PIAHCL

PIA Holding Company Ltd.

FIRST QUARTERLY REPORT 2026

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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.

CORPORATE PROFILE

As on Oct 15 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

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

DIRECTORS' REPORT

For the period ended March 31, 2026

The Board of Directors of PIA Holding Company Limited (PIAHCL) is pleased to present the unaudited financial results of the Company for the three months ended 31 March 2026, along with a review of its operations and financial performance. During the period under review, the Company reported a net loss of PKR 13,548 million, primarily attributable to significant finance costs amounting to PKR 12,983 million.

Total income for the period stood at PKR 470.5 million, mainly comprising:

- Interest income on loans to subsidiaries: PKR 118.9 million
- Interest income on bank deposits: PKR 134.8 million
- Rental Income from Investment properties: PKR 41.3 million
- Exchange Gain PKR 101.1 million
- Management Fee: from PIAIL PKR 74.4 million

The Company's capital structure remains highly leveraged due to carved out liabilities. As at 31 March 2026, the Company's total assets stood at PKR 77,603 million, compared to PKR 82,554 million as at 31 December 2025.

During the period:

- Government funding in the form of loan contributed towards increase in long-term financing,
- Finance costs remained high due to borrowings linked to Federal Government Notified rates, and SOFR-based rates.

Asad Rasool
Chief Executive Officer

Tariq Bajwa
Chairman

UNCONSOLIDATED FINANCIAL STATEMENTS

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	(Un-Audited) 31 March 2026	(Audited) 31 December 2025
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property Plant & Equipment	5	14,380	13,417
Investment property		9,855,643	9,855,643
Long-term investments	6	4,559,661	4,630,148
Other receivable		1,296,954	1,296,954
		15,726,638	15,796,162
CURRENT ASSETS			
Trade Debts	7	-	-
Loan to subsidiary - PIAIL		3,887,675	3,901,635
Other receivables	8	3,744,898	4,257,975
Bank balances	9	1,898,912	6,252,902
		9,531,485	14,412,512
Assets held for sale	10	52,345,120	52,345,120
TOTAL ASSETS		77,603,243	82,553,794
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		52,345,120	52,345,120
Reserves		(746,683,074)	(733,064,271)
		(694,337,954)	(680,719,151)
NON CURRENT LIABILITIES			
Long-term financing	11	440,762,976	408,406,359
Deferred liabilities		34,147,163	34,179,992
		474,910,139	442,586,351
CURRENT LIABILITIES			
Trade and other payables	12	188,053,641	193,606,622
Advance from subsidiaries	13	11,210,206	11,250,434
Accrued interest / mark-up	14	94,681,722	112,742,815
Provision for taxation		70,560	60,968
Current portion of long term financing		3,014,928	3,025,755
		297,031,058	320,686,594
Liabilities related to assets held for sale		-	-
TOTAL EQUITY AND LIABILITIES		77,603,243	82,553,794
CONTINGENCIES	15		

The annexed notes from 1 to 23 form an integral part of these special purpose financial statements.

Chief Executive Officer | **Director** | **Chief Financial Officer**

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD 01 JANUARY 2026 TO 31 MARCH 2026

	Note	(Un-Audited) For the period from 01 January 2026 to 31 March 2026	(Un-Audited) For the period from 01 January 2025 to 31 March 2025
		(Rupees in '000)	(Rupees in '000)
General and administrative expenses	17	(1,026,075)	(1,131,718)
Other income	16	470,502	294,860
Finance costs	18	(12,983,152)	(12,270,220)
Loss from continued operations		(13,538,725)	(13,107,078)
Loss from discountinued operations		-	(264,429)
Loss before taxation		(13,538,725)	(13,371,507)
Taxation		(9,591)	(9,262)
Net loss for the period		(13,548,316)	(13,380,769)
Loss per share - basic and diluted	19		
Loss attributable to:		--------(Rupees)------	---------(Rupees)-------
'A' class ordinary shares of Rs. 10/- each		(2.59)	(2.56)
'B' class ordinary shares of Rs. 5/- each		(1.29)	(1.28)

The annexed notes from 1 to 23 form an integral part of these special purpose financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 01 JANUARY 2026 TO 31 MARCH 2026

	(Un-Audited)	(Un-Audited)
	For the period from 1 January 2026 to 31 March 2026	For the period from 1 January 2025 to 31 March 2025
	(Rupees in '000)	(Rupees in '000)
Net loss for the period	**(13,548,316)**	(13,380,769)
Items not to be reclassified to profit or loss in subsequent periods		
Unrealised loss on revaluation of investments at FVOCI - net	**(70,488)**	-
Remeasurement (loss) / gain on employee benefit obligations - net of tax	**-**	-
Total comprehensive loss for the period	**(13,618,804)**	(13,380,769)

The annexed notes from 1 to 23 form an integral part of these special purpose financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 01 JANUARY 2026 TO 31 MARCH 2026

		Reserves					
	Share capital	Demerger reserve	Accumulated loss	Unrealised gain on revaluation of investments at FVOCI	Remeasurement gain / (loss) on employee benefit obligations	Total reserves	Total equity
	(Rupees in '000)						
Balance as at 01 January 2025 (Audited)	52,345,120	(653,528,337)	(47,535,240)	-	2,075,048	(698,988,528)	(646,643,408)
Loss for the period	-	-	(13,380,769)	-	-	(13,380,769)	(13,380,769)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	-	-	(13,380,769)	-	-	(13,380,769)	(13,380,769)
Balance as at 31 March 2025 (Un-Audited)	52,345,120	(653,528,337)	(60,916,009)	-	2,075,048	(712,369,297)	(660,024,177)
Balance as at 01 January 2026 (Audited)	**52,345,120**	**(653,528,337)**	**(80,348,418)**	**69,802**	**742,683**	**(733,064,270)**	**(680,719,150)**
Loss for the period			(13,548,316)	-	-	(13,548,316)	(13,548,316)
Other comprehensive income				(70,488)	-	(70,488)	(70,488)
Total comprehensive (loss) / income for the period	-	-	(13,548,316)	(70,488)	-	(13,618,804)	(13,618,804)
Balance as at 31 March 2026 (Un-Audited)	52,345,120	(653,528,337)	(93,896,734)	(686)	742,683	(746,683,074)	(694,337,954)

The annexed notes from 1 to 23 form an integral part of these special purpose financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOWS
FOR THE PERIOD 01 JANUARY 2026 TO 31 MARCH 2026

	(Un-Audited) For the period from 01 January 2026 to 31 March 2026	(Un-Audited) For the period from 01 January 2025 to 31 March 2025
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees in '000)	(Rupees in '000)
Loss before taxation	(13,538,725)	(13,371,507)
Adjustments for:		
Finance costs	13,033,127	12,270,220
Depreciation	465	-
Provision for retirement benefits	895,640	953,806
Loss from discontinued operations	-	264,429
Exchange loss-net	-	149,305
Exchange gain-net	(62,553)	-
	13,866,679	13,637,760
Working capital changes:		
Other receivables	491,020	7,074,033
Trade and other payables	(5,542,283)	(1,350,753)
	(5,051,263)	5,723,280
Net cash used in operations	(4,723,309)	5,989,533
Retirement benefits paid	(928,467)	-
Finance cost paid	(31,076,762)	(30,443,698)
Net cash used in operating activities	(36,728,538)	(24,454,165)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Assets	(1,427)	-
Proceeds from sale of assets	-	-
Cashflows used in Financing Activities	(1,427)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long Term Financing	(1,520,583)	-
Disbursements of Long Term Financing	33,896,558	30,662,541
Cashflows generated from Financing Activities	32,375,975	30,662,541
Increase in cash and cash equivalents during the period	(4,353,990)	6,208,376
Cash and cash equivalents at the start of the period	6,252,902	2,239,999
Cash and cash equivalents at end of the period	1,898,912	8,448,375

The annexed notes from 1 to 23 form an integral part of these special purpose 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 Company's Act, 2017 (the Act) 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 During the period, the Company incurred a net loss of Rs. 13,548 million and as of the reporting date, the current liabilities of the Company exceeded its current assets by Rs. 287,500 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, Pakistan International Airlines Corporation Limited (PIACL) completed a business restructuring exercise after obtaining approval from the Federal Government (FG), along with legal and regulatory approvals. In accordance with the Scheme, 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. 653,528.338 million were transfered to the Company.

2 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of International Accounting Standards (IAS 34) "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under this act and provisions of and directives issued under the Act. Where the provisions of and directives issued under the act differ with requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

3 BASIS OF PREPARATION

3.1 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements

3.2 These uncondolidated condensed interim financial statements are presented in Pakistani Rupees which is also Company's functional currency and all financial information presented has been rounded off to the nearest thousand ruppees, unless otherwise stated.

3.3 These are separate unconsolidated condensed interim financial statements of the Company in which investment in subsidiaries and associates are carried at cost less accumulated impairment loss, if any.

4 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, estimates, judgements used in these unconsolidated condensed interim financial statements are the same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2025.

5 PROPERTY AND EQIUPMENT

Description	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE
	As at 31 December 2025	Addition during the period	As at 31 March 2026	As at 31 December 2025	Charge for the period	As at 31 March 2026	As at 31 December 2025
	(Rupees in '000)						
Land - Amenity plots	5,794	-	5,794	-	-	-	5,794
Vehicles	7,067	-	7,067	(707)	(353.3)	(1,060)	6,007
Computer and office automation	1,291	473	1,764	(28)	(88)	(116)	1,648
Furniture, fixtures and fittings	-	495	495	-	(12)	(12)	483
Equipment	-	459	459	-	(11)	(11)	448
	14,152	1,427	15,579	(735)	(465)	(1,200)	14,380

		Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
			---------- (Rupees in '000) ----------	
6	**LONG-TERM INVESTMENTS**			
	At cost			
	Subsidiaries	6.1	4,415,712	4,415,712
	Minhal Incorporated - Associate	6.2	-	-
			4,415,712	4,415,712
	At FVOCI - quoted shares			
	Pakistan Services Limited (Shares 172,913 @ 832.49)		143,949	214,436
			4,559,661	4,630,149
6.1	**Subsidiaries**			
	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)
			-	-
	Pakistan International Airlines Corporation Limited		-	52,345,120
	PIA Investments Limited		4,415,712	4,415,712
			4,415,712	56,760,832
	Reclassified to Asset Held for Sale		-	(52,345,120)
			4,415,712	**4,415,712**
6.2	**Associate**			
	Minhal Incorporated		396	396
	Provision for impairment		(396)	(396)
			-	-
7	**TRADE DEBTS**			
	Considered doubtful		6,167,182	6,167,182
	Allowance for ECL		(6,167,182)	(6,167,182)
			-	-
8	**OTHER RECEIVABLES**			
	Considered good			
	Related Parties			
	Pakistan International Airlines Corporation Limited		18,886	258,456
	Minhal France S.A. (MFSA)		764,801	702,955
	Accrued interest on loan to PIAIL		2,455,132	2,345,820
	Current portion of receivable of PECPL		333,270	784,752
			3,572,089	4,091,983
	Financial institutions		108	41,008
	Others		172,701	124,984
			3,744,898	**4,257,975**
	Considered doubtful		542,607	542,607
	Provision for impairment		(542,607)	(542,607)
			-	-
			3,744,898	**4,257,975**

			31 March 2026	31 December 2025
			(Un-Audited)	(Audited)
9	**BANK BALANCES**		---------- (Rupees in '000) ----------	
	Current accounts		47	53
	Deposit account	9.1	1,898,865	6,252,794
	Cash in Hand		-	55
			1,898,912	6,252,902

9.1 This carries interest at the rate of 6% to 10.5% (2025: 7% to 9% per annum)

			31 March 2026	31 December 2025
10	**ASSETS AND LIABILITIES HELD FOR SALE / DISCONTINUED OPERATI**		(Unaudited)	(Audited)
		Note	---------- (Rupees in '000) ----------	
	Pakistan International Airlines Corporation Limited	10.1	52,345,120	52,345,120
			52,345,120	52,345,120

10.1 In accordance with the Scheme of Arrangement, Pakistan International Airlines Corporation Limited (PIACL) completed a business restructuring exercise after obtaining approval from the Federal Goverment (FG), along with legal and regulatory approvals. In accordance with the Scheme, 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. 653,528.338 million were transfered to the Company.

Further, During the quarter ending 31 March 2026, the Company enterred into a Share Purchase Agreement with Arif Habib led Consortium whereby, 75% 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.

11	**LONG-TERM FINANCING**			
	Borrowings			
	Financial institutions - secured		262,225,035	262,263,350
	Government of Pakistan - unsecured		175,041,119	142,646,187
			437,266,154	404,909,537
	Sukuk certificates		3,496,822	3,496,822
		11.1	440,762,976	408,406,359

11.1 The Terms and Conditions of long term financing remain the same as disclosed in annual audited financial statements for the year ended 31 December 2025.

12	**TRADE AND OTHER PAYABLES**		
	Related parties		
	Pakistan International Airlines Corporation Limited	5,890,900	11,512,445
	PIA Investment Limited	653,905	601,027
	Pakistan Airport Authority	148,793,647	148,793,647
	Pakistan State Oil Company Limited	23,762,400	23,762,400
	National Insurance Corporation Limited	-	-
	Payable to Financial Institutions	4,802	-
	PIACL - Provident Fund	8,893,593	8,893,593
		187,999,247	193,563,112
	Others	54,394	43,511
		188,053,641	193,606,622

		Note	31 March 2026 (Un-Audited)	31 December 2025 (Audited)
			(Rupees in '000)	
13	**ADVANCE FROM SUBSIDIARIES**			
	PIA Investment Limited		11,202,572	11,242,800
	Sabre Travel Network Pakistan (Private) Limited		7,634	7,634
			11,210,206	11,250,434
14	**ACCRUED INTEREST / MARK-UP**			
	Long term financing		89,391,194	107,586,591
	Advance from PIAIL		5,290,528	5,156,223
			94,681,722	112,742,814

15 CONTINGENCIES

There has been no material changes in the status of the contingencies as disclosed in the consolidated financial statements of PIACL for the period ended March 31,2025

		For the period from 01 January 2026 to 31 March 2026 (Un-Audited)	For the period from 01 January 2025 to 31 March 2025 (Un-Audited)
		(Rupees in '000)	
16	**OTHER INCOME**		
	Income from financial assets		
	Interest on:		
	Loan to PIAIL	118,856	137,832
	Bank balances	134,836	91,532
		253,692	229,365
	Income from non financial assets		
	Rental income	41,339	39,921
	Management fee	74,358	2,964
	Other Incomes	101,113	22,610
		216,810	65,495
		470,502	294,860
17	**GENERAL AND ADMINISTRATIVE EXPENSES**		
	Salaries and other benefits	19,994	4,674
	Retirement benefits	895,640	953,806
	Utilities	14	-
	Management fee	63,576	-
	Depreciation	465	-
	Exchange loss	39,585	171,913
	Other Expenses	6,801	1,324
		1,026,075	1,131,718
18	**FINANCE COSTS**		
	Mark-up / interest on :		
	Long term financing	12,877,423	12,098,054
	Advance from PIAIL	154,248	172,166
		13,031,671	12,270,220
	Effect of Discounting	(48,519)	-
		12,983,152	12,270,220

19 LOSS PER SHARE

Net loss for the period (Rupees in 000)	(13,548,316)	(13,380,769)
Weighted average number of ordinary shares	5,235,262,117	5,235,262,117
Loss attributable to:		
'A' class ordinary shares (Rupees)	(2.59)	(2.56)
'B' class ordinary shares (Rupees)	(1.29)	(1.28)

20 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial audited statements for the year ended 31 December 2025. There have been no changes in any risk management policies since the year end.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of financial assets and liabilities reflected in these unconsolidated condensed interim financial statements approximate their fair values. As of the reporting date, all financial instruments are carried at amortized cost except for investment property and certain investments as disclosed in note 4 which are carried at fair value. During the period, there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

21 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries, associates, profit oriented 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 of related parties	Basis of relationship	Nature of transaction	For the period from 01 January 2026 to 31 March 2026	For the period from 01 January 2025 to 31 March 2025
			(Rupees in '000)	
			(Un-Audited)	(Un-Audited)
PIA Investment Limited	Subsidiary	Interest Income	118,856	137,832
		Interest Expense	154,248	172,166
Pakistan International Airlines Corporation Limited	Subsidiary	Rental Income	17,924	39,921
		Payment	5,800,000	-
Minhal France S.A	Sub-Subsidiary	Management fee	74,358	2,964
Government of Pakistan	Major Shareholder	Finance cost	5,768,224	3,879,557
Government of Pakistan	Major Shareholder	Loan Proceeds	32,394,932	30,441,559
National Bank of Pakistan	Common ownership	Finance cost	1,834,968	1,735,926
State Life Insurance Company	Common ownership	Insurance Premium	103,750	-
Asad Rasool Amos Nadeem Athar Hussain Rao Muhammad Imran	Key management personnel	Salaries and allowances	7,646	4,674

22 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors in its meeting held on 15th October 2026

Chief Executive Officer | Director | Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

PIA HOLDING COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Note	(Un-Audited) March 31, 2026	(Audited) December 31, 2025
		--------- (Rupees in '000) ---------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	219,788,059	222,073,566
Investment property	6	5,801,451	5,801,451
Intangibles		9,541,798	9,612,203
Long-term investments	7	143,948	214,453
Other receivable		1,296,954	1,296,955
Long-term deposits and prepayments		129,546	132,201
		236,701,756	239,130,829
CURRENT ASSETS			
Stores and spares		26,564	28,390
Trade debts		760,215	663,731
Advances		-	412,620
Trade deposits and short-term prepayments		410,807	120,601
Other receivables		9,665,433	10,297,883
Cash and bank balances		3,452,105	7,834,092
		14,315,124	19,357,317
Assets held for sale	8	172,159,990	179,174,651
TOTAL ASSETS		423,176,870	437,662,797
EQUITY AND LIABILITIES	-		
SHARE CAPITAL AND RESERVES			
Authorized share capital		54,000,000	54,000,000
Issued, subscribed and paid-up share capital		52,345,120	52,345,120
Reserves		(818,246,015)	- 787,011,701
Surplus on revaluation of property, plant and equipment - net		150,036,263	150,331,271
Foreign translation reserve		15,199,960	-
Attributable to the Holding Company's shareholders		(600,664,672)	(584,335,310)
Non-controlling interest		7,369,467	7,441,894
		(593,295,205)	(576,893,416)
NON-CURRENT LIABILITIES			
Long-term financing		441,027,613	412,721,032
Lease liabilities		64,349	67,516
Long-term advances and deposits		117,934	118,357
Deferred taxation		39,606,047	39,807,074
Deferred liabilities		38,317,784	35,501,193
		519,133,727	488,215,172
CURRENT LIABILITIES			
Trade and other payables		195,241,328	191,802,028
Unclaimed dividend		65,633	65,634
Accrued mark-up		91,677,468	111,565,604
Taxation - net		415,961	413,989
Current maturities of non current liabilities		42,089,099	42,210,884
		329,489,489	346,058,139
		848,623,216	834,273,311
Liabilities related to assets held for sale	8	167,848,859	180,282,902
TOTAL EQUITY AND LIABILITIES		423,176,870	437,662,797
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 14 form an integral part of these consolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

PIA HOLDING COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THREE MONTHS ENDED MARCH 31, 2026

	Note	(Un-Audited) March 2026 (Rupees in '000) (Un-Audited)	(Un-Audited) March 2025 (Un-Audited)
Revenue - net	10	3,399,047	65,004,470
Cost of services			
Aircraft fuel		-	(18,479,678)
Others	10	(2,485,650)	(32,583,022)
		(2,485,650)	(51,062,700)
Gross profit		913,397	13,941,770
Distribution costs		(309,288)	(2,376,655)
Administrative expenses		(2,454,032)	(3,064,316)
Other provisions and adjustments - net		-	(660,629)
Other income - net		262,568	466,471
		(2,500,752)	(5,635,129)
Profit from operations		(1,587,355)	8,306,641
Exchange loss - net		-	(272,691)
Profit / (loss) before interest and taxation		(1,587,355)	8,033,950
Finance costs		(13,793,748)	(13,861,455)
Loss from continued operations		(15,381,103)	(5,827,505)
Loss from discountinued operations	8	1,545,291	(264,429)
Loss before levy and income tax		(13,835,812)	(6,091,934)
levy - minimum tax		(426,883)	(939,001)
Loss before income tax		(14,262,695)	(7,030,935)
Taxation		(654,123)	(1,309,393)
Loss for the period		(14,916,818)	(8,340,328)
Attributable to:			
Equity holders of the Holding Company		(14,914,345)	(8,331,523)
Non-controlling interest		(2,473)	(8,805)
		(14,916,818)	(8,340,328)
Loss per share - basic and diluted		---------- (Rupees in '000) ----------	
Loss attributable to:			
'A' class Ordinary shares of Rs.10 each		(2.85)	(1.59)
'B' class Ordinary shares of Rs. 5 each		(1.42)	(0.80)

The annexed notes from 1 to 14 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THREE MONTHS ENDED MARCH 31, 2026

	(Un-Audited) March 2026	(Un-Audited) March 2025
	(Rupees in '000)	
Loss for the year	(14,916,818)	(8,340,328)
Other comprehensive income		
Items that will be reclassified subsequently to consolidated statement of profit or loss		
Loss on re-measurement of derivative - net of tax	(15,620)	(14,400)
Exchange differences on translation of foreign operations	(681,792)	3,929,384
	(697,412)	3,914,984
Items that will not be reclassified subsequently to consolidated statement of profit or loss		
Unrealised gain on re-measurement of investments at FVOCI - net of tax	(70,488)	(13,478)
Revaluation reserve realized - net of tax	-	(389,541)
Remeasurement of post retirement defined benefits obligations	(776,482)	-
Effect of deferred tax	354,424	-
Surplus on revaluation of property, plant and equipment - net of tax	(393,344)	3,238,790
Related deferred tax	98,336	(809,698)
	(787,554)	2,026,073
Total other comprehensive income for the period	(1,484,966)	5,941,057
Total comprehensive loss for the period	(16,401,784)	(2,399,271)
Attributable to:		
Equity holders of the Holding Company	(16,329,357)	(2,718,579)
Non-controlling interest	(72,427)	319,308
	(16,401,784)	(2,399,271)

The annexed notes from 1 to 14 form an integral part of these consolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

PIA HOLDING COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THREE MONTHS ENDED MARCH 31, 2026

	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 remeasur-ement of investment at FVOCI	Foreign currency translation reserves	Actuarial gain / (loss) on defined benefit obligations	Non - controlling interest	Surplus on Revaluation of Property plant and equipment	Total
	(Rupees in '000)													
Balance as at January 01, 2025(Audited)	52,345,120	1,966,779	250,000	284,259	96,027	59,381	1,779,674	(774,617,896)	225,336	15,173,220	(8,762,428)	5,999,176	141,917,561	(563,283,791)
Total comprehensive income for the Period ended March 31, 2025:														
Loss for the period	-	-	-	-	-	-	-	(8,331,523)	-	-	-	(8,805)	-	(8,340,328)
Other comprehensive income / (loss)						(14,400)			(13,478)	3,840,678		328,113	1,800,145	5,941,057
Total comprehensive income / (loss) for the period	-	-	-	-	-	(14,400)	-	(8,331,523)	(13,478)	3,840,678	-	319,308	1,800,145	(2,399,270)
Balance as at March 31, 2025(Un-Audited)	52,345,120	1,966,779	250,000	284,259	96,027	44,981	1,779,674	(782,949,419)	211,858	19,013,898	(8,762,428)	6,318,484	143,717,706	(565,683,061)
Balance as at January 01, 2026(Audited)	**52,345,120**	**1,966,779**	**250,000**	**284,259**	**96,562**	**45,943**	**1,779,674**	**(796,891,041)**	**236,448**	**15,881,752**	**(10,662,082)**	**7,441,894**	**150,331,271**	**(576,893,421)**
Loss for the period	-	-	-	-	-	-	-	(14,914,345)	-	-	-	(2,473)	-	(14,916,818)
Other comprehensive income / (loss)					(1,469)	(14,151)		69,954	(70,488)	(681,792)	(422,058)	(69,954)	(295,008)	(1,484,966)
Total comprehensive income / (loss) for the period	-	-	-	-	(1,469)	(14,151)	-	(14,844,391)	(70,488)	(681,792)	(422,058)	(72,427)	(295,008)	(16,401,784)
Balance as at March 31, 2026(Un-Audited)	**52,345,120**	**1,966,779**	**250,000**	**284,259**	**95,093**	**31,792**	**1,779,674**	**(811,735,432)**	**165,960**	**15,199,960**	**(11,084,140)**	**7,369,467**	**150,036,263**	**(593,295,205)**

The annexed notes from 1 to 14 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

PIA HOLDING COMPANY LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THREE MONTHS ENDED MARCH 31, 2026

	Note	(Un-Audited) March 2026	(Un-Audited) March 2025
		(Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	4,253,371	9,549,628
Finance costs paid		(31,508,963)	(32,523,500)
Taxes paid		(332,599)	(25,772)
Staff retirement benefits paid		(1,173,552)	(454,264)
Long-term deposits and prepayments - net		435,599	(2,175,267)
Net cash generated from operating activities		(28,326,144)	(25,629,175)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,659,369)	(216,457)
Investments made		(206,646)	(226,765)
Restricted cash		(57)	(61,934)
Net cash used in investing activities		(4,866,072)	(505,156)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long-term financing		(1,639,513)	(109,329)
Proceeds from long-term financing		33,896,558	30,441,559
Repayments of lease liabilities		(2,173,173)	(2,158,583)
Net cash used in financing activities		30,083,872	28,173,647
Increase / (decrease) in cash and cash equivalents		(3,108,344)	2,039,316
Cash and cash equivalents at beginning of the period - Continued Operations		7,834,092	16,351,527
Cash and cash equivalents at beginning of the period - Discontinued Operations	8	5,499,433	-
Effects of exchange rate changes on cash and cash equivalents		(83,237)	830,676
Cash and cash equivalents at end of the period		10,141,944	19,221,519
Cash and cash equivalents at end of the period - Discontinued Operations	8	(6,689,839)	-
Cash and cash equivalents at end of the period - Continued Operations		3,452,105	19,221,519
Cash and cash equivalents			
Cash and bank balances		3,452,105	19,221,519

The annexed notes from 1 to 14 form an integral part of these consolidated financial statements.

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.

1.1.1 In accordance with the Scheme of Arrangement (SoA), PIACL completed a business restructuring exercise after obtaining approval from the Federal Government (FG), along with legal and regulatory approvals. The effective date of the SOA was 30 April 2024 and with effect from the said date the entire shareholding of PIACL was transferred to the Holding Company and PIACL became the wholly owned subsidiary of the Company. As a result of the restructuring of the PIACL's business, certain assets and liabilities were transferred to the Holding Company. The details of assets and liabilities transferred to the Holding Company and its consequential effect on the reserves of the Company as of 30 April 2024 are as follows:

	(Rupees in '000)
ASSETS	20,185,815
LIABILITIES	(673,714,153)
NET ASSETS (transferred to reserves under the Scheme)	(653,528,338)

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 March 2026.

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 March 2026.

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 unaudited consolidated financial statements for the quarter ended 31 March 2026.

1.2.3 Skyroom (Private) Limited (SRL)

SRL was incorporated on May 20, 1975 in Pakistan as a private limited Company under the Companies Act, 1913 (now Companies Act, 2017). The principal activity of SRL is to manage Airport Hotel, Karachi. The Holding Company's controlling interest in SRL is 100% as at 31 March 2026.

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 repealed Companies Ordinance, 1984 (now Companies Act, 2017). 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 March 2026.

1.3 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 March 2026. The Company as on 31 December 2024 is dormant and provision of impairment has been charged on the investment of the associate.

2 BASIS OF CONSOLIDATION

2.1 These consolidated condensed interim financial statements comprise the financial statements of the Holding Company and its subsidiaries as at 31 March 2026.

2.2 The condensed interim financial statements of the subsidiary companies have been consolidated on a line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves

2.3 Non-Controlling interest has been presented as a separate item in these consolidated condensed interim financial statements. All material intercompany balances have been eliminated.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

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

- International Accounting Standards (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and SOE Act 2023.

Where provisions of and directives issued under the Companies Act 2017 differ from the requirements under IAS 34, the provisions of and directives issued under the Companies Act 2017 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 COMPARATIVE FINANCIALS

These condensed interim financial statements of PIA Holding Company Limited for the quarter ended March 31, 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting.Comparative information in respect of the statement of financial position has been presented as at December 31, 2025, being the latest audited annual financial statements of the Company.

Accordingly, comparative information for the statement of profit or loss, statement of comprehensive income, statement of changes in equity, and statement of cash flows for the quarter ended March 31, 2025 has been presented.

		Note	March 31, 2026 (Un-Audited)	December 31, 2025 (Audited)
			--------- (Rupees in '000) ---------	
5	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets:			
	- owned	5.1	295,591,101	298,486,740
	- right of use asset	5.2	14,174,896	15,968,204
			309,765,997	314,454,944
	Capital work-in-progress		7,546,439	6,938,993
	Reclassified to Assets held for sale		(97,524,377)	(99,320,371)
			219,788,059	222,073,566
5.1	**Operating fixed assets - owned**			
	Opening net book value		298,519,430	289,738,363
	Additions during the period		663,889	13,682,767
	Transfers from CWIP		-	7,721,670
	Transfer to Investment Properties		-	(3,418,077)
	Depreciation		(3,592,218)	(8,854,129)
	translation adjustments		-	2,721,376
	Revaluation		-	1,420,877
	Disposals		-	(4,526,108)
	written off		-	
			295,591,101	298,486,739
	Reclassified to Asset held for sale		(75,881,860)	(76,527,362)
	Closing net book value		219,709,241	221,959,377
5.2	**Right of use assets**			
	Opening net book value		15,935,487	19,349,460
	Additions during the period		-	4,086,933
	Termination of Lease - cost		-	(25,342,789)
	Termination of Lease - Accumulated Depreciation		-	25,325,257
	Depreciation		(1,760,591)	(7,276,631)
			14,174,896	16,142,230
	Reclassified to Asset held for sale		(14,098,742)	(174,026)
	Closing net book value		76,154	15,968,204
5.2	**Capital work-in-progress**			
	Opening net book value		6,939,020	391,122
	Additions during the period		607,419	14,271,771
	Transfer to operating fixed assets		-	(7,723,900)
	Write-off during the period		-	-
			7,546,439	6,938,993
	Reclassified to Asset held for sale		(7,543,775)	(6,936,356)
	Closing net book value		2,664	2,637

6	**INVESTMENT PROPERTY**	**Land**	**Building**	**Total**
		---------- (Rupees in '000) ----------		
	Period ended March 31, 2026(Un-Audited)			
	Balance at beginning of the period	5,051,952	1,490,964	6,542,916
	Reclassification from PPE	-	-	-
	Gain on revaluation during the period	-	-	-
	Reclassified to Asset held for sale	(226,828)	(514,637)	(741,465)
	Balance at end of the period	**4,825,124**	**976,328**	**5,801,451**

Year ended December 31, 2025(Audited)	Land	Building	Total
	---------- (Rupees in '000) ----------		
Balance at beginning of the period	2,516,455	754,998	3,271,453
Reclassification from PPE	33,823	68,716	102,539
Gain on revaluation during the period	2,501,674	667,251	3,168,924
Reclassified to Asset held for sale	(226,828)	(514,637)	(741,465)
Balance at end of the period	**4,825,124**	**976,327**	**5,801,451**

7 LONG TERM INVESTMENTS	March 31, 2026 (Un-Audited)	December 31, 2025 (Audited)
	--------- (Rupees in '000) ---------	
Investment in related party		
Pakistan Services Limited	**143,948**	**214,436**

8 ASSETS AND LIABILITIES HELD FOR SALE / DISCONTINUED OPERATIONS

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

	Note	PIACL Mar-26 (Un-Audited)	PIACL Dec-25 (Audited)
		------- (Rupees in '000) ----------	
Assets			
Property and equipment		**97,524,377**	99,320,371
Investment Property		**741,465**	741,465
Intangibles		**76,317**	87,176
Deferred Taxation		**29,657,164**	29,886,997
Long Term Deposits & Prepayments		**5,167,582**	5,629,209
Stores and spares		**6,210,687**	5,999,027
Trade Debts		**7,392,499**	13,642,557
Advances		**4,350,343**	5,251,458
Trade Deposits and Short term prepayment		**10,497,165**	10,477,797
Other receivables		**3,852,552**	2,639,161
Cash and Bank		**6,689,839**	5,499,433
		172,159,990	179,174,651
Liabilities			
Lease liabilities		**9,164,895**	10,806,210
Deferred liabilities		**30,897,739**	29,527,275
Trade and other payables		**105,387,924**	117,766,151
Taxation - net		**8,391,034**	7,882,537
Short-term borrowings		**7,000,000**	7,000,000
Current maturity of non-current liabilities		**7,007,267**	7,300,730
		167,848,859	180,282,902
Net liabilities		**4,311,131**	(1,108,252)

8.2 During the period, 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.

8.3 During the period, income and expenses related to asset held for sale and discountinued operations are as follows:

	PIACL		PECPL	
	For the period from 01 January 2026 to 31 March 2026	For the period from 01 January 2025 to 31 March 2025	**For the period from 01 January 2026 to 31 March 2026**	For the period from 01 January 2025 to 31 March 2025
	(Un-Audited)	(Un-Audited)	**(Un-Audited)**	(Un-Audited)
	---------- (Rupees in '000) ----------		---------- (Rupees in '000) ----------	
Revenue - net	**56,850,708**	-	-	-
Cost of Services	**(51,000,188)**	-	-	-
Distribution Cost	**(2,309,756)**	-	-	-
Adiministrative Expenses	**(1,926,282)**	-	-	(340,250)
Other Expenses	-	-	-	-
Other Income	**1,118,499**	-	-	75,821
Finance Cost	**(463,233)**	-	-	-
Exchange loss	**(724,457)**	-	-	-
Taxation	-	-	-	-
Net Profit / (loss) during the period	**1,545,291**	-	-	(264,429)
Sale consideration	-	-	-	-
Net liabilities	-	-	-	-
Gain on disposal of discontinued operations	-	-	-	-
	1,545,291	-	-	(264,429)

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

	PIACL		PECPL	
	For the period from 01 January 2026 to 31 March 2026	For the period from 01 January 2025 to 31 March 2025	**For the period from 01 January 2026 to 31 March 2026**	For the period from 01 January 2025 to 31 March 2025
	(Un-Audited)	(Un-Audited)	**(Un-Audited)**	(Un-Audited)
	---------- (Rupees in '000) ----------		---------- (Rupees in '000) ----------	
Net cash generated from operations	**4,601,431**	-	-	353,122

9 CONTINGENCIES AND COMMITMENTS

There has been no material changes in the status of the contingencies as disclosed in the consolidated financial statements of PIAHCL for the year ended December 31,2025.

10 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

10.1 Type of Segment	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

10.2 Information regarding the Group's operating segments is as follows:

	March 31, 2026 (Un-Audited) (Rupees in '000)	March 31, 2025 (Un-Audited) (Rupees in '000)
REVENUE - NET		
Aviation	56,850,708	56,901,906
Hotel Services	114,940	7,950,271
Others	3,398,651	230,387
Adjustments and eliminations due to inter-segment balances	(114,544)	(78,095)
	60,249,755	65,004,470
Less: Reclassified to discontinued operations	(56,850,708)	-
	3,399,047	65,004,470
COST OF SERVICES		
Aviation	(20,179,454)	46,378,647
Hotel Services	109,863	5,031,724
Others	(3,023,109)	105,810
Adjustments and eliminations due to inter-segment balances	427,596	(453,481)
	(22,665,104)	51,062,700
Less: Reclassified to discontinued operations	20,179,454	-
	(2,485,650)	51,062,700

11 OPERATING CASHFLOWS

Profit / (Loss) before Levy and Income tax	(13,835,812)	(6,091,934)
Adjustments for:		
Depreciation	7,615,304	2,783,409
Amortisation of intangibles	10,847	13,985
Provision for sindh sales tax	-	817
Provision for slow moving stores and spares	-	93,473
Provision for expected credit loss	(559,539)	288,849
Provision for employee benefits	2,426,093	1,311,313
Provision for redelievery cost	-	278,270
Finance cost	14,717,396	11,808,272
Loss from discontinued operations	-	201,995
Unrealised exchange (gain) / loss	(619,180)	569,278
Profit on bank deposits	-	(152,621)
	9,755,109	11,105,106
Working capital changes		
(Increase) / decrease in stores and spares	(209,890)	(541,897)
(Increase) in trade debts	6,945,997	3,315,487
(Increase) in taxation	-	(15,685)
(Increase) / decrease in advances	903,943	(2,304,401)
(Increase) in trade deposits and prepayments		(64,755)
(Increase) / decrease in other receivables	4,629,401	4,086,798
(decrease) / Increase in trade and other payables	(17,771,189)	(6,031,024)
	(5,501,738)	(1,555,478)
Net Cash generated from operating activities	4,253,371	9,549,628

12 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks including market risk, currency risk, interest rate risk, other price risk, credit risk and liquidity risk.

These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual consolidated financial statements and should be read in conjunction with the Company's annual consolidated financial statements as at December 31, 2025. There have been no changes in any risk management policies since the year end.

13 TRANSACTIONS WITH RELATED PARTY

13.1 Following are the related parties with whom the Company had entered into transactions or had agreements and / or arrangements in place during

Name of Related Parties	Direct Shareholding	Relationship
Government of Pakistan	96%	Major Shareholder
Profit oriented state controlled entities		
National Bank of Pakistan	-	State owned / controlled entities
State Life Insurance Company	-	State owned / controlled entities
Key management personnel		
Asad Rasool	-	Key management personnel
Amos Nadeem	-	Key management personnel
Athar Hussain	-	Key management personnel
Rao M Imran	-	Key management personnel

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

Name of Related Parties and relationship with the Company

Name of related parties	Basis of relationship	Nature of transaction	For the period from 01 January 2026 to 31 March 2026 (Rupees in '000) (Un-Audited)	For the period from 01 January 2025 to 31 March 2025 (Rupees in '000) (Un-Audited)
Government of Pakistan	Major Shareholder	Finance Cost	5,768,224	3,879,557
Government of Pakistan	Major Shareholder	Loan Proceeds	32,394,932	30,441,559
National Bank of Pakistan	Common Ownership	Finance Cost	1,834,968	1,735,926
State Life Insurance Company	Common Ownership	Insurance Premium	103,750	-
Asad Rasool Amos Nadeem Athar Hussain Rao Muhammad Imran	Key Management Personnel	Salaries and Allowances	7,646	4,674

14 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors in its meeting held on 15th October 2026

Chief Executive Officer | Director | Chief Financial Officer