) and accordingly during the year 2025 a surplus of Rs. 14,698.857 million (US $ 52.472 million) was credited to 'surplus on revaluation of operating fixed assets.

The carrying amount of the assets as at 31 December 2025 had the assets been carried at historical cost, would have been as follows:

	Cost	Accumulated Depreciation	Net Book Value
	---------- (PKR In 000) ----------		
Lands, buildings and improvements	26,849,912	11,243,805	15,606,107
Furniture and fixtures	13,424,917	6,971,096	6,453,821

Roosevelt Hotel Corporation N.V.

The Company engaged JLL Valuation & Advisory Services, LLC ("JLL") to perform a valuation of the property as of 31 December 2025 and 2024. JLL concluded that the highest and best use of the property would be as a commercial redevelopment site. The 2025 and 2024 highest and best use determinations were based on JLL's evaluation of comparable sales for mixed use Class "A" office and retail development in the midtown area of New York City. In connection with the valuations JLL concluded a value to of Rs. 139,832.100 million ($502 million) at 31 December 2025 ,and a value of Rs. 139,832.100 million ($502 Million) at 31 December 2024. The concluded values incorporated an estimated cost of Rs. 4,999.259 million ($17.947 million) and Rs. 4,999.259 million ($17.947 million) to demolish the existing improvements at 31 December 2025 and 2024 respectively. Management used their estimate of additional demolition costs of Rs. 19,123.060 million ($68.652 million) and Rs. 19,123.060 million ($68.652 million) in the estimate of fair value at 31 December 2025 and 2024 respectively.

The excess of property, plant and equipment over costrelating to Roosevelt Hotel Corporation N.V. consists of the following at 31 December 2025:

	2025	2024
	-------- (Rupees in '000) --------	
Land - at fair Value	77,099,452	80,075,906
Building - at fair Value	42,098,471	43,089,805
	119,197,923	123,165,711
Land - under the cost model	4,672,911	4,646,669
Building - under the cost model	17,176,937	17,537,738
	21,849,848	22,184,407

7.1.4 Depreciation charge for the year has been allocated as under:

	2025	2024
Cost of services	14,082,239	14,757,739
Distribution Cost	12,364	40,842
Administrative expenses	1,690,933	1,887,116
	15,785,536	16,685,697

7.1.5 Had there been no revaluation, the written down value of the revalued assets in the consolidated financial statement would have been as follows:

	2025			2024		
	Cost	Accumulated Depreciation	Book Value	Cost	Accumulated Depreciation	Book Value
	---------- (Ruppees in '000') ----------					
Leasehold Land	14,785	-	14,785	19,790	-	19,790
Buildings on Leasehold Land	96,977	62,832	34,145	218,532	162,750	55,782
Hotel Properties	40,274,829	18,214,901	22,059,928	38,215,193	18,308,403	19,906,790
	40,386,591	18,277,733	22,108,858	38,453,515	18,471,153	19,982,362

PIAHCL

	Aircraft fleet including engines	Buildings	Technical ground equipment	Total
	(Rupees in '000)			
7.2 Right of use assets				
year ended 31 December 2025				
Opening net book value	18,014,871	1,334,414	175	19,349,460
Additions during the year	3,607,271	479,662	-	4,086,933
Termination of Lease - cost	(23,470,599)	(1,872,190)	-	(25,342,789)
Termination of Lease - Accumulated Depreciation	23,470,599	1,680,632	-	25,151,231
Depreciation charge for the year	(8,472,646)	(803,810)	(175)	(7,276,631)
Closing net book value	15,149,496	818,708	0	15,968,204
As at 31 December 2025				
Cost	11,340,147	2,170,444	8,473	13,519,064
Accumulated depreciation	3,809,349	(1,351,736)	(8,473)	2,449,140
Net book value	15,149,496	818,708	-	15,968,204
Year ended 31 December 2024				
Opening net book value	24,476,945	326,558	1,259	24,804,762
Additions during the year		1,383,003		1,383,003
Depreciation charge for the year	(6,462,074)	(549,173)	(1,084)	(7,012,331)
Translation adjustment		174,026		174,026
Closing net book value	18,014,871	1,334,414	175	19,349,460
As at 31 December 2024				
Cost	54,674,074	3,562,972	7,438	58,244,484
Accumulated depreciation	(36,659,203)	(2,228,558)	(7,263)	(38,895,024)
Net book value	18,014,871	1,334,414	175	19,349,460

	Aircraft fleet	Others	Total
	(Rupees in '000)		
7.3 Capital work-in-progress			
Year ended 31 December 2025			
Balance as at beginning of the year	-	391,122	391,122
Additions during the year	14,055,835	215,936	14,271,771
Transfer to operating fixed assets	(7,596,744)	(127,156)	(7,723,900)
Write-off during the year	-	-	-
Balance as at end of the year	6,459,091	88,780	6,938,993
Year ended 31 December 2024			
Balance as at beginning of the year	286,797	292,106	578,903
Additions during the year	-	206,631	206,631
Transfer to operating fixed assets	-	(21,738)	(21,738)
Write-off during the year	(286,797)	(85,877)	(372,674)
Balance as at end of the year	-	391,122	391,122

8 INVESTMENT PROPERTY

	Land	Building	Total
	(Rupees in '000)		
Year ended 31 December 2025			
Balance at beginning of the year	2,516,455	754,998	3,271,453
Gain on revaluation during the year	33,823	68,716	102,539
Reclassified from PPE	2,501,674	667,261	3,168,924
Less: reclassified to asset held for sale	(226,828)	(514,637)	(741,465)
Balance at end of the year	4,825,124	976,328	5,801,451
Year ended 31 December 2024			
Balance at beginning of the year	2,219,209	709,342	2,928,551
Gain on revaluation during the year	297,246	45,656	342,902
Balance at end of the year	2,516,455	754,998	3,271,453

8.1 The fair valuation of the investment property as at 31 December 2025 was performed by an independent valuer which falls under level 2 of fair value hierarchy.

8.2 Forced sale value of the investment property as of the reporting date is estimated to be Rs. 706.281 (2024: Rs.3,319.729) million.

8.3 Rental income earned during the year was Rs. 49.049 million (2024: Rs. 53.502 million).

9 INTANGIBLES

	Computer Software	Goodwill	Total
	(Rupees in '000)		
As at 31 December 2025			
Balance as at beginning of the year	164,278	9,522,409	9,686,687
Additions during the period	14,404		14,404
Translation adjustment	167	53,554	53,721
Amortisation for the year	(55,433)	-	(55,433)
Less: reclassified to assets held for sale	(87,176)	-	(87,176)
Balance as at end of the year	36,240	9,575,963	9,612,203
As at 31 December 2024			
Balance as at beginning of the year	282,747	9,607,747	9,890,494
Translation adjustment	(32,266)	(85,338)	(117,604)
Amortisation for the year	(86,203)	-	(86,203)
Balance as at end of the year	164,278	9,522,409	9,686,687

Amortisation for the year has been allocated as under:	Note	2025	2024
		(Rupees in '000)	
Cost of services - others		15,253	6,619
Administrative expenses		40,180	79,584
		55,433	86,203

10 OTHER RECEIVABLES

	Note	2025	2024
Receivable of PECPL	19.3	1,296,955	-
Receivable in respect of Centre Hotel		-	2,104,225
		1,296,955	2,104,225

11 LONG-TERM DEPOSITS AND PREPAYMENTS

	Note	2025	2024
		------- (Rupees in '000) -------	
Deposits			
Considered good			
Aircraft fleet lease deposits		2,893,717	5,480,249
Others		2,861,290	1,190,006
		5,755,007	6,670,255
Considered doubtful		1,031,362	357,877
Less: Allowance for ECL		(1,031,362)	(357,877)
		-	-
		5,755,007	6,670,255
Prepayments		6,404	137,054
		5,761,410	6,807,309
Less: reclassifed to assets held for sale		(5,629,209)	-
		132,201	6,807,309

12 STORES AND SPARES

	Note	2025	2024
Stores		1,272,155	959,168
Spare parts		8,827,608	9,713,749
Inventory related to food and beverages		28,390	58,889
		10,128,154	10,731,806
Less: reclassified to asset held for sale	19	(5,999,027)	(147,508)
		4,129,127	10,584,298
Provision for slow moving and obsolete spares	12.1	(4,100,737)	(6,280,258)
		28,390	4,304,040

12.1 Movement in provision is as follows:

	2025	2024
Balance as at beginning of the year	6,280,258	6,055,922
(Reversal) / provision for the year	(2,179,521)	224,336
Balance as at end of the year	4,100,737	6,280,258

13 TRADE DEBTS

	Note	2025	2024
Considered good			
Due from other customers	13.1	12,544,314	11,678,210
Due from Government		1,761,973	1,327,106
		14,306,287	13,005,316
Considered doubtful			
Allowance for ECL		8,112,140	7,823,351
	13.2	(8,112,140)	(7,823,351)
		-	-
Less: reclassified to assets held for sale		(13,642,557)	-
		663,731	13,005,316

13.1 The aging analysis of trade debts related to Government and other customers are as follows:

	2025					
	Government			Other customers		
	Trade debts considered good	Impaired	Total	Trade debts considered good	Impaired	Total
	(Rupees in '000)					
Current	338,553	14,893	353,446	10,408,390	90,483	10,498,873
Overdue less than or equal to 90 days	738,319	47,030	785,349	829,873	39,852	869,725
More than 90 days past due	329,771	56,420	386,191	1,034,908	65,850	1,100,758
More than 180 days past due	355,330	188,807	544,137	263,869	732,434	996,303
More than 360 days past due	-	333,979	333,979	7,274	6,542,392	6,549,666
	1,761,973	641,129	2,403,102	12,544,314	7,471,011	20,015,325

	2024					
	Government			Other customers		
	Trade debts considered good	Impaired	Total	Trade debts considered good	Impaired	Total
	(Rupees in '000)					
Current	309,863	-	309,863	9,912,317	144,679	10,056,996
Overdue less than or equal to 90 days	430,148	-	430,148	1,350,342	588,656	1,938,998
More than 90 days past due	497,735	-	497,735	338,414	133,450	471,864
More than 180 days past due	89,360	206,971	296,331	65,545	308,163	373,708
More than 360 days past due	-	32,931	32,931	11,592	6,408,502	6,420,094
	1,327,106	239,902	1,567,008	11,678,210	7,583,450	19,261,660

13.2 Movement in provision is as follows:

	2025	2024
	(Rupees in '000)	
Opening balance	7,823,351	7,470,903
Written off during the year	-	(462,845)
Provision made during the year	288,789	815,293
Balance as at end of the year	8,112,140	7,823,351

13.3 Maximum aggregate gross amount due from Government at the end of any month end was Rs.5,242.359 million (2024: Rs. 5,618.125 million).

14 ADVANCES

	Note	2025	2024
		(Rupees in '000)	
Considered good			
Lease rentals		-	2,537,516
Suppliers		5,180,579	4,513,923
Others	15.1	483,499	169,230
		5,664,079	7,220,669
Considered doubtful		2,387,961	820,580
Allowance for ECL	14.2	(2,387,961)	(820,580)
		-	-
Less: reclassified to assets held for sale	19	(5,251,458)	(21,846)
		412,620	7,198,823

14.1 These include advances of Rs. 38.104 million (2024: 10.46 million) paid to key management personnel.

		Note	2025	2024
			------- (Rupees in '000) -------	
14.2	**Movement in provision is as follows:**			
	Opening balance		820,580	994,726
	Provision / (Reversal) made during the year		1,567,381	(174,146)
	Balance as at end of the year		2,387,961	820,580
15	**TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**			
	Trade deposits			
	Considered good		9,536,079	9,696,798
	Considered doubtful		42,207	43,707
	Allowance for ECL		(42,207)	(43,707)
			-	-
	Prepayments		1,062,319	756,827
			10,598,398	10,453,625
	Less: reclassified to assets held for sale	19	(10,477,797)	-
			120,601	10,453,625
16	**OTHER RECEIVABLES**			
	Considered good			
	Related party			
	Sales tax receivable		1,631,036	5,726,633
	Receivable from GoP		668	93,697
			1,631,704	5,820,330
	Others			
	Receivable from Financial Institution		41,008	7,431,011
	Rental income		22,114	25,797
	Current portion of receivable of PECPL	19.3	784,752	
	Others		1,262,582	77,155
			2,110,456	7,533,963
	Considered doubtful		1,514,863	1,109,765
	Allowance for ECL	16.2	(1,514,863)	(1,109,765)
			-	-
			3,742,160	13,354,293
	Less: reclassified to assets held for sale	19	(2,639,161)	(249,355)
			1,102,999	13,104,938
16.2	**Movement in provision is as follows:**			
	Balance as at beginning of the year		1,109,765	1,009,508
	Provision made during the year		743,499	100,257
	Reversal made during the year		(338,400)	-
	Balance as at end of the year		1,514,864	1,109,765

16.3 The maximum aggregate amount due from related parties at the end of any month during the year were as follows;

	2025	2024
	-------- (Rupees in '000) --------	
Government of Pakistan	175,541	1,315,309
Federal Board of Revenue	-	5,726,633

17 Marketable securities primarily consists of term deposits with short-term maturities, ranging from 3 to 12 months, which carry a profit rate of 1.75% to 2.5%.

18 CASH AND BANK BALANCES	Note	2025	2024
		-------- (Rupees in '000) --------	
Bank balances			
Current accounts		6,016,314	12,307,280
Deposit accounts	18.1	7,116,153	3,993,099
		13,132,467	16,300,379
Cash			
In hand		43,379	11,548
In transit		157,679	143,520
		201,058	155,068
		13,333,525	16,455,447
Less: reclassified to assets held for sale		(5,499,433)	(103,920)
		7,834,092	16,351,527

18.1 These carry profit rates ranging from 6% to 10.5% (2024: 6%) per annum.

19 ASSETS AND LIABILITIES HELD FOR SALE / DISCOUNTINUED OPERATIONS

19.1 The breakup of assets / liabilities held for sale and dicontinued operations are as follows:

	Note	PIACL		PEC	
		2025	2024	2025	2024
Assets		---------------------- (Rupees in '000) ----------------------			
Property and equipment	7	99,320,371	-	2,000	2,000
Investment Property	8	741,465	-	-	-
Intangibles	9	87,176	-	-	-
Deferred Taxation	23	29,886,997	-	-	-
Long Term Deposits & Prepayments		5,629,209		-	-
Stores and spares	12	5,999,027	-	102,510	147,508
Trade Debts	13	13,642,667		-	-
Advances	14	5,251,458	-	2,914	21,846
Trade Deposits and Short term prepayment	15	10,477,797		-	-
Other receivables	16	2,639,161	-	68,087	249,355
Cash and Bank	18	5,499,433	-	451,929	103,920
		179,174,651	-	627,440	524,629
Liabilities					
Lease liabilities	22	10,806,210			
Deferred liabilities	24	29,527,275	-	2,017,166	1,826,262
Trade and other payables	25	117,766,151	-	1,207,415	1,177,190
Taxation - net		7,882,537	-		
Short-term borrowings		7,000,000	-		
Current maturity of non-current liabilities		7,300,730	-		
		180,282,902	-	3,224,581	3,003,452
		180,282,902	-	3,224,581	3,003,452
Net liabilities		(1,108,252)	-	(2,597,141)	(2,478,823)

19.2 During the year, the Group enterred into a Share Purchase Agreement with Arif Habib led consortium whereby, 100% shareholding of PIACL will be transferred to said consortium. Accordingly, in accordance with the requirements of IFRS-5 "Non-current Assets Held for Sale and Discontinued Operations", the Group has reclassified its investment in PIACL to assets held for sale.

19.3 During the year, the Group has transferred its Precision Engineering Complex (PEC) operations to Precision Engineering Complex (Private) Limited (PECPL) against total cash consideration of Rs. 2,500 million, receivable over four years. Accordingly, in accordance with the requirements of IFRS 9, "Financial Instruments", the Group has recorded the said receivable at its present value using a discount rate of 11% per annum as follows:

	Note	2025	2024
		(Rupees in '000)	
Receivable from PECPL		2,500,000	-
Effect of discounting	34	(418,294)	-
		2,081,706	-
Less: Current portion	16	(784,752)	-
		1,296,955	-

19.4 During the year, Income and expenses related to asset held for sale and discountinued operations are as follows:

	Note	PIACL		PEC	
		For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
		(Rupees in '000)			
Revenue - net	28	211,660,652	-	-	-
Cost of Services	29	(186,608,598)	-	-	-
Distribution Cost	30	(8,413,881)	-	-	-
Adiministrative Expenses	31	(7,808,740)	-	(531,027)	(892,338)
Other Expenses	32	(8,019,324)	-	-	-
Other Income	33	14,004,578	-	101,094	367,757
Finance Cost	34	(1,716,901)	-	-	-
Exchange loss		682,926			
Taxation	37	-	-	-	-
Net Profit / (loss) during the year / period		13,780,713	-	(429,933)	(524,581)
Sale consideration		-	-	2,500,000	-
Net liabilities		-	-	(2,597,141)	-
Gain on disposal of discontinued operations		-	-	5,097,141	-
		13,780,713	-	4,667,208	(524,581)

19.4.1 During the year, cash flows related to assets held for sale and discountinued operations are as follows:

	PIACL		PEC	
	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024	For the year ended 31 December 2025	For the period from 21 March 2024 to 31 December 2024
	(Rupees in '000)			
Net cash generated from operations	15,706,283	-	348,009	61,433

20 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2025	2024		2025	2024
-------- No. of shares --------		Authorized capital	--------- (Rupees in '000) ---------	
		Ordinary share capital		
5,349,250,000	5,349,250,000	'A' class shares of Rs. 10/- each	53,492,500	53,492,500
1,500,000	1,500,000	'B' class shares of Rs. 5/- each	7,500	7,500
5,350,750,000	5,350,750,000		53,500,000	53,500,000
		Paid up Share Capital		
		Ordinary share capital		
5,233,762,118	5,233,762,128	'A' class shares of Rs. 10/- each	52,337,620	52,337,620
1,499,999	1,499,999	'B' class shares of Rs. 5/- each	7,500	7,500
5,235,262,117	5,235,262,127		52,345,120	52,345,120

20.1 As at 31 December 2025, GoP held 5,023,608,577 'A' class ordinary shares and 1,462,515 'B' class ordinary shares respectively representing 96% holding.

21 LONG-TERM FINANCING

	Note	2025	2024
		--------- (Rupees in '000) ---------	
Borrowings			
Financial institutions - secured	21.1	266,578,023	286,009,821
Government of Pakistan - unsecured	21.2	142,646,188	108,953,302
Sukuk certificates	21.3	3,496,822	3,496,822
		412,721,032	398,459,945

21.1 Financial institutions

	Note	2025	2024
Local currency			
National Bank of Pakistan		60,399,834	57,864,240
JS Bank Limited		21,906,163	21,906,163
Soneri Bank Limited		1,076,722	1,076,722
Askari Bank Limited		35,533,555	35,533,556
Habib Bank Limited		34,110,799	33,643,139
The Bank of Punjab		58,662,544	58,662,544
Pak Oman Microfinance Bank Limited		783,834	783,834
Al Baraka Bank Limited		7,220,450	7,220,450
Faysal Bank Limited		22,621,564	22,621,564
Bank Islami Limited		6,812,806	6,812,806
Meezan Bank Limited		901,737	901,737
Pak China Investment Company Limited		901,737	901,737
Pak Kuwait Investment Company (Private) Limited		2,254,342	2,254,342
	21.1.1	253,186,087	250,182,833
Foreign currency			
National Bank of Pakistan - a related party	21.1.2	10,218,363	12,677,969
National Bank of Pakistan (Bahrain)	21.4	37,536,496	37,325,700
BRED Bank	21.5	5,923,999	6,691,168
Habib Bank Limited	21.1.2	1,884,654	2,338,298
		55,563,512	59,033,135
		308,749,599	309,215,968
Less: Current portion		(42,171,577)	(23,206,148)
		266,578,022	286,009,820

21.1.1 The Group has obtained long-term finance through the syndicate term finance agreement. The principal will be repaid in bullet upon maturity in December 2033. It carries mark-up rate at the lower of 1 year KIBOR or 12% per annum and is secured by first pari passu hypothecation and mortgage charge over the present and future assets of the Company to the extent of Rs. 317,100.4 million and by continuing guarantee of GoP.

21.1.2 The Group has obtained foreign currency loans from conventional banks. The principal will be repaid in 10 equal semi annual installments over a period of 5 years commencing from 1 January 2025. These carry mark-up rate of SOFR + 5.4% per annum and are secured by first pari passu hypothecation and mortgage charge over the present and future assets of the Group to the extent of Rs. 317,100.4 million and by continuing guarantee of GoP.

21.2 These carry mark-up rates ranging from 10% to 17.54% per annum. The principal will be repaid in 20 years with grace period of 5 years and the markup wil be paid in equal instalments over the loan tenure. Up till last year, the Company was recording markup on GoP loans at prevailing rate for the respective year. However, during the year, the GoP has confirmed that mark-up on such loans is based on rate prescribed by GoP. Accordingly, the Group has adjusted the excess markup amount in the current year amounting to Rs. 16,518 million (note 22).

21.3 These carry mark-up rate at the lower of 1 year KIBOR or 12% per annum. The principal will be repaid in bullet upon maturity 31 December 2033 and the markup will be paid annually commencing from 01 January 2025. These are secured by first pari passu hypothecation and mortgage charge over the present and future assets of the Group to the extent of Rs. 317,100.4 million and by continuing guarantee of GoP.

21.4 These carry mark-up at 1 month SOFR plus 5.36% (2023: 9.65%). Markup is payable monthly, with principal repayment in twelve equal installments starting July 2025. The facility matures on 30 June 2026.

21.5 These carry mark-up at 3 month Euribor plus 1.50% and are secured through a facility arranged by BRED Banque Populaire and Crédit Foncier de France. The principal is repayable in installments from 30 June 2021 to 31 December 2030. A government-guaranteed loan (PGE) obtained in December 2020 is repayable between 17 January 2023 and 17 December 2026.

22 LEASE LIABILITIES

	Note	2025	2024
		(Rupees in '000)	
Present value of minimum lease payments			
- Aircraft fleet including engines		17,172,712	20,492,024
- Land and building		1,019,338	1,491,879
- Technical ground equipment		2,710	4,888
	22.1	18,194,759	21,988,791
Less: current portion		(7,321,034)	(7,562,266)
		10,873,725	14,426,525
Less: reclassified to liabilities held for sale		(10,806,210)	-
		67,516	14,426,525

22.1 During the year, the movement in lease liabilities is as follows:

	Aircraft Fleet including engines	Land and Building	Technical Ground Equipment	Total
	(Rupees in '000)			
Opening balance	20,492,024	1,491,879	4,888	21,988,791
Additions during the year	3,607,271	119,190	-	3,726,461
Exchange gain	130,139	2,777	(634)	132,282
Termination of lease	-	(12,392)	-	(12,392)
Interest on lease liabilities	965,957	218,235	1,291	1,185,484
Lease rentals paid	(8,022,679)	(773,468)	(2,835)	(8,798,982)
Balance as at end of the year	17,172,712	1,046,223	2,710	18,221,645

	2025			2024		
	Minimum Lease Payments	Finance cost	Present value of minimum lease payments	Minimum Lease Payments	Finance cost	Present value of minimum lease payments
	(Rupees in '000)					
Not later than one year	8,223,276	922,546	7,300,730	8,614,804	1,052,538	7,562,266
Later than one year but not later than five years	10,861,497	1,238,736	9,622,761	15,549,344	1,122,819	14,426,525
Later than five years	1,290,142	106,693	1,183,449			
	20,374,915	2,267,975	18,106,940	24,164,148	2,175,357	21,988,791

		Note	2025	2024
23	**DEFERRED TAXATION**		(Rupees in '000)	
	Deductible temporary differences arising on:			
	Unused tax losses		(44,371,040)	(47,961,464)
	Provisions		(13,125,442)	(9,303,803)
	Lease liabilities		(7,061,707)	(7,763,932)
	Others		(4,231,651)	(3,044,165)
			(68,789,839)	(68,073,364)
	Taxable temporary difference arising on:			
	Accelerated tax depreciation		20,317,179	18,345,123
	Surplus on revaluation of property, plant and equipment		51,763,068	49,530,868
	Right of use assets		6,232,272	5,560,875
	Deffered liabilities		303,349	961,792
	Others		94,048	-
			78,709,916	74,398,659
			9,920,077	6,325,295
	Less: reclassified to assets held for sale	19	29,886,997	-
	Deferred tax liability		39,807,074	6,325,295
23.1	**Charge for the year**			
	Recognized in:			
	Consolidated Statement of Profit or Loss		150,312	(34,521,261)
	Consolidated Statement of Other Comprehensive Income		3,290,912	(455,540)
			3,441,224	(34,976,801)

23.2 Further in view of its accounting policy, the Group has not recognized defer tax asset amounting to Rs.163,940 million(2024:Rs. 121,050.255 million) on unused tax Losses and unused depreciation amounting to Rs. 110,268 million(2024:Rs. 228,089.39 million) and Rs. 189,461 million (2024:Rs. 189,325.436 million) as of 31 December 2025.

		Note	2025	2024
24	**DEFERRED LIABILITIES**		(Rupees in '000)	
	Medical	24.1	22,441,898	18,782,978
	Pension	24.2	33,959,965	32,470,583
	Pension - unfunded	24.3	(285,390)	(256,342)
	Provision for redelivery cost	24.4	7,589,175	8,374,943
	Unfunded staff retirement gratuity		851,532	56,609
	Others		471,288	493,488
			65,028,467	59,922,259
	Less: reclassified to liabilities held for sale	19	(29,527,275)	-
			35,501,193	59,922,259
24.1	**Post retirement medical benefits - Holding Company**			
	Liability recognised in the consolidated statement of financial position			
	Present value of defined benefit obligation		22,441,898	18,782,978
	Movement in liability during the year			
	Balance as at beginning of the year		19,408,029	16,478,993
	Expense recognised in consolidated statement of profit or loss	24.1.1	2,530,941	2,920,477
	Total remeasurements recognised in consolidated other comprehensive income	24.1.2	3,093,723	1,261,372
	Payments made during the year		(1,913,561)	(1,272,813)
	Balance as at end of the year		23,119,132	19,408,029
	Less: liabilities related to asset held for sale		(677,234)	(625,051)
			22,441,898	18,782,978

	2025	2024
24.1.1 Expense recognised in the consolidated statement of profit or loss	---------- (Rupees in '000) ----------	
Current service cost	142,317	191,476
Interest cost	2,388,624	2,729,001
	2,530,941	2,920,477
24.1.2 Total remeasurements recognised in consolidated other comprehensive income		
Actuarial loss on liability arising on:		
- financial assumptions	(75,225)	(259,973)
- experience adjustments	3,168,948	1,541,345
	3,093,723	1,281,372

24.2 Pension obligation

The details of three different categories of plans are as follows:

	PALPA		FENA		Main Pension		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
				(Rupees in '000)				
Liability / (asset) recognised								
Present value of defined benefit obligation	517,051	493,869	-	-	34,140,995	32,634,003	34,658,046	33,127,872
Fair value of plan assets	(2,882,302)	(2,271,680)	(1,068,605)	(1,023,375)	3,252,826	2,637,766	(698,081)	(657,289)
	(2,365,251)	(1,777,811)	(1,068,605)	(1,023,375)	37,393,821	35,271,769	33,959,965	32,470,583
Movement in liability / (asset) during the year								
Opening liability / (asset)	(1,777,811)	(1,391,928)	(1,023,375)	(983,380)	36,472,979	36,733,136	33,671,793	34,357,828
Expense recognised in consolidated statement of profit or loss	(196,672)	(122,324)	(125,363)	(97,183)	4,922,382	4,045,778	4,600,347	3,826,271
Benefits due but not paid (payables)	-	-	-	-	-	-	-	-
Total remeasurements recognised in other comprehensive income	(364,394)	(240,462)	80,133	57,188	(141,031)	(2,707,151)	(425,292)	(2,890,425)
Employer contributions	(26,374)	(23,097)	-	-	(2,520,577)	(1,598,784)	(2,546,951)	(1,621,881)
Transfer to Holding Company	-	-	-	-	-	-	-	-
Transfer to Liabilities related to asset held for sale	-	-	-	-	(1,339,932)	(1,201,210)	(1,339,932)	(1,201,210)
Closing liability / (asset)	(2,365,251)	(1,777,811)	(1,068,605)	(1,023,375)	37,393,821	35,271,769	33,959,965	32,470,583
Movement in the defined benefit obligation								
Obligation at beginning of the year	493,869	497,749	-	465,380	33,835,213	34,009,309	34,329,082	34,972,438
Current service cost	22,726	16,374	-	466	682,321	494,160	705,047	511,000
Past service cost	-	-	-	-	-	-	-	-
Interest cost	58,883	46,049	-	41,049	3,916,935	3,286,912	3,975,818	3,376,010
Benefits due but not paid (payables)	-	-	-	-	-	-	-	-
Benefits paid	(26,374)	(23,097)	-	-	(2,520,577)	(1,598,784)	(2,546,951)	(1,621,881)
Transfer to holding company		-	-	-	-	-	-	-
Remeasurement due to:	-	-					-	-
Actuarial losses from changes in financial assumptions	(2,572)	(11,686)	-	(12,309)	(47,032)	(615,306)	(49,604)	(639,281)
experience adjustments	(29,481)	(33,541)	-	(56,219)	(385,933)	(2,179,445)	(415,414)	(2,269,205)
Transfer to Liabilities related to asset held for sale	-	-	-	-	(1,339,932)	-	-	-
Obligation at end of the year	517,051	493,868	-	438,367	34,140,995	33,396,846	35,997,978	34,329,081
Movement in fair value of plan assets								
Fair value at beginning of the year	2,271,680	1,889,677	1,023,375	983,380	(2,637,766)	(2,258,447)	657,289	614,610
Interest income	278,281	186,747	125,363	97,183	(323,126)	(223,191)	80,518	60,739
Employer contributions	26,374	23,097	-	-	933,940	455,724	960,314	478,821
Benefits paid	(26,374)	(23,097)	-	-	(933,940)	(455,724)	(960,314)	(478,821)
Return on plan assets excluding amount	332,341	195,256	(80,133)	(57,188)	(291,934)	(156,128)	(39,726)	(18,060)
Fair value at end of the year	2,882,302	2,271,680	1,068,605	1,023,375	(3,252,826)	(2,637,766)	698,881	657,289

	PALPA		FENA		Main Pension		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in '000)							
Expense recognised in consolidated statement of profit or loss								
Current service cost	22,726	16,374	-	466	691,512	494,160	714,238	511,000
Net interest expense / (income)	(219,398)	(138,698)	(125,363)	(97,649)	4,240,061	3,510,103	3,895,300	3,273,758
	(196,672)	(122,324)	(125,363)	(97,183)	4,931,573	4,004,263	4,609,538	3,784,758
Total remeasurements recognised in consolidated other comprehensive income								
Remeasurement on obligation arising on								
Financial assumptions	(2,572)	(11,666)	-	(12,309)	(47,032)	(615,306)	(49,604)	(639,281)
Experience adjustments	(29,481)	(33,541)	-	(56,219)	(385,933)	(2,179,445)	(415,414)	(2,269,205)
	(32,053)	(45,207)	-	(68,528)	(432,965)	(2,794,751)	(465,018)	(2,908,486)
Variation on plan assets excluding amount included in interest income	(332,341)	195,256	80,133	(57,188)	291,934	(156,128)	39,726	(18,060)
	(364,394)	150,049	80,133	(125,716)	(141,031)	(2,950,879)	(425,292)	(2,926,546)
The plan assets comprise of:								
Debt instruments	1%	1%	0%	0%	1%	1%	1%	1%
Others including cash and cash equivalents	99%	99%	100%	100%	99%	99%	99%	99%
	100%	100%	100%	100%	100%	100%	100%	100%
Actual return on plan assets	278,281	592,369	125,363	69,144	(323,126)	(559,361)	80,518	102,152

24.2.1 Actuarial valuations of pension funds, post retirement medical benefit scheme and compensated absences were carried out at December 31, 2025. The valuations have been carried out using Projected Unit Credit method and the following significant acturial assumptions have been used:

	2025	2024
	(Percentage)	
Valuation discount rate	11.50%	12.25%
Salary increase rate	10.50%	11.25%
Pension indexation rate	5.75%	6.50%
Pre-retirement average cost indexation rate	8.00%	6.50%
Post-retirement average cost indexation rate	8.00%	6.50%
Mortality table	Adjusted SLIC	Adjusted SLIC
Withdrawal rates	Age - based	Age - based
Retirement assumption	Age 60	Age 60

24.2.2 Number of employees covered by the various schemes are as follows:

Pension Scheme	2025	2024
	(Number)	
Active employees	6,121	7,315
Beneficiaries	573	16,078
Post retirement medical benefit scheme	423	16,078

24.2.3 Sensitivity analysis

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant:

		PALPA Fund		Main Pension Fund		Post Retirement Medical		Compensated Absences	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
		Rupees in '000'							
Valuation Discount Rate	1%	553,405	490,813	18,310,490	16,218,065	(13,384,754)	(11,936,175)	(8,784,307)	(8,784,307)
Salary Increase Rate	1%	468,481	583,364	15,550,402	19,209,524	-	-	(8,784,307)	(8,784,307)
Medical inflation rate	1%	552,179	493,499	18,114,405	16,439,409	(11,933,870)	(13,444,246)	-	-

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the unconsolidated statement of financial position.

24.2.4 The employee benefit plans exposes the Group to the following risks:

- **Mortality risk:** The risk that the actual mortality rate is different. The effect depends on the beneficiaries' service / age distribution and the benefit.
- **Investment risk:** The risk of the investment underperforming and being not sufficient to meet the liabilities.
- **Final salary risk:** The risk that the final salary at the time of cessation of service is greater than what is assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.
- **Withdrawal risk:** The risk of higher or lower withdrawal experienced than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

24.2.5 The fair value of plan assets of pension funds includes investment in the Group's shares, amounting to (2024: Rs. million).

24.2.6 The weighted average duration of the benefit obligations as at 31 December 2025 is as follows:

	Years
Post retirement medical benefits	16 Years
PALPA fund	11 Years
FENA fund	N/A
Main Pension fund	11 Years
Compensated absences	7 Years

24.2.7 The total expense relating to deferred liabilities has been allocated to cost of services, distribution costs and administrative expenses in the amount of Rs.1,682.558 million (2024: Rs. 2,687.701 million), Rs.872.438 million (2024: Rs.1,486.956 million) and Rs.560.853 million (2024: Rs. 955.9 million) respectively.

24.3 UK Pension Obligation

	2025	2024
	---------- (Rupees in '000) ----------	
Liability / (asset) recognised		
Present value of defined benefit obligation	2,864,073	2,750,967
Fair Value of Plan Assets	(3,149,465)	(3,007,309)
Consolidated statement of financial position liability	(285,392)	(256,342)
Change in defined benefit obligation		
Balance at the beginning of the year	2,750,967	3,113,969
Interest Income	152,485	136,553
Benefits paid	(285,767)	(251,802)
Remeasurements:		
- Actuarial gain from changes in demographic assumptions	13,554	(6,286)
- Actuarial loss / (gain) from changes in financial assumptions	16,190	(160,301)
- Experience adjustments	1,883	(698)
Exchange loss	214,763	(80,467)
Balance at the end of the year	2,864,073	2,750,967
Balance at the beginning of the year		
Fair value at beginning of the year	3,007,309	3,177,424
Interest income	167,545	140,045
Cash Flows		
- Contributions	65,135	60,419
- Benefit paid	(285,767)	(251,802)
- Administrative expenses paid	(61,370)	(49,592)
Return on plan assets (excluding interest income) - OCI	21,837	12,922
Exchange gain	234,776	(82,106)
Balance at the end of the year	3,149,465	3,007,309
Significant Actuarial Assumptions		
Weighted-average assumptions for defined benefit obligation	5.30%	5.40%
Discount rate	2.90%	3.20%
Price inflation rate (RPI)	2.65%	2.90%
Price inflation rate (CPI)		
Post-retirement mortality assumption	S3PMA/S3PFA 1.25% p.a.	
Assumed life expectancy on retirement at age 65		
- Retiring today (member age 65)	20.7 (M) / 23.4 (F)	20.7 (M) / 23.4 (F)
- Retiring in 20 years (member age 45 today)	21.9 (M) / 24.8 (F)	21.9 (M) / 24.8 (F)
- Duration (in years)	8	9

Number of employees covered by the scheme:	2025	2024
	(Number)	
Vested deferred	14	14
Retirees	84	84
Annuitants	84	84

24.4 This amount represents the provision against maintenance / redelivery cost required to be incurred by the Group for returning the aircraft and engines under lease agreements on certain maintenance conditions. Movement in provision is as follows:

	Note	2025	2024
		(Rupees in '000)	
Balance at beginning of the year		8,374,943	8,195,926
Reversal recognised during the year		(1,122,070)	-
Adjustments			
Exchange loss recognised during the year		46,909	(96,235)
Interest charged during the year	37	289,393	275,252
		336,302	179,017
Balance at the end of the year		7,589,176	8,374,943

24.4.1 During the year 2021, the Group, through PIACL, received the Government Grant of $ 1,744,962 to pay the legal fees of the lawyers in connection with BVI litigation. Following, the Court's decision in favor of defendants including PIAIL, the Court allowed $ 437,732, being part of the cost to PIAIL. PIAIL paid a legal fee of $ 953,655 out of the said grant. The balance grant of $ 1,229,000 is reflected as deferred liability.

25 TRADE AND OTHER PAYABLES

	Note	2025	2024 (Restated)
		(Rupees in '000)	
Creditors	25.2	220,935,194	227,670,294
Accrued liabilities		6,232,687	5,100,859
Advance against transportation (unearned revenue)	25.3	20,822,952	20,025,160
Obligation for compensated absences	25.4	9,036,147	8,787,349
Unredeemed frequent flyer liabilities		464,524	457,255
Advance from customers		1,135,657	2,919,147
Employees provident fund		9,054,064	8,947,519
Collection on behalf of others	25.5	10,464,350	12,577,684
Customs, federal excise duty and sales tax		5,440,626	4,566,254
Federal excise duty - International travel		15,637,313	20,760,267
Contract liability, Settlement payable & Property taxes		4,972,508	12,230,374
Income tax deducted at source		3,421,399	3,508,772
Short-term deposits		757,077	483,559
Others		1,193,682	1,451,741
		88,632,985	101,815,950
Transfer to liabilities held for sale	19	(117,766,151)	(1,177,190)
		191,802,028	328,309,054

25.1 During the year, the management identified certain balances of a subsidiary which were not incorporated in the consolidated financial statements for the year ended 31 December 2024. Although the financial impact of such balances was not material to the overall context of the consolidated financial statements, the Group has restated the prior year consolidated financial statements as follows:

	As previously reported	Adjustments	As restated
	Rupees in '000		
Trade and other payables	332,685,244	(4,376,190)	328,309,054
Accumulated losses	(774,617,896)	1,521,328	(773,096,568)
Foreign currency translation reserve	15,173,220	2,226,624	17,399,831
Surplus on revaluation of property, plant and equipment	141,976,251	628,239	142,604,490
Loss per share (basic and diluted) attributable to:	Rupees		
'A' class Ordinary shares of Rs.10/- each	(2.93)	0.17	(2.76)
'B' class Ordinary shares of Rs. 5/- each	(1.47)	0.09	(1.38)

25.2 This includes an amount of Rs.23,762 million and 165,105 million (2024: 25,250 and 159,350) million payable to Pakistan State Oil Company Limited and Pakistan Airport Authority respectively (PAA).

	2025	2024
25.3 Advance against Air Transportation (unearned revenue)	(Rupees in '000)	
Balance as at beginning of the year	20,652,977	18,113,435
Cash received in advance of performance and not	212,274,222	
recognised as revenue during the period	-	196,576,670
Amount recognised as revenue during the year	(212,104,247)	(194,666,945)
Balance as at end of the year	20,822,952	20,025,160

25.4 Obligation for compensated absences

	2025	2024
Liability recognised in the consolidated statement of financial position	9,036,147	8,787,349
Balance as at beginning of the year	8,784,307	8,858,188
Charge during the year	401,067	228,761
Benefits paid during the year	(149,227)	(299,600)
Balance as at end of the year	9,036,147	8,787,349

25.5 This represents taxes payable at foreign stations and amount payable to civil aviation authorities of foreign countries relating to embarkation, security and infrastructure charges and this includes an amount of Rs. 4,831.804 million payable to PAA.

26 ACCRUED MARK-UP

	Note	2025	2024
		(Rupees in '000)	
Long term financing	26.1	111,565,604	107,911,708

26.1 Include accrued mark-up on borrowings from GoP and National Bank of Pakistan amounting to Rs. 78,528 million and Rs.16,967 million (2024: 74,625 million and 17,893 million) respectively.

27 CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 Income tax, Sales tax and Federal Excise Duty

a) Upto the half year ended 30 June 2021, the Group was not recognising income tax under section 113 based on the management's interpretation that Section 113 is not to be levied on the Group's revenue streams (i.e. fare from passenger, cargo freight, and excess luggage fees) as these did not fall under the ambit of "gross fees for rendering of services" as defined in above mentioned section, that would be treated as turnover for the purpose of levying minimum tax. The management's interpretation was in line with the decision of Appellate Tribunal Inland Revenue (ATIR) reported as 2019 PTD (Trib.) 416, in case of another airline Group.

b) The Group has filed tax returns for tax years up to tax year 2023. The tax returns from tax years 2003 to 2023 have been filed under self assessment scheme. All assessments for tax years 1991 to 2002 have been finalized by the tax department. The minimum tax liability under section 80D of the ITO, 2001 had been levied by the department from assessment year 1991-92 to assessment year 2002-03 after adding 10% of net turnover on estimated basis. The Group had filed appeals against the above demands which had been decided in favor of the Group at ATIR level. The tax department had filed appeal against the decision before Sindh High Court which was decided on certain technical grounds in favor of the Group. Thereafter, the tax department has filed an appeal against the decision of Sindh High Court before Supreme Court which is pending to date.

c) As per Order dated 13 March 2011 a demand of Rs. 898.177 million was raised by the Deputy Commissioner Inland Revenue (DCIR) by issuing an amended order in relation to the tax year 2005. The main contention among others was disallowance of depreciation claimed on leased aircrafts. The Group claimed the depreciation on those aircrafts which were obtained under hire purchase arrangement which has been approved by the Ministry of Finance as a financing arrangement. The tax department did not accept the Group's standing and disallowed depreciation expense as inadmissible. An amount of Rs. 48.235 million was also recovered by FBR in this respect. The Group filed an appeal at CIR (A) level which was decided partially in favor of the Group. Being further aggrieved, the Group has filed appeal at Income Tax Appellate Tribunal (ITAT) level which was decided in favor of Group hence the demnad so raised was deleted by ITAT.

Further, the ACIR has issued orders dated 27 June 2012 and 25 June 2013 under section 122 (5A) of the ITO, 2001 in respect of tax years 2006 and 2007 disallowing the depreciation claimed on leased aircraft and other provisions amounting to Rs. 3,480.442 million and Rs. 20,462.797 million, respectively. The Group has filed an appeal to CIR (A) against the said orders. CIR(A) in its Appellate order dated 10 September 2015 disposed off the appeal and maintain partial disallowance of depreciation and deleted other provision amount. The Group has filed an appeal to ATIR against the decision of CIR(A). On 02 January 2023, ATIR decided the appeal of 2006 in favour of Group, however, the matter of tax year 2007 is still pending at ATIR.

d) ACIR had issued an order dated 30 June 2014 in respect of tax year 2008 on account of disallowance of depreciation on leased aircraft and other provisions amounting to Rs. 18,892.227 million. Subsequently, CIR(A) vide its order dated 17 January 2018 had annulled the ACIR's order as it was time barred. ACIR has filed an appeal before ATIR against the above order.

ACIR has passed an order dated 19 December 2016 under section 124/122 (5A) of the ITO, 2001 in respect of tax year 2009 and raised a demand of Rs. 109.428 million while maintaining the disallowance of depreciation, exchange loss and tax credit amounting to Rs. 17,069.522 million, Rs. 6.030 million and Rs. 168.744 million respectively, demanded in the earlier order dated 15 June 2015. The Group filed an appeal before CIR(A) and CIR(A) vide its order dated 14 February 2018 maintained the disallowance of depreciation, deleted the disallowance of exchange loss and remanded back the short allowed tax credit under various sections. Both the Group and the department have filed appeals before ATIR. On 14 April 2022, ATIR has decided the appeal in favour of Group.

ACIR issued an order dated 30 June 2016 under section 122 (5A) of the ITO, 2001 in respect of tax year 2010 and raised a demand of Rs. 143.075 million, disallowing depreciation claimed on leased aircrafts and other provisions amounting to Rs. 12,810 million. The Group filed a rectification application against the above order and ACIR vide its order dated 12 December 2017 maintained the disallowance of depreciation and other provisions but allowed certain tax credits and revised a tax demand of Rs. 109.683 million. The Group filed an appeal before CIR(A) against these above order whereas CIR(A) vide its order dated 01 January 2018 upheld the matter related to disallowance of depreciation and remanded back disallowance of other provisions and tax credits. The Group has filed an appeal before ATIR against the said order.

The CIR(A) disposed off Group's appeal and issue Combined appellate order dated 30 October 2015 through which CIR(A) maintained disallowance depreciation and deleted other provisions. The Group has filed an appeal against the CIR(A) decision at ATIR, however, the matter is still pending for adjudication and the management is confident that this issue will ultimately be decided in favour of the Group. The ACIR issued an order dated June 20, 2015 for tax year 2011 and raised a demand of Rs. 327.535 million by applying 1% minimum tax rate against the Group's contention of 0.5% in addition to disallowing depreciation claimed on leased aircraft and other provisions amounting to Rs. 7,692.992 million. The Group has filed an appeal before CIR(A) against the said orders whereas CIR(A) vide its order dated 30 October 2015 upheld the matter related to minimum tax and disallowance of depreciation and remanded back disallowance of other provisions and tax credits. However, Group on the advise of its tax consultant has made the provision of Rs. 537.657 million being the difference of 0.5% and 1% minimum tax for tax year 2011. Both the Group and the department have filed appeals before ATIR under section 131 of the ITO, 2001 against the order which is pending for hearing.

The ACIR has issued the orders dated 30 June 2018 and January 05, 2017 under section 122(5A) of the ITO, 2001 in respect of tax years 2012 and 2014 and disallowed depreciation on leased aircrafts and other provisions amounting to Rs. 9,725.915 million and Rs. 11,007.920 million respectively. The Group has filed an appeal before CIR(A) against these said orders. Subsequently, CIR(A) issued Appellate order daled 26 December 2019 and February 14, 2018 in respect of tax years 2012 and 2014 respectively and disposed the appeal by deleting the demand of tax years 2014 while maintaining the disallowed depreciation on leased aircrafts and other provisions for tax years 2012 and 2014. The Group has filed an appeal to ATIR against the decision of CIRA, however, the matter is still pending for adjudication.

However, if the above matters are decided against the Group, it may erode the benefit of tax depreciation, which remains available for an indefinite period, compared to business losses.

e) The tax department has also issued order dated 31 December 2012 under section 161/205 of the ITO, 2001 pertaining to tax year 2011 and raised a demand of Rs. 324.319 million. The Group has filed an appeal against the order before CIR(A) which are pending adjudication.

f) On 30 June 2022 the DCIR issued an order under section 161/205/182 of the ITO 2001 for the tax year 2016. In the said order the Group is considered as an assessee-in-default on adhoc basis without considering the information already provided by the Group and raised the demand of Rs. 18.654 billion and levied a default surcharge of Rs. 14.528 billion and penalty of Rs. 1.865 billion. The Comapny has filed appeal before CIR(A) which is decided in favour of Group and matter has been remanded back.

g) The tax department had raised demand of Rs. 566.544 million in 1998, as Federal Excise Duty (FED) along with penalty of Rs. 1 million and additional duty of Rs. 2,923.005 million on the contention that the Group had not collected FED on tickets provided to its employees either free of cost or at concessional rates. The Group paid Rs. 100 million against the subject demand which is considered fully recoverable from the tax department. The Group has filed appeal before Appellate Tribunal Inland Revenue (ATIR) which was remanded back to ACIR. However, remand back proceedings are still pending.

h) The tax department had also raised demands of Rs. 6.804 million and Rs. 277.621 million on 11 March 2008 as FED and sales tax respectively along with penalty of Rs. 14.416 million and additional duty / default surcharge of Rs. 17.91 million during the tax audit of the Group for the periods 2004-2005 and 2005-2006. These demands were raised on the issues of late payment of FED, collection of FED at incorrect rate, incorrect apportionment of input tax and failure to collect FED on carriage of goods / mail of Pakistan Post. The Group has paid an amount of Rs. 25 million in this regard which is considered fully recoverable. The Group filed an appeal with the Collector of Customs, Sales Tax and Federal Excise (Appeals), which was decided partially in its favor, partially against it and partially remanded back. The Group and the tax department both have filed appeals at the ATIR which is remanded back however, remand back proceedings are still pending.

i) As per order dated February 25, 2010, the tax department has raised demands of Rs. 2.065 million and Rs. 1,319.101 million as FED and sales tax respectively along with penalty of Rs. 66.058 million and additional duty / default surcharge of Rs. 534.412 million during the tax audit of the Company for the period 2007-2008. These demands were raised mainly on the issues of collection of FED at incorrect rate and incorrect apportionment of input tax. The Company filed appeal at Commissioner Inland Revenue (Appeals) [CIR (A)], which was decided in favor of the tax department. The Company had filed appeal against this at ATIR and a rectification application with CIR (A). The Tribunal has disposed off the Company's appeal, vide appellate order STA No. 08/KB/2011 dated 26 September 2016, remanded back the issues of incorrect rates of FED charged on excess baggage and disallowance of claim of input tax. Further, tribunal has deleted the penalty. The remand back proceedings were initiated by the DCIR vide letter dated 09 June 2021. The said proceedings were concluded by the DCIR on an adhoc basis vide order dated 12 December 2021. Through the said order, the DCIR has maintained the actions taken in order in original 3 of 2010 dated 25 February 2010. An appeal has been before CIR(A) vide our letter DST 982 dated 12 January 2012 however, due to amendments introduced through section 126(A) of the ITO 2001, the case has been transferred to ATIR and is pending.

j) The tax department through orders dated 06 March 2009, 04 December 2010 and 30 May 2011 levied penalties of Rs. 5,877.351 million, Rs. 5,679.110 million and Rs. 7,025.270 million, respectively, on account of delayed payment of sales tax and FED for the tax periods of November to December 2008, January to March 2010 and November 2010 to January 2011, respectively. In addition to this, the tax department levied default surcharge and 5% penalty on the unpaid FED and sales tax amounting to Rs. 38.88 million, Rs. 21.11 million and Rs. 74 million, respectively. The Group filed application for waiver of penalty for the tax year of November to December 2008 before Federal Board of Revenue (FBR) on which the decision is pending.

The CIR(A) deleted the penalties of Rs 5,679.110 million and Rs. 7,025.270 million, respectively, through its order dated 19 September 2011, however, default surcharge and 5% penalty on the unpaid FED and sales tax were maintained. The Group and the tax department have filed appeals with ATIR, which were decided in favor of the Group. Further, for the tax periods of January to March 2010 and November 2010 to January 2011, the Group had filed an application for rectification, which was disposed off by ATIR on 22 July 2016 while maintaining the default surcharge.

On 30 April 2013, the Additional Commissioner Inland Revenue (ACIR) levied penalty of Rs. 4,745.852 million in respect of short payment of sales tax and FED for the tax periods April 2012 to January 2013. In addition, the tax department levied default surcharge on unpaid sales tax and FED amounting to Rs. 400.446 million. The Group filed an appeal against the said orders before CIR (A), which was decided in favour of the department. Subsequently, the Group filed an appeal against this at ATIR level, Tribunal deleted the penalty but maintained default surcharge which was challenged by the Group in Sindh High Court, the decision is pending adjudication.

The ECC communicated its decision through its letter dated 12 July 2013, directing the Group and the FBR to reconcile the outstanding amounts and meanwhile the date for payment of outstanding dues in respect of FED, shall be deemed to be extended till further consideration by the ECC.

k) On 22 February 2016, DCIR issued a show cause notice on the same grounds as involved in sales tax refund (refer note 16.1) which was contested by the Group before the Honorable High Court of Sindh (SHC) and obtained stay order in favor of the Group. Subsequently on 01 November 2016, DCIR issued an order amounting to Rs. 6,747.669 million under Section 11 of the Sales Tax Act, 1990 in respect of tax years 2010, 2011 and 2012 on the contention that the Group has adjusted excess input tax amounting to Rs. 2,603.502 million, Rs. 2,629.350 million and Rs. 1,514.818 million in the returns for tax year 2010, 2011 and 2012 respectively without considering that the matter was in court. Being aggrieved, the Group has filed appeal before CIR(A) against the said DCIR order, which was decided by CIR(A) in favor of the Group through their order dated 29 June 2017 and remanded back the case to DCIR and accordingly, the Group has withdrawn the appeal filed before SHC.

Later, the tax department has issued hearing notice in January 2019 followed by notices on 24 October 2019 and 07 November 2019 for remand back proceedings. The remand back proceedings were re-initiated vide notice dated 23 June 2021. These were concluded by DCIR on an adhoc basis vide order dated 08 November 2021 and passed it on exparte basis. Through the said order, the DCIR has maintained the findings of the order dated 01 November 2016. An appeal has been filed before the CIR(A).

During the year 2017, DCIR passed orders dated 07 September 2016 and raised demand of Rs. 487.118 million for the short payment of Federal Excise Duty along with default surcharge and penalty regarding the services rendered in respect of travel within Pakistan for the tax periods July 2014 to June 2015. The Group filed an appeal with CIR(A) against the DCIR order. CIR(A) vide order dated 07 August 2018 deleted the levy of penalty however maintained levy of default surcharge. The Group has filed an appeal against the CIR(A) order with ATIR.

l) As per order dated 28 October 2020, the tax department has raised demand of Rs. 975.447 million against FED regarding services provided or rendered in respect of air travel by passengers in exempt zone, international cargo, international excess baggage, international meal (Pakistan Post) and chartered flights (UN & Pakistan Army) is recoverable for want of evidence. Additionally, FED is also levied on courier services taxable under the provincial law for want of evidence. An appeal has been filed at CIR(A) against the said order.

m) As per order dated 07 June 2021, the tax department has raised the demand of Rs. 311.886 million along with penalty of Rs. 145.626 million and default surcharge of Rs. 15.639 million against short paid FED on inland carriage of goods by air and chartered flights and short payment of FED on passengers travelled by air based on comparison of data with PCAA. An appeal has been filed before the CIR(A) dated 08 July 2021. The hearing for the case was held on 19 November 2021 and was reserved for order.

n) As per order dated 12 August 2021, the Punjab tax department has raised demand of Rs. 100.455 million against short payment of withholding tax during the tax yearJanuary 2017, February 2017 and June 2017 to August 2018. An appeal has been filed against the said order. The hearing for the case has yet to be fixed.

The tax department issued an order dated 28 February 2022 and raised a demand of Rs. 483.576 million along with penalty of Rs. 24.179 million and default surcharge of Rs. 234.658 million pertaining mostly to short payment of Sales tax on services in Islamabad territory for the yearJanuary to December 2017. Group has filed an appeal to CIR(A) which is pending.

o) The tax department issued an order dated March 09, 2022 and levied penalty of Rs. 29.879 billion, pertaining to non-filing of sales tax and Federal Excise returns for the period February to April 2017 and Febuary 2020 to January 2021 and short payment of FED. The DCIR passed order on an exparte basis without considering the response of the Group. The Group filed an appeal to CIR(A) against which CIR(A) vide order no. STA/330/LTO/2021/42 dated 24 June 2022 has remanded back. The remand back proceedings were concluded by DCIR vide Order dated 12 December 2022 wherein the Officer repeated the earlier actions. The Group filed appeal before the CIR(A) against the Order of DCIR. CIR(A) dated 26 May 2023 passed order to remanded back the matter to the officer with strict directions. The CIR(A) in it's order did not adjudicate on the legal issues contested of the appeal.Thus, appeal has been filed before ATIR vide letter dated 24 July 2023 on the legal issues and is pending.

p) The tax department has issued an order dated 25 May 2022 and raised a penalty on late filing of return and delayed payment for July 2018 to June 2019 amounting to Rs. 330.990 million along with default surcharge of Rs. 114.590 million. The Group has filed an appeal to CIR(A) which is was decided against the Group. Group filed an appeal against the order passed by CIR(A) at ATIR which is decided in favor of the Group and annulled the order of CIR(A) on legal ground.

q) The Group has received a show cause notice from the ACIR, reference No. 10000221360388 dated 10 December 2024, requiring the provision of details for the purpose of an assessment under Section 122(5A) read with Section 122(5A). The Group's reply to this notice was filed vide our letter DT 2733 dated 09 January 2025. Subsequently, through an order dated 13 February 2025, the ACIR concluded the proceedings and determined a tax payable of Rs. 1,189.451 million. This includes a determined increase in minimum tax of Rs. 1,747.754 million. The Group is in the process of filing an application for the formation of an Alternative Dispute Resolution Committee to address this matter.

r) Based on consultation with tax / legal advisors on the above mentioned cases, the management believes that these cases will be decided in the favor of the Group. Accordingly, no provision has been made in these financial statements in this regard.

27.1.2 Other contingencies

a) The Competition Commission of Pakistan (CCP) vide its order dated 20 November 2009 has imposed a token penalty of Rs. 10 million on account of unreasonable increase in Hajj fare during the year 2008 as compared to Hajj season 2007. Further, on account of discrimination between Hajj passengers and regular passengers, the Group was directed to work out an amount of refund to be paid back to Hajis based on the difference of fare between regular passengers and short duration Hajis who flew during Hajj season 2008. The total amount of refund estimated by the Group is Rs. 417 million. The Group has filed appeals simultaneously in Lahore High Court and the Supreme Court of Pakistan. However, after the order of the Honourable Supreme Count in July, 2017, the appeal has been transferred to the Competition Appellate Tribunal, Islamabad. Management believes that both appeals will be decided in favour of the Group. Accordingly, no provision has been made in these consolidated financial statements in this regard.

b) As at 31 December 2025, Pakistan Civil Airport Authority (PAA) raised claims amounting to Rs. 280,480 million, out of which Rs. 131,927 million are not acknowledged by the Group. The disputed amounts primarily relate to late payment surcharge and interest charges that have not been accepted by the Group. The Group, in view of legal advice, expects a favourable outcome, accordingly, no provision has been recognized in these consolidated financial statements.

c) Various ex-employees of the Group have lodged claims against the Group for their dues specifically relating to their reinstatements aggregating to Rs. 5,580.982 million. The Group is contesting several litigations mainly relating to suits filed against it for unlawful termination of contracts, breach of contractual rights and obligations, non-performance of servicing stipulations due to negligence or otherwise. The management is of the view that these cases have no sound legal grounds and the Group does not expect these contingencies to materialise. Accordingly, no provision has been made in these consolidated financial statements against these claims amounting to Rs. 5,580.982 million.

27.2 Commitments

a) Commitments for capital expenditure amounted to Rs. 149.701 million.
b) Outstanding letters of guarantee amounted to Rs. 149.840 million.

28 REVENUE - net	2025	2024
	---------- (Rupees in '000)	----------
Passenger	187,901,320	184,018,710
Cargo	9,818,146	10,648,235
Excess baggage	1,617,020	1,182,768
Charter services	2,022,976	1,537,681
Engineering services	1,650,037	1,042,790
Room, food and beverages sales	23,150,841	32,926,446
Cancellation charges	3,287,585	3,009,444
Expired tickets	3,547,320	980,144
Others	4,374,455	4,306,118
	237,369,699	239,652,336
Less: Reclassified to discontinued operations	(211,660,652)	-
	25,709,046	239,652,337

28.1 The analysis of revenue by geographical segment is disclosed in note 42.2 of these consolidated financial statements.

Revenue by geographical segments	2025	2024
	---------- (Rupees in '000)	----------
Revenue analysis	27,176,770	38,984,624
USA and Canada	25,672,435	16,022,846
Europe asnd UK	56,752,981	51,963,930
Middle East asnd Africa	5,893,584	4,051,165
Asia (excluding Pakistan)	123,047,002	128,619,571
Pakistan	238,542,770	239,652,336

28.2	Gross revenue	Note	2025	2024
			--------- (Rupees in '000) ---------	
	Revenue		266,510,870	260,955,498
	Commission and discount		(6,055,019)	(8,119,692)
	Federal Excise Duty		(19,199,722)	(11,135,670)
	Provincial sales tax		(111,799)	(118,805)
	Foreign tax		(2,601,559)	(1,854,596)
	Net revenue		238,542,770	239,726,735

29 COST OF SERVICES

		Note	2025	2024
	Aircraft Fuel		67,812,445	75,586,032
	Others:			
	Salaries, wages and allowances		19,980,313	15,988,479
	Welfare and social security costs		1,380,473	1,628,714
	Retirement benefits	29.1	1,976,946	3,093,633
	Legal and professional charges		90,408	107,278
	Stores and spares consumed		6,082,380	2,167,057
	Maintenance and overhaul		18,399,671	17,520,499
	Flight equipment rental	29.2	14,106,105	7,959,479
	Landing and handling		29,699,910	29,425,969
	Passenger services		4,463,356	4,204,848
	Crew layover		3,520,164	3,411,272
	Food and beverages		454,720	418,989
	Utilities		130,177	165,061
	Communication		3,061,550	2,960,933
	Insurance		5,346,915	5,381,128
	Rent, rates and taxes		1,633,442	1,281,128
	Printing and stationery		413,636	228,904
	Depreciation	7.1	14,113,645	14,757,739
	Amortisation	8	4,411	6,619
	Others		3,257,348	1,622,999
			128,115,551	112,330,728
			195,927,996	187,916,760
	Less: reclassified to discontinued operations		(186,608,598)	-
			9,319,398	187,916,760

29.1 All investments out of provident fund have been made in accordance with the provision of Section 218 of the Companies Act, 2017 and the conditions specified thereunder

29.2 This represents lease payments classified under IFRS 16 as short term lease.

30	DISTRIBUTION COSTS	Note	2025	2024
			--------- (Rupees in '000) ---------	
	Salaries, wages and allowances		2,101,564	1,943,901
	Welfare and social security costs		172,717	203,776
	Retirement benefits		1,025,083	1,604,106
	Distribution and advertising expenses		3,478,787	3,583,645
	Legal and professional charges		160,725	190,716
	Repairs and maintenance		2,743	37,233
	Insurance		114,311	90,905
	Printing and stationery		229,053	149,924
	Communication		413,493	416,381
	Rent, rates and taxes		324,553	311,648
	Utilities		27,082	35,420
	Depreciation	7.1	44,631	40,842
	Others		850,378	888,003
			8,945,121	9,496,499
	Less: Reclassified to discontinued operations		(8,413,881)	-
			531,240	9,496,499

31 ADMINISTRATIVE EXPENSES	Note	2025	2024
		---------- (Rupees in '000) ----------	
Salaries, wages and allowances		6,808,403	7,231,751
Welfare and social security costs		255,368	303,798
Retirement benefits		4,573,966	4,323,823
Legal and professional charges		1,271,622	1,437,091
Insurance		260,090	182,016
Printing and stationery		38,447	29,749
Management fee	31.1	411,135	691,807
Municipal taxes		2,197,389	2,120,675
Rent, rates and taxes		910,225	987,527
Utilities		1,166,042	1,546,802
Remuneration of subsidiaries' auditors		-	4,932
Auditors' remuneration	31.2	92,697	40,000
Communication		57,655	60,386
Depreciation	7.1	1,693,356	1,887,116
Amortization	8	51,022	79,584
Donations	31.3	6,500	4,550
Others		4,543,885	4,993,777
		24,337,805	25,925,384
Less: reclassified to discontinued operations		(7,808,740)	-
		16,529,065	25,925,384

31.1 The break-up of management fee expense incurred during the year is set forth below:

	2025	2024
	---------- (Rupees in '000) ----------	
i) Interstate Hotels and Resorts Holding Company (IHC)	100,034	198,970
ii) ACCOR	311,101	492,837
	411,135	691,807

31.2 Auditors' remuneration

	2025	2024
Statutory audit / review fee	74,117	20,500
Special Audit Fee	12,000	12,000
Certificates and other services	3,380	5,000
Out of pocket	3,200	2,500
	92,697	40,000

31.3 Donations include payments aggregating Rs. 4.55 million to its Corporate Social Responsibility setup viz Al-Shifa Trust, situated at Terminal 2, Road, Karachi Airport, Pakistan in which the Chief Executive Officer of the Company (Mr. Amir Hayat) acts as a Trustee / Chairman. Besides this, none of the directors or their spouses have any interest in the donee.

32 OTHER EXPENSES	Note	2025	2024
		---------- (Rupees in '000) ----------	
Provision made for slow moving and obsolete spares		-	224,336
Allowance for expected credit loss:			
Trade debts		309,987	311,437
Other receivables		620,828	4,985
Long-term deposits		673,485	-
Advances		1,393,236	-
		2,997,534	316,422
Others		5,021,789	-
		8,019,324	540,758
Less: reclassified to discontinued operations	19	(8,019,324)	-
		-	540,758

		Note	2025	2024 (Restated)
			--------- (Rupees in '000)	---------
33	**OTHER INCOME**			
	Income from financial assets:			
	Profit on bank deposits		980,991	92,108
	Income from assets other than financial assets:			
	Gain on disposal of property, plant and equipment		6,470,401	4,029
	Liabilities no longer payable - written back		19,107,305	1,569,682
	Reversal of provision for slow moving and obsolete spares		2,179,521	-
	Remeasurement gain on investment property		-	960,581
	Rental income		158,247	183,143
	Insurance claim		5,619	324,195
	Others		3,132,548	1,068,540
			31,053,642	4,110,170
			32,034,633	4,202,278
	Less: Reclassified to discontinued operations	19	(14,004,578)	-
			18,030,055	4,202,278
34	**FINANCE COSTS**			
	Mark-up on:			
	long-term financing		53,227,610	58,208,637
	Lease liabilities		1,474,876	1,581,190
			54,702,486	59,789,827
	Effect of discounting		418,294	
	Bank charges		320,230	213,838
	Others		(78,205)	224,114
			55,362,806	60,227,779
	Less: reclassified to discontinued operations		(1,716,901)	-
			53,645,904	60,227,779
35	**TAXATION**			
	Current	35.3	4,968,846	4,328,638
	Deferred		141,711	(34,512,261)
			5,110,557	(30,183,623)

35.3 The tax charge for the current period is based on minimum tax on turnover under section 113 of Income Tax Ordinance 2001. Accordingly, no tax reconciliation is presented in these financial statements.

36 **LOSS PER SHARE - BASIC AND DILUTED**

The calculation of loss per share at December 31 is based on loss attributed to owners of ordinary shares of the Holding Company.

	2025	2024
Net loss for the year (Rupees in 000)	(237,052,029)	(14,426,343)
Weighted average number of ordinary shares outstanding	5,235,262,127	5,235,262,127
Loss attributable to:		
'A' class Ordinary share (Rupees)	(45.28)	(2.76)
'B' class Ordinary share (Rupees)	(22.64)	(1.38)

37 CASH GENERATED FROM OPERATIONS

	Note	2025	2024
		(Rupees in '000)	
Loss before levy and income tax		(229,831,766)	(43,993,306)
Adjustments for:			
Depreciation	29	4,760,407	16,716,900
Gain on disposal of property, plant and equipment	33	744,813	(3,826)
Exchange loss / (gain)	32	335,884	422,765
Remeasurement gain on investment property		-	(960,582)
Finance cost	34	55,014,151	61,877,417
Amortisation	34	129,554	125,278
Allowance for ECL		4,195,172	9,439,097
Restricted cash		-	3,026,987
Interest / Profit on loan / bank balances		(1,990,451)	(898,350)
Gain from discontinued Operations	19.4	193,212,724	-
Liabilities no longer payable - written back	33	(16,517,617)	-
		10,062,870	45,752,381
Working capital changes			
Stores and spares		39,896	(817,006)
Trade debts		(178,029)	3,679,136
Advances		98,042	(1,507,886)
Trade deposits and short term prepayments		-	2,158,028
Other receivables		6,108,521	(10,023,813)
Trade and other payables		(8,085,399)	(161,804)
		(2,016,970)	(7,373,295)
Cash generated from operations		8,035,900	38,379,086

38 REMUNERATION TO KEY MANAGEMENT PERSONNEL

	Chief Executive Officer		Directors		Executives	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in '000)					
Managerial remuneration	18,709	8,677	5,150	50,126	14,550	1,107,152
Company's contribution to provident fund	-	-	-	2,806	-	89,132
Flying allowance	-	-	-	-	-	1,117,837
House & rent allowance	-	-	-	-	-	487,359
Conveyance allowance	-	-	-	-	-	83,201
Others	-	-	-	101,726	-	71,515
Total	18,709	8,677	5,150	154,660	14,550	2,956,196

39 SEGMENT REPORTING

A business segment is a group of assets and operations engaged in providing products that are subject to risk and returns that are different from those of other business segments.

39.1

Type of segments	Nature of business
Aviation	This part of business is mainly engaged in the provision of commercial air transportation, engineering and allied services.
Hotel Services	This part of business is primarily engaged in operations relating to the Hotels, Restaurants and related services.
Others	It includes management of investments and also provision of reservation system services.

39.2 Information regarding the Group's operating segment is as follows:

	2025	2024
	(Rupees in '000)	
Revenue - net		
Aviation	211,660,652	204,164,462
Hotel Services	26,169,393	34,973,012
Others	712,724	652,085
Adjustments and eliminations due to inter-segment balances	-	(137,223)
	238,542,770	239,652,337
Cost of services		
Aviation	186,608,598	182,164,576
Hotel Services	9,226,995	7,010,292
Others	92,403	97,481
Adjustments and eliminations due to inter-segment balances	-	(1,355,588)
	195,927,996	187,916,760

Transaction between business segments are conducted on agreed basis in a manner similar to transactions between third parties. Segment revenue, segment expenses and segment results include transaction between business segments.

39.3 Revenue analysis

	Aviation		Hotel Operations		Others		Eliminations'/adjustments		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Ruppees in 000)									
Revenue										
External sales	211,660,652	204,164,462	26,169,393	34,973,012	712,724	652,085	-	-	238,542,770	239,789,559
Intersegment sales	-	-		-		-		(137,223)		(137,223)
Total revenue	211,660,652	204,164,462	26,169,393	34,973,012	712,724	652,085	-	(137,223)	238,542,770	239,652,336
Results										
Segment results	(17,465,027)	(52,765,423)	(9,397,869)	(8,860,782)	(49,192,525)	(46,065,453)	693,128	796,097	(75,362,293)	(106,895,561)
Interest expense	(1,716,901)	(10,065,675)	-5,031,224	(5,793,306)	(49,972,807)	(46,018,931)	1,212,690	1,650,135	(55,508,242)	(60,227,779)
Interest income	237,971	408,944	-	-	1,365,857	-	(519,561)	(854,036)	1,084,267	(445,094)
Income taxes	(4,686,804)	(30,792,525)	157,785	1,427,888	-582,538	4,326	-	-	(5,110,557)	(29,360,311)
Depreciation	(11,246,161)	(12,233,434)	(4,524,430)	(4,492,338)	(3,038)	(50,402)	-	-	(15,772,629)	(16,776,174)
Amortisation	(55,132)	(82,733)	-	(3,024)	-	(446)	-	-	(55,132)	(86,203)
Assets and liabilities										
Segment assets	190,583,928	187,287,659	247,146,122	238,583,646	81,653,646	90,118,801	(83,035,892)	(119,727,975)	436,347,803	396,262,131
Segment liabilities	180,766,571	183,733,512	106,002,231	71,476,127	763,616,315	730,713,311	(51,028,413)	(26,376,028)	999,356,704	959,545,922

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

40.1 Risk management framework

The Board of Directors has overall responsibility for the establishment and over sight of the Group's risk management framework. The executive management team is responsible for developing and monitoring the Group's risk management policies. The audit committee oversees compliance by management with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

40.2 Financial risks

The Group's activities expose it to a variety of financial risks as follows:

40.2.1 Credit risk

Credit risk is the risk of financial loss to the Group if one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economical, political or other conditions. As of 31 December 2025, the Group is exposed to such risk in respect of the following:

	2025	2024
	-------- (Rupees in '000) --------	
Other receivable	2,081,706	6,670,255
Derivatives	22,236	52,598
Long-term deposits and prepayments	5,761,410	6,807,309
Advances	5,664,079	7,198,823
Trade debts	14,306,287	13,005,316
Trade deposits	10,598,398	10,453,625
Bank balances	13,132,467	16,351,527
	51,566,583	60,539,453

The credit quality of bank balances can be assessed by reference to external credit ratings as follows:

	2025	2024
Bank balances	-------- (Rupees in '000) --------	
A1+	13,132,467	16,351,527

40.2.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group applies prudent liquidity risk management by maintaining sufficient bank balances and the availability of funding through committed credit facilities. The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Less than 3 months	3 to 12 months	More than 12 months	Above 5 years	Total
2025	----------	----------	(Rupees in '000)	----------	----------
Long-term financing	-	(901,737)	-	396,038,519	395,136,782
Lease liabilities	1,825,183	5,475,548	9,622,761	1,183,449	18,106,940
Trade and other payables	-	-	-	-	-
Accrued mark-up	-	8,882,592	17,817,367	60,709,340	87,409,299
	1,825,183	13,456,403	27,440,128	457,931,308	500,653,021

2024	Less than 3 months	3 to 12 months	More than 12 months	Above 5 years	Total
	(Rupees in '000)				
Long-term financing	-	3,132,440	12,529,759	358,854,586	374,516,785
Lease liabilities	1,878,622	5,635,866	14,338,730	-	21,853,218
Trade and other payables	-	-	-	-	-
Accrued mark-up	-	-	8,882,592	78,526,707	87,409,299
	1,878,622	8,768,306	35,751,081	437,381,293	483,779,302

40.2.3 Market risk

Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and comprise of the following:

i) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's long-term financing and lease liabilities at floating rates. The Group manages interest rate risk by maintaining arrangement with number of financial institutions to have access to the best possible rate, if financing from banks is require and also the Group has taken interest rate cap contracts to manage its exposure to interest rate risk. By use of these contracts the interest rates on variable rate debt have been capped to fixed rates. Management of the Company estimates that 1% increase / decrease in the market interest rate, with all other factors remaining constant, would decrease / increase the Group's loss before tax by Rs. 120.31 million.

ii) **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The Company is mainly exposed to such risk in respect of the long term investments, trade debts and advances.

Sensitivity analysis	**Change in exchange rates**	**2025**	**2024**
		(Rupees in '000)	
(Increase) / decrease in loss before tax due to:			
Change in USD rate	± 10%	3,711,833	3,711,833
Change in SAR rate	± 10%	5,440	5,440
Change in AED rate	± 10%	54,720	54,720
Change in GBP rate	± 10%	25,176	25,176

iii) **Equity price risk**

Equity price risk is the risk of loss arising from uncertainties about future values of investments securities movements in prices of equity investments. As of the reporting date, the Company is not materiality exposed to equity price risk.

40.3 Fair values of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction other than in a forced or liquidation sale. All the financial assets and liabilities are carried at amortized cost except investment in PIA Investments Limited and short term investments which are carried at FVOCI and FVTPL respectively (level 1).

The following table shows assets recognized at fair value, analyzed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;

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

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

40.4 Capital risk management

The primary objective of the Group's capital management is to ensure that it maintains capital ratios in order to support and sustain future development of its business operations and maximize shareholders' value. During the year, the Group has incurred a net loss and has negative gearing ratio. However, the mitigating factors to address the going concern status of the Group are disclosed in note 1.4.

The Group manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Group monitors capital using a debt equity ratio, which is net debt divided by total equity. Equity comprises of share capital, capital reserve and revenue reserves.

41 TRANSACTIONS WITH RELATED PARTY

41.1 Following are the related parties with whom the Group had entered into transactions or had agreements and / or arrangements in place during the year:

Name of Related Parties	Basis of Relationship
Government of Pakistan	Major Shareholder
Al-Shifa Trust	CSR Setup
Post Retirement Benefits	
PIA Main Pension Fund	Post Retirement Benefits
PIA PALPA Fund	Post Retirement Benefits
PIA FENA Fund	Post Retirement Benefits
UK Pension Fund	Post Retirement Benefits
Provident Fund	
PIA Provident Fund	Provident Fund
Profit oriented state controlled entities	
Pakistan State Oil Company Limited	State owned / controlled entities
Pakistan Civil Aviation Authority	State owned / controlled entities
National Bank of Pakistan	State owned / controlled entities
National Insurance Corporation Limited	State owned / controlled entities
Federal Board of Revenue	State owned / controlled entities
Key management personnel	
Amanullah Qureshi	Key management personnel
Amir Ali	Key management personnel
Amos Nadeem	Key management personnel
Maj Khuram Mushtaq	Key management personnel
AVM Muhammad Amir Hayat	Key management personnel
Syed Asif Gilani	Key management personnel
Nausherwan Adil	Key management personnel
AVM Meharyar saqib niazi	Key management personnel
Athar Hussain	Key management personnel

41.2 Related parties include associated entities, directors and their close family members and other key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

		2025	2024
		------- (Rupees in '000) --------	
Name of Related Parties and relationship with the Company			
Retirement funds	Contribution to provident fund and others	3,464,887	2,347,192
Management Fee Paid by ACCOR		519,211	489,837
Minhal France S.A. - Associate		-	396
Al-Shifa Trust		6,500	-
Net Commission Income		712,724	-
Receivable from Sabre APAC		189,666	-

The Federal Government of Pakistan directly and indirectly holds 92% of the Holding Company issued share capital and is entitled to appoint Directors under the Holding Company Act 2016, for the management of the affairs of the Group. The Group, therefore, considers that the GoP is in a position to exercise control over it and therefore, regards the GoP and its various bodies as related parties for the purpose of the disclosures in respect of related parties. The Group has availed exemption available to it under its reporting framework, and therefore has not provided detailed disclosures of its transactions with GoP related entities, except for transactions stated below, which the Group considers are significant:

Profit oriented state-controlled entities - common ownership

	2025	2024
	-------- (Rupees in '000) --------	
Pakistan State Oil (PSO)	38,235,437	42,316,115
Civil Aviation Authority (CAA)	17,451,142	10,838,947
National Insurance Company (NICL)	5,198,026	9,375
National Bank of Pakistan (NBP)	8,414,727	8,443,807
GoP - Major shareholder	17,988,326	20,446,914
Key Management Personnel	82,159	3,119,533

41.3 Details of balances held with aforementioned related parties excluding profit oriented state-controlled entities have been disclosed in respective notes.

Management has evaluated the significance of these conditions and has concluded that there is a reasonable expectation that the RHC can continue in operational existence for the foreseeable future.

42 SHARIAH DISCLOSURES

	2025	2024
	--------- (Rupees in '000) ---------	
Disclosure in relation to the Statement of Financial Position-Liability side		
Long-term financing as per islamic mode	52,614,062	56,110,884
Short-term borrowings as per islamic mode	N/A	N/A
Accrued markup on conventional financing	25,255,900	25,136,430
Disclosure in relation to the Statement of Financial Position-Asset side		
Long-term investments - shariah compliant	N/A	N/A
Short-term investments - shariah compliant	N/A	N/A
Bank balances - shariah compliant	-	3,188,856

	2025	2024
	(Rupees in '000)	
Disclosure in relation to the Statement of Profit or Loss		
Revenue earned from shariah compliant business	N/A	N/A
Profit earned from conventional loan	N/A	N/A
Unrealised gain on remeasurement of shariah compliant long term investments	N/A	N/A
Share of loss from shariah compliant joint venture	N/A	N/A
Exchange loss incurred on actual currency	37,008	15,316
Exchange gain earned using conventional derivative financial instruments	N/A	N/A
Profit paid on islamic mode of financing	51,059	339,810
Interest earned from conventional financing	5,782	4,012
Interest paid on conventional financing	28,093	15,460

Relationship with Shariah Compliant Financial Institutions:

Name:	Relationship:
Al Baraka Bank Pakistan Limited	Diminishing Musharaka
Faysal Bank Limited	Diminishing Musharaka
Meezan Bank Limited	Diminishing Musharaka
Pak China Investment	Diminishing Musharaka
Pak Kuwait Investment	Diminishing Musharaka
Bank Islami Pakistan Limited	Diminishing Musharaka
Habib Bank Limited - Islamic Banking	Diminishing Musharaka
Bank Mukarammah Limited (Summit Bank Ltd)	Sukuk Musharaka
Zarai Taraqiati Bank Limited	Sukuk Musharaka
Dawood Family Takaful Limited	Sukuk Musharaka
M.N. Textiles (Private) Ltd	Sukuk Musharaka
Pakistan Mobile Communication Ltd - Provident Fund	Sukuk Musharaka
DCCL - Trustee AKD Islamic Income Fund	Sukuk Musharaka
SSG LPG (Private) Ltd - Employees Gratuity Fund	Sukuk Musharaka
Arbisoft (Private) Limited - Employees Provident Fund	Sukuk Musharaka
HBL Islamic Asset Allocation Income Fund - Plan II	Sukuk Musharaka
SeaGold (Private) Ltd - Employees Provident Fund	Sukuk Musharaka
MCB Islamic Bank Limited	Sukuk Musharaka

43 NUMBER OF EMPLOYEES OF THE GROUP

	2025	2024
	(Number)	
Average number of employees during the year	6,697	7,755
Number of employees as at year end	6,492	7,547

44 GENERAL

All figures have been rounded off to the nearest thousand Pakistan Rupees unless otherwise stated.

45 CORRESPONDING FIGURES

Corresponding figures have been rearranged and regrouped, wherever necessary for the purpose of comparison and for better presentation.

46 AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company in their meeting held on 27th August 2026.

Chief Executive Officer

Director

Chief Financial Officer

Proxy Form
Annual General Meeting

I/We ______________________________________ of ______________________________________, being Member/Shareholder(s) of PIA Holding Company Limited, holder of ______________________________, Ordinary Share(s) as per Register Folio / CDC Account No.__________________________ hereby appoint Mr/Mrs./M/s. ____, having Folio / CDC Account No. ____________________________ as my/our proxy in my/our absence to attend and vote for me/us, and on my/our behalf at the 2nd Annual General Meeting of the company to be held on September 28, 2026 and at any adjournment thereof.

Signed this ____________ day of ____________2026.

Signature
(Affix Revenue Stamp of Appropriate Value)

Witness 1 ___________________________	Witness 2 ___________________________
Signature ___________________________	Signature ___________________________
Name ___________________________	Name ___________________________
CNIC # ___________________________	CNIC # ___________________________

NOTES:

1. This instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a corporation, either under the common seal or under the hand of an official or attorney so authorized. No person shall be appointed as a proxy who is not a member of the company qualified to vote, except that a corporation being a member may appoint a person who is not a member.

2. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default, the instrument of a proxy shall not be treated as valid.

3. CDC Shareholders or their Proxies should bring their original CNICs or Passports along with the Participant's ID Number and Account Number to facilitate their identification. A detailed procedure is given in the Notes to the Notice of AGM.

General Notes

Notes:

i. A member entitled to attend and vote at the meeting is entitled to appoint another person as his/her proxy to attend and vote.
ii. Proxies in order to be effective must be received at Company's registered address **4th Floor, PIA Building, 49-AKM Fazal-e-Haq Road, Blue Area, Islamabad, Pakistan** duly stamped and signed not less than 48 hours before the time of the meeting.
iii. For attending the meeting through electronic means (audio / video link), a proxy form shall be submitted along with the proxyholders' email address and mobile number.
iv. If any member appoints more than one proxy for any meeting and more than one instrument of the proxy is deposited with the Registrar or the Company, all such instruments of proxy shall be rendered invalid.

The shareholders will further have to follow the following guidelines for appointing proxies:

v. In case of individuals, the account holders or sub account holders and their registration details are uploaded as per the regulations, shall submit the proxy form as per the requirements mentioned below.
   a. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
   b. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
vi. In case of Government / corporate entities, the original or duly authenticated Board of Directors' resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the Government / corporate entity, shall be submitted along with proxy form to the Company's Share Registrar, not later than 48 hours before the time of the meeting.
vii. Proxy Form may also be downloaded from the Company's website i.e. www.piahcl.com.pk

عمومی نوٹس

نوٹس:

i. اجلاس میں شرکت اور ووٹ دینے کا اہل ممبر کسی دوسرے شخص کو اپنی جانب سے اجلاس میں شرکت اور ووٹ دینے کے لیے اپنا پراکسی مقرر کر سکتا ہے۔

ii. پراکسی کو مؤثر بنانے کے لیے، اسٹامپ شدہ اور دستخط شدہ پراکسی فارم کمپنی کے رجسٹرڈ پتے پر، **چوتھی منزل، پی آئی اے بلڈنگ، 49-اے کے ایم فضل الحق روڈ، بلیو ایریا اسلام آباد پاکستان**، اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل موصول ہونا ضروری ہے۔

iii. الیکٹرانک ذرائع (آڈیو/ویڈیو لنک) کے ذریعے اجلاس میں شرکت کے لیے پراکسی فارم کے ساتھ پراکسی ہولڈر کا ای میل ایڈریس اور موبائل نمبر بھی فراہم کرنا ہوگا۔

iv. اگر کوئی ممبر کسی اجلاس کے لیے ایک سے زیادہ پراکسی مقرر کرے اور پراکسی کی ایک سے زیادہ دستاویزات رجسٹرار یا کمپنی کے پاس جمع کرائے، تو ایسی تمام پراکسی دستاویزات ناقابل اعتبار اور کالعدم قرار دی جائیں گی۔

پراکسی مقرر کرنے کے لیے شیئرز ہولڈرز کو درج ذیل رہنما اصولوں پر بھی عمل کرنا ہوگا:

v. انفرادی افراد کی صورت میں، اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز، جن کی رجسٹریشن کی تفصیلات متعلقہ ضوابط کے مطابق اپ لوڈ کی گئی ہوں، درج ذیل تقاضوں کے مطابق پراکسی فارم جمع کرائیں گے۔

a. پراکسی فارم کی گواہی دو افراد سے کروانا ضروری ہے، جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہونا لازم ہیں۔

b. پراکسی فارم کے ساتھ کارآمد/درست کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول، جو حقیقی مستفید مالکان اور پراکسی کی ہوں، جمع کرانا ضروری ہے۔

vi. سرکاری اداروں/کارپوریٹ اداروں کی صورت میں، بورڈ آف ڈائریکٹرز کی اصل یا باقاعدہ تصدیق شدہ قرارداد/پاور آف اٹارنی، جس کے ساتھ حکومت/کارپوریٹ ادارے کی جانب سے نمائندگی اور ووٹ دینے کے لیے نامزد شخص کے نمونہ دستخط موجود ہوں، پراکسی فارم کے ساتھ کمپنی کے شیئرز رجسٹرار کے پاس اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل جمع کرانا ضروری ہے۔

vii. پراکسی فارم کمپنی کی ویب سائٹ www.piahcl.com.pk سے بھی ڈاؤن لوڈ کیا جا سکتا ہے۔

پراکسی فارم

سالانہ عام اجلاس

میں/ہم __________ ولد/مقیم __________، بحیثیت ممبر پی آئی اے ہولڈنگ کمپنی لمیٹڈ کے ممبر/شیئرز ہولڈر ہونے کی حیثیت سے، رجسٹر فولیو / سی ڈی سی اکاؤنٹ نمبر __________ کے مطابق میرے/ہمارے __________ عام حصص ہیں، بذریعہ ہذا جناب/محترمہ/ادارہ __________، جن کا فولیو / سی ڈی سی اکاؤنٹ نمبر __________ ہے، کو اپنا/ہمارا پراکسی مقرر کرتا/کرتے ہوں، تاکہ میری/ہماری غیر موجودگی میں، میری/ہماری جانب سے اور میرے/ہمارے حق میں، کمپنی کے دوسرے سالانہ عام اجلاس میں شرکت کریں اور ووٹ دیں، جو 28 ستمبر 2026 کو منعقد ہوگا، نیز اجلاس کے ملتوی ہونے کی صورت میں اس کے کسی بھی بعد کے اجلاس میں بھی میری/ہماری جانب سے شرکت اور ووٹ دے سکیں۔

دستخط (مناسب مالیت کا ریونیو اسٹمپ چسپاں کریں۔)

مورخہ __________ کے دن __________ 2026ء کو دستخط کیے گئے۔

گواہ نمبر 1:	__________	گواہ نمبر 2	__________
دستخط:	__________	دستخط:	__________
نام:	__________	نام:	__________
کمپیوٹرائزڈ قومی شناختی کارڈ:	__________	کمپیوٹرائزڈ قومی شناختی کارڈ:	__________

نوٹس:

1. نمائندہ مقرر کرنے کی یہ دستاویز تحریری ہونی چاہیے اور اس پر تقرری کرنے والے یا تحریری طور پر باقاعدہ مجاز اس کے وکیل کے دستخط ہونے چاہئیں؛ یا اگر تقرری کرنے والا کوئی کارپوریٹ ادارہ ہو، تو اس پر ادارے کی مہر ثبت ہونی چاہیے یا پھر اس کے کسی ایسے عہدیدار یا وکیل کے دستخط ہونے چاہئیں جو اس مقصد کے لیے مجاز ہو۔ کسی ایسے شخص کو بطور نمائندہ مقرر نہیں کیا جائے گا جو کمپنی کا ممبر نہ ہو اور جسے ووٹ دینے کا حق حاصل ہو؛ تاہم، اگر کوئی کارپوریٹ ادارہ کمپنی کا رکن ہو تو وہ کسی ایسے شخص کو بھی نمائندہ مقرر کر سکتا ہے جو کمپنی کا ممبر نہ ہو۔

2. نمائندہ مقرر کرنے کی دستاویز اور وہ پاور آف اٹارنی یا دیگر اختیار نامہ (اگر کوئی ہو) جس کے تحت اس پر دستخط کیے گئے ہوں، یا اس اختیار نامے کی نوٹری پبلک سے تصدیق شدہ نقل، کمپنی کے رجسٹرڈ آفس میں اجلاس منعقد ہونے کے مقررہ وقت سے کم از کم 48 (اڑتالیس) گھنٹے قبل جمع کرانا ضروری ہے، بصورت دیگر پراکسی کی دستاویز کو مؤثر/درست تصور نہیں کیا جائے گا۔

3. سی ڈی سی شیئرز ہولڈرز یا ان کے پراکسی اپنی شناخت کی سہولت کے لیے اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ، نیز پارٹیسپینٹ کا شناختی نمبر اور اکاؤنٹ نمبر ساتھ لائیں۔ تفصیلی طریقہ کار اے جی ایم کے نوٹس میں درج میں دیا گیا ہے۔

PIAHCL

PIA Holding Company Ltd.

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