PIAHCL

PIA Holding Company Ltd.

2025

HALF YEARLY

REPORT

www.piahcl.com.pk

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.

CORPORATE PROFILE

As at May 08, 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 Amos Nadeem
Chief Financial Officer

Rao Muhammad Imran
Company Secretary

EXTERNAL AUDITOR

Grant Thornton Anjum Rahman
(Chartered Accountants)

LEGAL ADVISOR

Hafeez Pirzada Farooq, Khan & Mirza (HPFKM)

BANKERS

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

SHARE REGISTRAR

CDC Shares Registrar Services Limited (CDCSRSL)
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: 0092-21-111111500
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

Liaison Office Address
Company Secretary - PIAHCL
1st Floor, Executive Corridor, PIA Head Office, Karachi-Airport, Pakistan

SUBSIDIARIES

Pakistan International Airlines Corporation Limited (PIACL)

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 June 30, 2025

The Board of Directors of PIA Holding Company Limited (PIAHCL) is pleased to present the unconsolidated condensed interim financial statements of the Company for the half year ended 30 June, 2025. These financial statements have been reviewed by the external auditors in accordance with the applicable regulatory requirements. The accompanying report provides an overview of the Company's financial performance and operational activities during the period under review.

During the period under review, the Company reported a net loss of PKR 21,760.2 million, compared to a loss of PKR 4,045.8 million in the corresponding period last year.

The loss is primarily attributable to finance costs of PKR 24,957.9 million, reflecting the Company's leveraged capital structure

Total income increased to PKR 1,222.2 million, primarily driven by the recognition of a write-back of liabilities amounting to PKR 558.8 million. These liabilities were derecognized during the period due to the absence of sufficient corroborative evidence supporting their existence. Additionally, the Company recognized a gain on disposal of PEC amounting to PKR 5,097.1 million, partially offsetting the overall loss.

The external auditors, in their review report on the condensed interim financial statements, have expressed a qualified conclusion in respect of the transfer of assets and liabilities of PEC to PECPL, specifically relating to the availability of sufficient appropriate evidence to substantiate the gain recognized on such transfer.

Management would like to clarify that the said transfer was undertaken in accordance with the approved scheme of arrangement. The gain recognized on transfer has been determined based on management's assessment of the fair value of assets and liabilities transferred, supported by internal evaluations and available documentation at the time.

As at 30 June 2025, total assets of the Company stood at PKR 85,340.3 million, compared to PKR 83,442.8 million as at 31 December 2024.

- Long-term financing increased by approximately PKR 30.4 billion, reflecting continued support from the Government of Pakistan
- Finance costs remained elevated due to borrowings linked to KIBOR and SOFR-based benchmarks

The Company continues to manage significant obligations, including payables related to pensions, medical, and other legacy liabilities.

Asad Rasool
Chief Executive Officer

Tariq Bajwa
Chairman

May 08, 2026
Islamabad

ڈائریکٹرز کی رپورٹ

برائے مدت ختم شدہ 30 جون، 2025

بورڈ آف ڈائریکٹران، پی آئی اے ہولڈنگ کمپنی لمیٹڈ (PIAHCL) ، نہایت مسرت کے ساتھ 30 جون 2025 کو ختم ہونے والی ششماہی مدت کے لیے کمپنی کے مختصر عبوری مالی گوشوارہ پیش کر رہا ہے۔ یہ مالی وگوشوارہ متعلقہ ضابطہ جاتی تقاضوں کے مطابق بیرونی آڈیٹرز سے نظرِ ثانی شدہ ہیں۔ ہمراہ رپورٹ میں زیرِ جائزہ مدت کے دوران کمپنی کی مالی کارکردگی اور عملی سرگرمیوں کا جامع جائزہ پیش کیا گیا ہے۔

زیرِ جائزہ مدت کے دوران کمپنی کو 21,760.2 ملین روپے کا خالص نقصان برداشت کرنا پڑا، جبکہ گزشتہ سال کی اسی مدت میں یہ نقصان 4,045.8 ملین روپے تھا۔

یہ نقصان بنیادی طور پر 24,957.9 ملین روپے کے مالیاتی اخراجات کے باعث ہوا، جو کمپنی کے قرض پر مبنی مالی ڈھانچے کی عکاسی کرتے ہیں۔

کمپنی کی مجموعی آمدن بڑھ کر 1,222.2 ملین روپے ہو گئی، جس کی بنیادی وجہ 558.8 ملین روپے کی واجبات کی واپسی (write-back) کو تسلیم کرنا ہے۔ مذکورہ واجبات اس بنیاد پر ختم کئے گئے کہ ان کے وجود کے حق میں مناسب اور قابلِ تصدیق شواہد دستیاب نہ تھے۔ مزید برآں، کمپنی نے پریسیژن انجینئرنگ کمپلیکس کی فروخت پر 5,097.1 ملین روپے کا منافع بھی حاصل کیا، جس نے مجموعی نقصان کو جزوی طور پر کم کرنے میں مدد دی۔

بیرونی آڈیٹرز نے مختصر عبوری مالی بیانات پر اپنی جائزہ رپورٹ میں پریسیژن انجینئرنگ کمپلیکس سے پریسیژن انجینئرنگ کمپلیکس پرائیویٹ لمیٹڈ کو اثاثہ جات اور واجبات کی منتقلی کے حوالے سے مشروط نتیجہ ظاہر کیا ہے، بالخصوص اس منتقلی پر حاصل شدہ منافع کے لیے مناسب شواہد کی دستیابی کے تناظر میں۔

انتظامیہ اس امر کی وضاحت کرتی ہے کہ مذکورہ منتقلی منظور شدہ اسکیم آف ارینجمنٹ کے مطابق عمل میں لائی گئی۔ اس منتقلی پر حاصل شدہ منافع کا تعین انتظامیہ کی جانب سے منتقل شدہ اثاثہ جات اور واجبات کی منصفانہ قدر کے تخمینے کی بنیاد پر کیا گیا، جس کی تائید اس وقت دستیاب داخلی جائزوں اور دستاویزی شواہد کی بنیاد پر کی گئی۔

30 جون 2025 تک کمپنی کے مجموعی اثاثہ جات 85,340.3 ملین روپے رہے، جبکہ 31 دسمبر 2024 کو یہ 83,442.8 ملین روپے تھے۔

- طویل مدتی فنانسنگ میں تقریباً 30.4 ارب روپے کا اضافہ ہوا، جو حکومتِ پاکستان کی مسلسل معاونت کا مظہر ہے۔
- مالیاتی اخراجات بدستور بلند سطح پر برقرار رہے، جس کی بنیادی وجہ کراچی انٹربینک آفر ریٹ اور سیکیور اوورنائٹ فنانسنگ ریٹ سے منسلک قرضہ جات ہیں۔

کمپنی بدستور اہم واجبات کا مؤثر انتظام کر رہی ہے، جن میں پنشن، طبی سہولیات اور دیگر سابقہ ذمہ داریوں سے متعلق ادائیگیاں شامل ہیں۔

اسد رسول
چیف ایگزیکٹو آفیسر

طارق باجوہ
چیئرمین

08 مئی 2026
اسلام آباد

AUDITORS' REVIEW REPORT

GrantThornton

INDEPENDENT AUDITORS' REVIEW REPORT

Grant Thornton Anjum Rahman
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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To the members of PIA Holding Company Limited

Report on review of unconsolidated condensed interim financial statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of PIA Holding Company Limited (the Company) as at 30 June 2025 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, unconsolidated condensed interim statement of changes in equity and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

As disclosed in note 8 to the unconsolidated condensed interim financial statements, the Company has transferred assets and liabilities relating to Precision Engineering Complex (PEC) to Precision Engineering Complex (Private) Limited (PECPL). The said transaction resulted in net gain on discontinued operations of Rs. 5,097.141 million. Further, during the period, the Company incurred a net loss of Rs. 429.933 million in respect of PEC operations. However, for the purposes of our review, 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 of the above PEC transactions.

Qualified conclusion

Except for the adjustments to the unconsolidated condensed interim financial statements that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

As disclosed in note 1.2 to the unconsolidated condensed interim financial statements, the Government of Pakistan has confirmed to extend maximum financial support to the Company to maintain its going concern status. Hence, the sustainability of the future operations of the Company is dependent on the said support.

As disclosed in note 13 to the unconsolidated condensed interim financial statements, 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 condensed interim financial statement.

Our conclusion is not modified in respect of these matters.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Khalid Aziz.

Chartered Accountants

Karachi
Date: May 22, 2026

UDIN: RR202510154aKsMHP0dk

UNCONSOLIDATED FINANCIAL STATEMENTS

UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT JUNE 30, 2025

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
		---------- (Rupees in '000) ----------	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment - land		5,839	5,839
Investment property		10,600,975	10,600,975
Long-term investments	4	4,560,346	56,905,466
		15,167,160	67,512,280
CURRENT ASSETS			
Trade Debts	5	-	-
Loan to PIA Investment Limited		3,952,554	3,879,803
Other receivables	6	4,275,546	9,286,060
Bank balances	7	9,599,905	2,239,999
		17,828,005	15,405,861
Assets held for sale	8	52,345,120	524,629
TOTAL ASSETS		85,340,285	83,442,772
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		52,345,120	52,345,120
Reserves		(721,213,238)	(698,988,529)
		(668,868,118)	(646,643,409)
NON CURRENT LIABILITIES			
Long-term financing	9	406,318,389	374,516,785
Deferred liabilities		32,730,328	31,945,356
		439,048,717	406,462,141
CURRENT LIABILITIES			
Trade and other payables	10	195,222,245	194,817,420
Advance from subsidiaries	11	11,396,582	11,187,297
Taxation - net		42,801	24,242
Accrued mark-up	12	105,432,971	111,459,188
Current portion of long-term financing	9	3,065,087	3,132,440
		315,159,686	320,620,587
Liabilities related to assets held for sale	8	-	3,003,452
TOTAL EQUITY AND LIABILITIES		85,340,285	83,442,772
CONTINGENCIES	13		

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer	Director	Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (UNAUDITED)
AS AT JUNE 30, 2025

	Note	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024	For the period from 01 April 2025 to 30 June 2025	For the period from 01 April 2024 to 30 June 2024
		------------------------------ (Rupees in '000) ------------------------------			
General and administrative expenses		**(2,483,315)**	(983,787)	**(1,351,597)**	(983,787)
Other income		**1,222,235**	15,758	**927,375**	15,758
Finance costs	14	**(24,957,959)**	(3,077,796)	**(12,687,740)**	(3,077,796)
Loss from continued operations		**(26,219,039)**	(4,045,825)	**(13,111,962)**	(4,045,825)
Gain from discontinued operations	8.2.2	**4,667,208**	-	**4,931,637**	-
Loss before taxation		**(21,551,831)**	(4,045,825)	**(8,180,325)**	(4,045,825)
Taxation	15	**(208,319)**	-	**(199,057)**	-
Net loss for the period		**(21,760,150)**	(4,045,825)	**(8,379,382)**	(4,045,825)
Loss per share - basic and diluted					
Loss attributable to:		------------ (Rupees) ------------			
'A' class ordinary shares of Rs. 10/- each		**(4.16)**	(0.77)	**(1.60)**	(0.77)
'B' class ordinary shares of Rs. 5/- each		**(2.08)**	(0.39)	**(0.80)**	(0.39)

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

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

UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
AS AT JUNE 30, 2025

	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024	For the period from 01 April 2025 to 30 June 2025	For the period from 01 April 2024 to 30 June 2024
	(Rupees in '000)			
Net loss for the period	**(21,760,150)**	(4,045,825)	**(8,379,382)**	(4,045,825)
Items that will not be reclassified subsequently to statement of profit or loss				
gain from discontinued operations benefit obligations - net of tax	**(464,559)**	-	**(464,559)**	-
Total comprehensive loss for the period	**(22,224,709)**	(4,045,825)	**(8,843,941)**	(4,045,825)

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

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

UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
AS AT JUNE 30, 2025

	Share capital	Reserves				Total equity
		Demerger reserve	Accumulated loss	Remeasurement gain on employee benefit obligations	Total reserves	
	(Rupees in '000)					
Balance as at 01 May 2024	-	-	-	-	-	-
Ordinary shares under the Scheme	52,345,120	-	-	-	-	52,345,120
gain from discontinued operations	-	(653,528,337)	-	-	(653,528,337)	(653,528,337)
Total comprehensive loss for the period	-	-	(4,045,825)	-	(4,045,825)	(4,045,825)
Balance as at 30 June 2024	52,345,120	(653,528,337)	(4,045,825)	-	(657,574,162)	(605,229,042)
Balance as at 01 January 2025	**52,345,120**	**(653,528,337)**	**(47,535,240)**	**2,075,048**	**(698,988,529)**	**(646,643,409)**
Total comprehensive loss for the period	-	-	**(21,760,150)**	**(464,559)**	**(22,224,709)**	**(22,224,709)**
Balance as at 30 June 2025	**52,345,120**	**(653,528,337)**	**(69,295,390)**	**1,610,489**	**(721,213,238)**	**(668,868,118)**

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

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

UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF CASH FLOWS (UNAUDITED)
AS AT JUNE 30, 2025

	Note	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
CASH FLOWS FROM OPERATING ACTIVITIES		---------- (Rupees in '000) ----------	
Net loss for the period		(21,551,831)	(4,045,825)
Adjustments for:			
Depreciation		-	145,983
Finance costs	14	24,957,959	3,077,796
Loss from discontinued operations	8.2.2	(4,667,208)	-
Provision for retirement benefits		1,907,612	-
Liabilities written off -net		(543,792)	-
Exchange loss - net		466,814	-
		22,121,385	3,223,779
Working capital changes:			
Other receivables		5,010,514	(15,758)
Trade and other payables		423,313	835,797
		5,433,828	820,039
Finance costs paid		(30,445,079)	-
Net cash used in operating activities		(24,441,699)	(2,007)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing		31,801,605	-
Increase in cash and cash equivalents during the period		7,359,906	(2,007)
Cash and cash equivalents at the beginning of the period		2,239,999	41,470
Cash and cash equivalents at the end of the period		9,599,905	39,463

The annexed notes from 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

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

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2025

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. 21,760.150 million and as of the reporting date, the current liabilities of the Company exceeded its current assets by Rs. 297,331.681 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 condensed interim financial statements are prepared on a going concern basis.

2 BASIS OF PREPARATION

2.1 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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board as notified under the Act, and

- Provisions of, directives and notifications issued under the Act.

Where the provisions of, directives and notifications issued under the Act differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Act have been followed.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual unconsolidated financial statements and should be read in conjunction with the Company's annual unconsolidated financial statements for the year ended 31 December 2024.

3 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 unconsolidated financial statements for the year ended 31 December 2024.

			30 June 2025 (Unaudited)	31 December 2024 (Audited)
4	**LONG-TERM INVESTMENTS**	**Note**	---------- (Rupees in '000) ----------	
	At cost			
	Subsidiaries	4.1	**4,415,712**	56,760,832
	Minhal Incorporated - Associate	4.2	**-**	-
			4,415,712	56,760,832
	At FVOCI - quoted shares			
	Pakistan Services Limited		**144,634**	144,634
			4,560,346	56,905,466
4.1	**Subsidiaries**			
	Skyrooms (Private) Limited		**40,000**	40,000
	Midway House (Private) Limited		**28,520**	
	Sabre Travel Network Pakistan (Private) Limited		**2**	2
			68,522	40,002
	Provision for impairment		**(68,522)**	(40,002)
			-	-
	Pakistan International Airlines Corporation Limited	8.1	**-**	52,345,120
	PIA Investments Limited		**4,415,712**	4,415,712
			4,415,712	56,760,832
4.2	**Associate**			
	Minhal Incorporated		**396**	396
	Provision for impairment		**(396)**	(396)
			-	-
5	**TRADE DEBTS**			
	Considered doubtful		**6,167,182**	5,523,940
	Allowance for ECL		**(6,167,182)**	(5,523,940)
			-	-
6	**OTHER RECEIVABLES**			
	Considered good			
	Financial institutions		**-**	7,431,011
	Receivable from PECPL	6.1	**1,971,767**	-
	Pakistan International Airlines Corporation		**214,137**	99,207
	PIA Investment Limited		**6,006**	-
	Accrued interest on loan to PIAIL		**2,028,400**	1,755,842
	Others		**55,236**	-
			4,275,546	9,286,060
	Considered doubtful		**542,607**	542,607
	Provision for impairment		**(542,607)**	(542,607)
			-	-
			4,275,546	9,286,060

6.1 As disclosed in note 8, the Company has transferred its Precision Engineering Complex (PEC) operations to Precision Engineering Complex (Private) Limited (PECPL) against total 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.

7	BANK BALANCES	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
			---------- (Rupees in '000) ----------	
	Current account		**1,000,100**	1,000,000
	Deposit accounts		**8,599,805**	1,239,999
			9,599,905	2,239,999

8	ASSETS AND LIABILITIES HELD FOR SALE / DISCOUNTINUED OPERATIONS	Note	30 June 2025	31 December 2024
	Pakistan International Airlines Corporation Limited	8.1	**52,345,120**	-
	Precision Engineering Complex	8.2	**-**	2,478,823
			52,345,120	2,478,823

8.1 In accordance with the Scheme of Arrangement, Pakistan International Airlines Corporation Limited (PIACL) completed a business restructuring exercise after obtaining approval from the Privatization Commission (PC), 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, subsequent to the period end, 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.

8.2 During the period, the Board of Directors of the Company has decided to carve-out the operations and related assets and liabilities of PEC to PECPL through a Scheme of Arrangement duly sanctioned by the SECP on 05 December 2025. Accordingly, in accordance with the requirements of IFRS-5, the Company reclassified the assets and liabilities related to PEC from the respective line items to assets and liabilities held for sale.

8.2.1 The break-up of assets / liabilities transferred to PEC is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Assets	---------- (Rupees in '000) ----------	
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)

8.2.2 During the period, income and expenses related to discountinued operations are as follows:

	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
	---------- (Rupees in '000) ----------	
Other income	**101,094**	-
General and administrative expenses	**(531,027)**	-
Net loss during the period	**(429,933)**	-
Sale consideration	**2,500,000**	-
Net liabilities	**(2,597,141)**	-
Gain on disposal of discontinued operations	**5,097,141**	-
	4,667,208	-

	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
9 LONG-TERM FINANCING		---------- (Rupees in '000) ----------	
Borrowings			
Financial institutions - secured	9.1 & 9.2	**262,443,181**	262,066,660
Sukuk certificates - secured	9.1	**3,496,822**	3,496,823
Government of Pakistan - unsecured	9.3	**140,378,387**	108,953,302
		406,318,389	374,516,785

9.1 The terms and conditions remain the same as disclosed in the annual unconsolidated financial statements for the year ended 31 December 2024.

9.2 Futher, this include financing obtained from National Bank of Pakistan, a related party, amounting to Rs. 70,542 million.

9.3 These carry markup rate ranging from 10% to 11% and is repayable latest by January 2045.

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
10 TRADE AND OTHER PAYABLES	---------- (Rupees in '000) ----------	
Related parties		
Pakistan International Airlines Corporation Limited	**13,733,977**	12,127,961
Pakistan Airport Authority	**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
	195,183,617	194,712,610
Others	**38,628**	104,809
	195,222,245	194,817,420
11 ADVANCE FROM SUBSIDIARIES		
PIA Investment Limited	**11,388,948**	11,179,663
Sabre Travel Network Pakistan (Private) Limited	**7,634**	7,634
	11,396,582	11,187,297
12 ACCRUED MARK-UP		
Long term financing	**100,655,853**	107,023,499
Advance from PIA Investments Limited	**4,777,117**	4,435,688
	105,432,971	111,459,188

13 CONTINGENCIES

As at 30 June 2025, the excessive amount claimed by Pakistan Aviation Authority (PAA) which are not acknowledged by the Company amounted to Rs. 93,044.902 million.The said amount mainly relate to late payment surcharge and interest that has not been accepted by the Company.

		Note	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
			---------- (Rupees in '000) ----------	
14	**FINANCE COSTS**			
	Mark-up on :			
	Long term financing		24,052,800	3,077,796
	Advance from PIA Investments Limited		341,429	-
			24,394,228	3,077,796
	Effect of Discounting	6.1	563,731	-
			24,957,959	3,077,796
15	**TAXATION**			
	Current		18,569	-
	Deferred	15.1	189,750	-
			208,319	-
15.1	**Deferred tax**			
	Deductible temporary differences arising on:			
	Unused tax losses		-	1,200,437
	Provisions		924,078	27,629
			924,079	1,228,066
	Taxable temporary difference arising on:			
	Deferred liabilities		(657,805)	(961,792)
	Others		(266,273)	(226,273)
			(924,078)	(1,228,066)
			-	-

		For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
15.2	**Charge for the period**	---------- (Rupees in '000) ----------	
	Recognised in:		
	profit or loss		
	other comprehensive income	189,750	-
		(189,750)	-
		-	-

15.2 Further, in view of its accounting policy, the Company has not recognised deferred tax asset amounting to Rs. 20,063.018 million on unused tax loss amounting to Rs 69,182.822 million as of 30 June 2025.

16 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 statements for the year ended 31 December 2024. 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.

17 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 condensed interim financial statements, are as follows:

Name of related parties	Basis of relationship	Nature of transaction	30 June 2025 (Unaudited)	31 December 2024 (Audited)
			---------- (Rupees in '000) ----------	
Government of Pakistan	Major Shareholder	Finance cost	**8,107,174**	13,084,237
National Bank of Pakistan	Common ownership	Finance cost	**3,635,369**	8,443,807
Sabre Travel Network Pakistan (Private) Limited	Subsidiary	Dividend income	**-**	196,901
Minhal France S.A	Sub-subsidiary	Management fee	**7,428**	11,302
National Insurance Company Limited	Common ownership	Insurance premium	**-**	9,375
Asad Rasool Amos Nadeem Athar Hussain Rao Muhammad Imran	Key management personnel	Salaries and allowances	**8,565**	7,453

18 SHARIAH DISCLOSURES

Disclosures in relation to the Statement of Financial Position-	30 June (Unaudited)	31 December (Audited)
	------ (Rupees in '000) -----	
Long-term financing as per Islamic mode	**56,110,884**	56,110,884
Short-term borrowings as per Islamic mode	**-**	-
Markup accrued on conventional loans	**19,816,976**	39,278,627
Disclosures in relation to the Statement of Financial Position -		
Long-term investments - shariah compliant	**-**	-
Short-term investments - shariah compliant	**-**	-
Bank balances - shariah compliant	**1,091,608**	-

Disclosures in relation to the Statement of Comprehensive Income:	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
	------ (Rupees in '000) -----	
Revenue earned from shariah compliant business	**-**	-
Break-up of late payments or liquidated damages	**-**	-
Gain from short-term investments - shariah compliant	**-**	-
Unrealised (loss) / gain from long-term investments - shariah compliant	**-**	-
Dividend earned from long-term investments - shariah compliant	**-**	-
Share of loss from joint venture - shariah compliant	**-**	-
Profit earned from bank deposits / TDR - shariah compliant	**970**	-
Exchange loss	**543,216**	-
Exchange gains earned using conventional derivative financial instruments	**-**	-
Profit paid on Islamic mode of financing	**6,733,306**	-
Profit earned from conventional loan	**272,558**	-

Source and detailed breakup of other income:	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
	------ (Rupees in '000) -----	
Gain from short-term investments - shariah compliant	-	-
Dividend earned from long-term investments - shariah compliant	-	-
Profit earned from bank deposits / TDR - shariah compliant	970	-
Gain on disposal of operating property, plant and equipment - shariah compliant	-	-
Scrap sales - shariah compliant	-	-
Others - shariah compliant	-	-
Gain from short-term investments - conventional	-	-
Profit earned from bank deposits / TDR - conventional	194,206	-
Profit earned from conventional loan	272,558	-

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	Bank Balance & Interest on Bank Balance

19 DATE OF AUTHORISATION

These unconsolidated condensed interim financial statements were authorised for issue on MAY 08, 2026 by the Board of Directors of the Company.

20 GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

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

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CONDENSED INTERIM
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	June 30, 2025	December 31, 2024
		--------- (Rupees in '000) ---------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	318,681,700	309,304,918
Investment property		3,282,007	3,271,453
Intangibles	5	9,837,074	9,686,687
Long-term investments		144,634	144,634
Receivable in respect of Centre Hotel		2,143,617	2,104,225
Derivatives		60,448	52,598
Long-term deposits and prepayments		8,925,662	6,807,309
		343,075,140	331,371,827
CURRENT ASSETS			
Stores and spares		4,998,678	4,304,040
Trade debts		13,872,504	13,005,316
Advances		8,783,590	7,198,823
Trade deposits and short-term prepayments		5,956,275	10,453,625
Other receivables		11,906,805	13,052,340
Cash and bank balances		25,234,850	16,351,527
		70,752,703	64,365,674
Assets held for sale	9	-	524,629
TOTAL ASSETS		413,827,843	396,262,131
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		(790,374,892)	(778,777,557)
Surplus on revaluation of property, plant and equipment - net		149,032,055	141,976,251
Foreign translation reserve		20,413,712	15,173,220
Attributable to the Holding Company's shareholders		(568,584,005)	(569,282,966)
Non-controlling interest		6,957,784	5,999,176
		(561,626,221)	(563,283,790)
NON-CURRENT LIABILITIES			
Long-term financing		409,765,830	398,459,945
Lease liabilities		11,142,908	14,426,525
Long-term advances and deposits		120,284	118,186
Deferred taxation - net		9,743,602	6,325,295
Deferred liabilities		63,306,329	62,649,062
		494,078,953	481,979,011
CURRENT LIABILITIES			
Trade and other payables		323,486,800	329,958,440
Unclaimed dividend - preference shares		65,634	65,634
Accrued interest		98,844,254	107,911,798
Taxation - net		8,743,433	5,859,174
Current maturities of non current liabilities		50,234,990	30,768,414
		481,375,110	474,563,458
		975,454,064	956,542,469
Liabilities related to assets held for sale	9	-	3,003,452
TOTAL EQUITY AND LIABILITIES		413,827,843	396,262,131
CONTINGENCIES AND COMMITMENTS	6		

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.

Chief Executive Officer	Director	Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS
AS AT JUNE 30, 2025

	Note	For The Period 01 January 2025 To 30 June 2025	For The Period 01 January 2024 To 30 June 2024
		(Rupees in '000)	
		(Un-Audited)	(Un-Audited)
Revenue - net		130,099,440	125,723,838
Cost of services			
Aircraft fuel		(35,611,919)	(40,466,944)
Others		(68,067,876)	(61,092,468)
		(103,679,795)	(101,559,412)
Gross profit		26,419,645	24,164,426
Distribution costs		(4,717,891)	(4,973,365)
Administrative expenses		(6,380,699)	(9,906,821)
Other provisions and adjustments - net		(950,723)	(470,704)
Other income - net		2,586,163	1,554,442
		(9,463,151)	(13,796,448)
Profit from operations		16,956,494	10,367,978
Exchange loss - net		1,502,221	(1,090,471)
Profit / (loss) before interest and taxation		18,458,715	9,277,507
Finance costs		(28,110,803)	(14,791,486)
Share of Profit from Associate		-	811
Loss from continued operations		(9,652,088)	(5,513,168)
gain from discountinued operations	9.1.2	4,667,208	-
Loss before levy and income tax		(4,984,880)	(5,513,168)
levy - minimum tax		(1,959,896)	-
Loss before income tax		(6,944,775)	(5,513,168)
Taxation		(3,251,479)	(1,662,159)
Loss for the year		(10,196,255)	(7,175,327)
Attributable to:			
Equity holders of the Holding Company		(10,239,436)	(7,141,368)
Non-controlling interest		43,181	(33,359)
		(10,196,255)	(7,174,727)
Loss per share - basic and diluted		---------- (Rupees in '000) ----------	
Loss attributable to:			
'A' class Ordinary shares of Rs.10 each		(1.96)	(1.36)
'B' class Ordinary shares of Rs. 5 each		(0.98)	(0.68)

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.

Chief Executive Officer | Director | Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME
AS AT JUNE 30, 2025

	For The Period 01 January 2025 To 30 June 2025	For The Period 01 January 2024 To 30 June 2024
	(Rupees in '000)	
Loss for the year	(10,196,255)	(7,175,327)
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	(2,764)	-
Exchange differences on translation of foreign operations	7,232,606	(637,540)
	7,229,842	(637,540)
Items that will not be reclassified subsequently to consolidated statement of profit or loss		
Remeasurement of post retirement defined benefits obligations - net of tax	(1,757,761)	-
Revaluation reserve realized - net of tax	(901,162)	(23,947)
Surplus on revaluation of property, plant and equipment - net of tax	9,710,541	(879,077)
Related deferred tax	(2,427,635)	-
	4,623,983	(903,024)
Total other comprehensive income for the year	11,853,825	(1,540,564)
Total comprehensive loss for the year	1,657,570	(8,715,891)
Attributable to:		
Equity holders of the Holding Company	698,962	(8,608,324)
Non-controlling interest	958,608	(107,567)
	1,657,570	(8,715,891)

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY
AS AT JUNE 30, 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 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, 2024	52,345,110	1,966,779	250,000	284,259	96,027	118,069	1,779,674	(759,941,889)	197,195	15,568,859	(11,817,734)	5,910,766	139,292,259	(553,950,626)
addition scheme of arrangement	11	-	-	-	-	0	-	-	-	-	-	-	-	11
Total comprehensive income for the Period ended June 30, 2024:														
Profit/(Loss) for the year	-	-	-	-	-	-	-	(7,141,368)	-	-	-	(33,959)	-	(7,175,327)
Other comprehensive income / (loss)														-
-Other Comprehensive Income									(30,549)		(554,067)			(584,616)
-Actuarial gain/(loss) on defined benefit obligation											(23,947)			(23,947)
- Surplus arising on property, plant and equipment														-
during the year - net of tax												-	879,077	879,077
- Exchange differences on translation of foreign operations					-	-				(563,932)		(73,608)	(1,493,238)	(2,130,778)
Total comprehensive income / (loss) for the year	-	-	-	-	-	-	-	(7,141,368)	(30,549)	(563,932)	(578,014)	(107,567)	(614,161)	(9,035,591)
Balance as at June 30, 2024	52,345,110	1,966,779	250,000	284,259	96,027	118,069	1,779,674	(767,083,257)	166,646	15,004,927	(12,395,748)	5,803,199	138,678,098	(562,986,206)
Balance as at January 01, 2025	**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 June 30, 2025:														
Profit/(Loss) for the year	-	-	-	-	-	-	-	(10,239,436)	-	-	-	43,181	-	(10,196,255)
Other comprehensive income / (loss)														-
-Unrealised gain on re-measurement of investments														-
-Unrealized gain on re-measurement of derivative						(2,488)						(277)		(2,764)
-Actuarial gain/(loss) on defined benefit obligation														-
at FVOCI-net of tax											(1,757,761)			(1,757,761)
- Surplus arising on property, plant and equipment														-
during the year - net of tax												728,291	6,554,615	7,282,906
- Revaluation reserved realized												(90,116)	(811,046)	(901,162)
- Exchange differences on translation of foreign operations					648	(1,886)			(225,336)	5,240,492		277,529	1,941,159	7,232,606
- Incremental depreciation charged during the year on related assets transferred to retained earnings - net of tax								570,235					(570,235)	-
- Unrealised gain on remeasurement of investment														-
Total comprehensive income / (loss) for the year	-	-	-	-	648	(4,374)	-	(9,669,201)	(225,336)	5,240,492	(1,757,761)	958,608	7,114,494	1,657,570
Balance as at June 30, 2025	52,345,120	1,966,779	250,000	284,259	96,675	55,007	1,779,674	(784,287,097)	-	20,413,712	(10,520,189)	6,957,784	149,032,055	(561,626,222)

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM
STATEMENT OF CASH FLOWS
AS AT JUNE 30, 2025

	Note	For The Period 01 January 2025 To 30 June 2025	For The Period 01 January 2024 To 30 June 2024
		(Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	8	18,285,696	11,797,611
Profit on bank deposits received		190,165	49,504
Finance costs paid		(33,961,351)	(3,550,751)
Taxes paid		(511,961)	(31,837)
Staff retirement benefits paid		(482,834)	(1,336,366)
Long-term deposits and prepayments - net		(2,187,678)	(700,578)
Net cash generated from operating activities		(18,667,963)	6,227,583
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,192,524)	(184,055)
Purchase of Intangibles		(8,203)	1
Marketable Securities (MFSA)		287,049	(2,103,908)
Restricted cash		(128,297)	3,147,886
Proceeds from Sale of Property, plant and equipment		5,361	1,526,993
Net cash used in investing activities		(1,036,615)	2,386,917
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-Term Financing Net		31,837,166	(10,692,236)
Proceeds from short term loan		-	7,000,000
Repayments of lease liabilities		(4,392,235)	(4,021,398)
Net cash used in financing activities		27,444,932	(7,713,634)
Increase / (decrease) in cash and cash equivalents		7,740,354	900,866
Cash and cash equivalents at beginning of the year		16,350,199	7,932,285
Effects of exchange rate changes on cash and cash equivalents		(41,538)	(176,806)
Cash and cash equivalents at end of the year		24,049,015	8,656,345
Cash and cash equivalents			
Cash and bank balances		25,234,850	8,656,345

The annexed notes from 1 to 13 form an integral part of these consolidated financial statements.

Chief Executive Officer	Director	Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2025

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 30 June 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 30 June 2025.

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 30 June 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 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 30 June 2025.

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 30 June 2025 and the company is in the process of winding up.

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 30 June 2025.

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
- 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

4 PROPERTY, PLANT AND EQUIPMENT

	Note	June 30, 2025	December 31, 2024
		--------- (Rupees in '000) ---------	
Operating fixed assets:			
- owned		**302,470,582**	289,738,364
- right of use asset		**15,765,879**	19,175,434
		318,236,461	308,913,798
Capital work-in-progress		**445,239**	391,122
Reclassified to Assets held for sale		**-**	(2,000)
		318,681,700	309,304,918

5 INTANGIBLES

	Computer Software	Goodwill	Total
	------------------- (Rupees in '000) -------------------		
As at June 30, 2025			
Balance as at beginning of the year	**164,278**	**9,522,409**	**9,686,687**
Additions during the period	**662**		**662**
Translation adjustment	**540**	**178,035**	**178,575**
Amortisation for the year	**(28,851)**	**-**	**(28,851)**
Balance as at end of the year	**136,629**	**9,700,444**	**9,837,074**
As at December 31, 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

6 CONTINGENCIES AND COMMITMENTS

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 June 30, 2025

7 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

7.1 Type of Segment

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

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

	FOR THE PERIOD, 01 JANUARY 2025 TO 30 JUNE 2025	FOR THE PERIOD, 01 JANUARY 2024 TO 30 JUNE 2024
REVENUE - NET	(Rupees in '000)	
Aviation	**111,735,855**	105,723,428
Hotel Services	**61,646,165**	8,272,130
Others	**481,674**	11,728,280
Adjustments and eliminations due to inter-segment balances	**(803,565)**	-
	173,060,129	125,723,838
COST OF SERVICES		
Aviation	**93,691,734**	91,840,695
Hotel Services	**36,351,764**	4,019,642
Others	**220,533**	5,699,075
Adjustments and eliminations due to inter-segment balances	**(803,565)**	-
	129,460,466	101,559,412

		FOR THE PERIOD, 01 JANUARY 2025 TO 30 JUNE 2025	FOR THE PERIOD, 01 JANUARY 2024 TO 30 JUNE 2024
8	**OPERATING CASHFLOWS**	**(Rupees in '000)**	
	Profit / (Loss) before Levy and Income tax	**(4,984,880)**	(5,513,168)
	Adjustments for:		
	Depreciation	**6,241,859**	6,697,569
	Fair value gain on investment property	**(40,269)**	(10,933)
	Amortisation of intangibles	**28,851**	52,461
	Provision for slow moving stores and spares	**379,847**	(125,556)
	Provision for impairment against doubtful debts	**165,421**	470,704
	Provision for doubtful deposits	**69,629**	53,392
	Provision for advances	**315,566**	-
	Provision against other receivables	**20,173**	5,371
	Provision for employee benefits	**3,467,185**	3,484,665
	Finance cost	**27,538,953**	14,791,486
	gain from discontinued operations	**(4,667,208)**	-
	Unrealised exchange (gain) / loss	**920,258**	(178,071)
	Profit on bank deposits	**(190,165)**	49,504
		29,265,221	19,773,878
	Working capital changes		
	(Increase) / decrease in stores and spares	**(1,068,587)**	(5,623)
	(Increase) in trade debts	**(1,067,319)**	(253,634)
	(Increase) / decrease in advances	**(1,718,107)**	109,999
	(Increase) in trade deposits and prepayments	**(735,644)**	(215,698)
	(Increase) / decrease in other receivables	**2,129,879**	(8,112,312)
	(decrease) / Increase in trade and other payables	**(8,519,746)**	501,001
		(10,979,525)	(7,976,267)
	Net Cash generated from operating activities	**18,285,696**	11,797,611

9 ASSETS AND LIABILITIES HELD FOR SALE / DISCOUNTINUED OPERATIONS

9.1 During the period, the Board of Directors of the Company has decided to carve-out the operations and related assets and liabilities of PEC to PECPL through a Scheme of Arrangement duly sanctioned by the SECP on 05 December 2025. Accordingly, in accordance with the requirements of IFRS-5 "Non-current Assets Held for Sale and Discontinued Operations", the Company reclassified the assets and liabilities related to PEC from the respective line items to assets and liabilities held for sale.

9.1.1 The break-up of assets / liabilities transferred to PEC is as follows:

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Assets	---------- (Rupees in '000) ----------	
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)

9.1.2 During the period, income and expenses related to discountinued operations are as follows:

	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
	---------- (Rupees in '000) ----------	
Other income	**101,094**	-
General and administrative expenses	**(531,027)**	-
Net loss during the period	**(429,933)**	-
Sale consideration	**2,500,000**	-
Net liabilities	**(2,597,141)**	-
Gain on disposal of discontinued operations	**5,097,141**	-
	4,667,208	-

10 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, 2024. There have been no changes in any risk management policies since the year end

11 TRANSACTIONS WITH RELATED PARTY

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

Name of Related Parties	Direct Shareholding	Relationship
Government of Pakistan	96%	Major Shareholder
PIA Corporation Limited	100%	Subsidiary
PIA Investments Limited PIAIL	100%	Subsidiary
Skyrooms (Private) Limited	100%	Subsidiary
Sabre Travel Network Pakistan (Private) Limited	70%	Subsidiary
Minhal France S.A	-	Sub - Subsidiary
Profit oriented state controlled entities		
National Bank of Pakistan	-	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

11.2 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:

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 2025 to 30 June 2025 (Rupees in '000)
Minhal France S.A	Sub-Subsidiary	Management Fee	7,428
Government of Pakistan	Major Shareholder	Finance Cost	6,622,627
National Bank of Pakistan	Common Ownership	Finance Cost	3,632,075
Asad Rasool Amos Nadeem Athar Hussain Rao Muhammad Imran	Key Management Personnel	Salaries and Allowances	8,565

12 SHARIAH DISCLOSURES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Disclosures 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	**-**	-
Markup accrued on conventional loans	**19,816,976**	39,278,627
Disclosures in relation to the Statement of Financial Position - Asset Side:		
Long-term investments - shariah compliant	**-**	-
Short-term investments - shariah compliant	**-**	-
Bank balances - shariah compliant	**1,091,608**	-

Disclosures in relation to the Statement of Comprehensive Income:	For the period from 01 January 2025 to 30 June 2025	For the period from 01 May 2024 to 30 June 2024
Revenue earned from shariah compliant business	-	-
Break-up of late payments or liquidated damages	-	-
Gain from short-term investments - shariah compliant	-	-
Unrealised (loss) / gain from long-term investments - shariah compliant	-	-
Dividend earned from long-term investments - shariah compliant	-	-
Share of loss from joint venture - shariah compliant	-	-
Profit earned from bank deposits / TDR - shariah compliant	970	-
Exchange loss	543,216	-
Exchange gains earned using conventional derivative financial instruments	-	-
Profit paid on Islamic mode of financing	6,733,306	-
Profit earned from conventional loan	272,558	-
Source and detailed breakup of other income:		
Gain from short-term investments - shariah compliant	-	-
Dividend earned from long-term investments - shariah compliant	-	-
Profit earned from bank deposits / TDR - shariah compliant	970	-
Gain on disposal of operating property, plant and equipment - shariah compliant	-	-
Scrap sales - shariah compliant	-	-
Others - shariah compliant	-	-
Gain from short-term investments - conventional	-	-
Profit earned from bank deposits / TDR - conventional	194,206	-
Profit earned from conventional loan	272,558	-

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 Provicent Fund	Sukuk Musharaka
HBL Islamic Asset Allocation Income Fund - Plan II	Sukuk Musharaka
SeaGold (Private) Ltd - Employees Providen: Fund	Sukuk Musharaka
MCB Islamic Bank Limited	Bank Balance & Interest on Bank Balance

13 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors in its meeting held on MAY 08, 2026

Chief Executive Officer

Director

Chief Financial Officer

PIAHCL

PIA Holding Company Ltd.

www.piahcl.com.pk

REGISTERED ADDRESS

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LIAISON OFFICE ADDRESS

Company Secretary - PIAHCL
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PIA Head Office,
Karachi-Airport