



2025 THIRD QUARTERLY REPORT



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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 at May 08, 2026

BOARD OF DIRECTORS

Mr Tariq Bajwa

Chairman

Lt Gen (Retd) Muhammad Ali H(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 Member

Chief Executive Officer

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 September 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 nine months ended 30 September 2025, along with a review of its operations and financial performance. During the period under review, the Company reported a net loss of PKR 33,851.8 million. The loss is primarily attributable to significant finance costs amounting to PKR 36,998.3 million.

Total income for the period stood at PKR 1,875.8 million. It includes 558.8 million write back of liabilities. These liabilities were derecognized during the period due to the absence of sufficient corroborative evidence supporting their existence. The other income streams are explained as follows;

- Interest income on loans to subsidiaries: PKR 374.9 million
- Interest income on bank deposits: PKR 681.9 million
- Rental income from investment properties: PKR 120.2 million
- Interest income PECPL: PKR 89.7 million

As at 30 September 2025, total assets of the Company stood at PKR 85,487.6 million, compared to PKR 83,442.8 million as at 31 December 2024.

- Long-term financing increased by approximately PKR 33.4 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

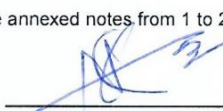


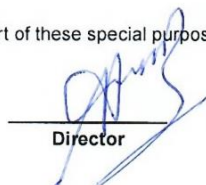
UNCONSOLIDATED FINANCIAL STATEMENTS

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2025

		SEPTEMBER 30, 2025	December 31, 2024
		(Un-Audited)	(Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		13,059	5,839
Investment property		10,600,975	10,600,975
Long-term investments	4	4,560,346	56,905,466
		15,174,380	67,512,280
CURRENT ASSETS			
Loan to subsidiaries		3,918,167	3,879,802
Trade Debts	5	-	-
Other receivables	6	4,554,627	9,286,060
Bank balances	7	9,495,352	2,239,999
		17,968,146	15,405,861
Assets held for sale	8	52,345,120	524,629
TOTAL ASSETS		85,487,646	83,442,770
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		52,345,120	52,345,120
Reserves		(733,494,623)	(698,988,529)
		(681,149,503)	(646,643,409)
NON CURRENT LIABILITIES			
Long-term financing	9	408,063,548	374,516,785
Deferred liabilities		33,684,134	31,945,356
		441,747,682	406,462,141
CURRENT LIABILITIES			
Trade and other payables	10	194,720,460	194,817,419
Accrued interest / mark-up	11	115,496,626	111,459,187
Advance from subsidiaries	12	11,298,070	11,187,297
Provision for taxation		241,873	24,242
Current portion of long term financing	9	3,132,440	3,132,440
		324,889,468	320,620,585
Liabilities related to assets held for sale	8	-	3,003,452
TOTAL EQUITY AND LIABILITIES		85,487,646	83,442,770
CONTINGENCIES			
	13		

The annexed notes from 1 to 21 form an integral part of these special purpose financial statements.


Chief Executive Officer


Director


Chief Financial Officer



**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS
AS AT SEPTEMBER 30, 2025**

		Nine months ended		Quarter ended	
		September 30 2025	For the period from 21 March 2024 to 30 September 2024	September 30 2025	September 30 2024
Note		(Un-Audited) ----- (Rupees in '000) -----	(Un-Audited) ----- (Rupees in '000) -----	(Un-Audited) ----- (Rupees in '000) -----	(Un-Audited) ----- (Rupees in '000) -----
General and administrative expenses	14	(3,178,875)	(1,803,808)	(695,560)	(3,147)
Other income		1,875,827	185,821	653,592	39,101
Finance costs	15	(36,998,319)	(7,694,490)	(12,040,360)	(12,757,000)
Loss from continued operations		(38,301,366)	(9,312,477)	(12,082,328)	(12,721,047)
Gain from discontinued operations		4,667,208	-	-	-
Loss before taxation		(33,634,158)	(9,312,477)	(12,082,328)	(12,721,047)
Taxation	16	(217,627)	-	(9,309)	-
Net loss for the period		(33,851,785)	(9,312,477)	(12,091,637)	(12,721,048)
Loss per share	17				
Loss attributable to:					
'A' class ordinary shares of Rs. 10/- each		<u>(0.65)</u>	<u>(0.18)</u>	<u>(0.23)</u>	<u>(0.24)</u>
'B' class ordinary shares of Rs. 5/- each		<u>(0.32)</u>	<u>(0.09)</u>	<u>(0.12)</u>	<u>(0.12)</u>

The annexed notes from 1 to 21 form an integral part of these special purpose financial statements.



Chief Executive Officer



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME AS AT SEPTEMBER 30, 2025

	Nine months ended		Quarter ended	
	September 30 2025	For the period from 21 March 2024 to 30 September 2024 (Un-Audited) ----- (Rupees in '000) -----	September 30 2025 (Un-Audited) ----- (Rupees in '000) -----	September 30 2024 (Un-Audited) ----- (Rupees in '000) -----
Net loss for the period	(33,851,785)	(9,312,477)	(12,091,637)	(12,721,048)
<i>Items not to be reclassified to profit or loss in subsequent periods</i>				
Remeasurement (loss) / gain on employee benefit oblig:	(654,309)	1,124,396	(464,559)	2,075,048
Total comprehensive loss for the period	(34,506,094)	(8,188,081)	(12,556,196)	(10,645,999)

The annexed notes from 1 to 21 form an integral part of these special purpose financial statements.



Chief Executive Officer



Director



Chief Financial Officer



UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY AS AT SEPTEMBER 30, 2025

		Reserves				
	Share capital	Demerger reserve	Accumulated loss	Remeasurement gain / (loss) on employee benefit obligations	Total reserves	Total equity
	----- (Rupees in '000) -----					
Ordinary shares under the Scheme (note 1.3.1)	52,345,110	-	-	-	-	52,345,110
Issuance of 1,000 ordinary shares of Rs. 10/- each	10	-	-	-	-	10
Reserve under the Scheme (note 1.3)	-	(653,528,337)	-	-	(653,528,337)	(653,528,337)
	52,345,120	(653,528,337)	-	-	(653,528,337)	(601,183,217)
Loss for the period	-	-	(47,535,240)	-	(47,535,240)	(47,535,240)
Other comprehensive income	-	-	-	2,075,048	2,075,048	2,075,048
Total comprehensive (loss) / income for the period	-	-	(47,535,240)	2,075,048	(45,460,192)	(45,460,192)
Balance as at December 31, 2024	52,345,120	(653,528,337)	(47,535,240)	2,075,048	(698,988,529)	(646,643,409)
Loss for the period	-	-	(33,851,785)	-	(33,851,785)	(33,851,785)
Other comprehensive income	-	-	-	(654,309)	(654,309)	(654,309)
Total comprehensive (loss) / income for the period	-	-	(33,851,785)	(654,309)	(34,506,094)	(34,506,094)
Balance as at September 30, 2025	52,345,120	(653,528,337)	(81,387,025)	1,420,739	(733,494,623)	(681,149,503)

The annexed notes from 1 to 21 form an integral part of these special purpose financial statements.


Chief Executive Officer



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS AS AT SEPTEMBER 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Loss for the period

Adjustments for:

Depreciation

Finance costs

Exchange loss/(gain)

Provision for retirement benefits

Working capital changes:

Other receivables

Trade and other payables and deferred liabilities

Net cash generated from operations

Finance cost paid

Net cash used in operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Assets

Cashflows generated used in Investing Activities

CASH FLOWS FROM FINANCING ACTIVITIES

Long term financing - net

Repayment of loan

Cashflows generated from Financing Activities

Cash and cash equivalents at beginning of the period

Cash and cash equivalents at the start of the period

Cash and cash equivalents at end of the period

The annexed notes from 1 to 21 form an integral part of these special purpose financial statements.

Nine months ended

September 30
2025

For the period
from 21 March
2024 to
30 September
2024

----- (Rupees in '000) -----

(33,634,158) (9,312,477)

354	145,982
36,998,319	7,694,490
230,640	-
-	-
37,229,312	7,840,472

3,793,708	(185,821)
1,752,591	1,620,878
5,546,299	1,435,057
9,141,453	(36,948)

(32,422,144) -

(23,280,692) (1,472,005)

(7,574)	-
(7,574)	-

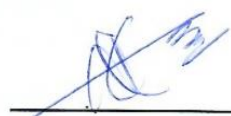
33,546,872 -

(3,003,254) -

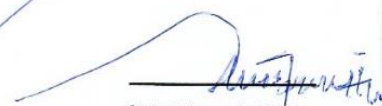
30,543,619 -

2,239,999 41,470

9,495,352 4,522


Chief Executive Officer


Director


Chief Financial Officer



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 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. 33,851 million and as of the reporting date, the current liabilities of the Company exceeded its current assets by Rs. 306,921 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.

In accordance with the Scheme of Arrangement, Pakistan International Airlines Corporation Limited (PIACL) completed a business restructuring exercise after obtaining approval from the Government of Pakistan, 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 transferred to the Company.

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.

		September 30, 2025	December 31, 2024	
	Note	(Rupees in '000)		
		(Un-audited)	(Audited)	
4	LONG-TERM INVESTMENTS			
	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	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 (PIAIL)		4,415,712	4,415,712
			4,415,712	56,760,832
4.2	Associate			
	Minhal Incorporated		396	396
	Provision for impairment		(396)	(396)
			-	-
4.3	Opening Balance		56,905,466	-
	Transfer from PIACL	1.3	-	4,560,744
	Investments during the period	1.3.1	-	52,345,120
	Provisions		-	(398)
			56,905,466	56,905,466
5	TRADE DEBTS			
	Considered doubtful		-	6,167,182
	Allowance for ECL		84,615	(6,167,182)
			84,615	-

		September 30, 2025	December 31, 2024
	Note	(Rupees in '000)	
		(Un-audited)	(Audited)
6	OTHER RECEIVABLES		
	Considered good		
	Financial institutions	14,990	7,431,011
	Accrued interest on loan to PIAIL	2,130,746	1,755,842
	Pakistan International Airlines Corporation Limited	207,539	99,207
	Receivable from PIAIL - management fee	10,541	
	Receivable from PECPL	2,025,990	-
	Others	164,821	-
		<u>4,554,627</u>	<u>9,286,060</u>
	Considered doubtful		
	Provision for impairment	542,607	542,607
		(542,607)	(542,607)
		-	-
		<u>4,554,627</u>	<u>9,286,060</u>
7	BANK BALANCES		
	Current accounts	100	1,103,920
	Deposit account	9,495,252	1,239,999
		<u>9,495,352</u>	<u>2,343,919</u>
	Reclassified to assets held for sale	-	(103,920)
		<u>9,495,352</u>	<u>2,239,999</u>
8	ASSETS AND LIABILITIES HELD FOR SALE / DISCONTINUED OPERATIONS		
8.1	Pursuant to Government of Pakistan's instructions, the Board approved the carve-out of Precision Engineering Complex (PEC) to Precision Engg Complex (Private) Limited (PECPL). Effective 01 May 2025, control of PEC's operations, assets and liabilities was transferred to PECPL against agreed consideration of PKR 2,500 million, payable over four years. In accordance with IFRS 9, the receivable has been recognized at its discounted fair value at 11%. The Scheme Of Arrangement is duly sanctioned by SECP on 05 December 2025. 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 in December 2024.		
8.2	Subsequent to the period end, Share Purchase and Subscription Agreement has been signed on 29th of January 2026 with respect to majority shareholding of Pakistan International Airline Corporation Limited [PIACL]. In accordance with the requirements of IFRS-5 "Non-current Assets Held for Sale and Discontinued Operations", the Company reclassified the investment related to PIACL "to Asset Held for Sale and Discontinued Operations".		
9	LONG-TERM FINANCING		
	Borrowings		
	Financial institutions - secured	262,185,668	262,066,660
	Government of Pakistan - unsecured	142,381,058	108,953,302
	Sukuk certificates	3,496,822	3,496,823
		<u>408,063,548</u>	<u>374,516,785</u>
9.1	The terms and conditions of long term financing remain the same as disclosed in the annual unconsolidated financial statements for the year ended 31 December 2024.		

	Note	September 30, 2025 (Rupees in '000) (Un-audited)	December 31, 2024 (Audited)
10 TRADE AND OTHER PAYABLES			
Related parties			
Pakistan International Airlines Corporation Limited		13,233,977	12,127,961
Pakistan Civil Aviation Authority		148,793,647	148,793,647
Pakistan State Oil Company Limited		23,762,400	23,762,400
National Insurance Company Limited		-	1,135,010
PIACL - Provident Fund		8,893,593	8,893,593
		<u>194,683,617</u>	<u>194,712,610</u>
Others		<u>36,843</u>	<u>104,809</u>
		<u>194,720,460</u>	<u>194,817,419</u>
11 ACCRUED INTEREST / MARK-UP			
Long term financing		110,538,563	107,023,499
Advance from PIAIL		4,958,063	4,435,688
	11.1	<u>115,496,626</u>	<u>111,459,187</u>
11.1			
Opening Balance		111,459,187	-
Transferred from PIACL		-	92,935,217
Reclassified to long term financing		-	(18,594,370)
Reclassified to trade and other payables		-	(8,893,593)
Charge for the period		36,460,079	46,011,933
Payment during the period		(32,422,144)	-
Exchange Loss		(496)	-
		<u>115,496,626</u>	<u>111,459,187</u>
12 ADVANCE FROM SUBSIDIARIES - unsecured			
PIA Investments Limited	12.1	11,290,436	11,179,663
Sabre Travel Network Pakistan (Private) Limited	12.2	7,634	7,634
		<u>11,298,070</u>	<u>11,187,297</u>
12.1			
Represents advance from PIAIL amounting to US\$ 40.135 million transferred from PIACL (note 1.3). This carries interest at the rate of 1 month LIBOR + 1.75% per annum and is repayable on demand.			
12.2			
Represents interest free advance transferred from PIACL and is repayable on demand.			
13 CONTINGENCIES			
As at 30 September 2025 the excessive amounts claimed by PCAA which are not acknowledged by the Company amounted to Rs. 73,254.302 million. The said amount mainly relate to late payment surcharge and interest that has not been accepted by the Company.			

	Nine months ended		Quarter ended	
	September 30 2025	For the period from 21 March 2024 to 30 September 2024	September 30 2025	September 30 2024
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
14 GENERAL AND ADMINISTRATIVE EXPENSES				
Salaries and other benefits	21,706	158,496	9,224	2,447
Retirement benefits	2,861,417	1,174,608	595,983	-
Legal and professional	-	215,964	-	-
Depreciation	354	145,982	-	-
Exchange loss	230,640		34,087	
Others	64,757	108,758	56,266	700
	<u>3,178,875</u>	<u>1,803,808</u>	<u>695,560</u>	<u>3,147</u>
15 FINANCE COSTS				
Mark-up / interest on :				
Long term financing	36,434,588	7,694,490	12,040,360	12,757,000
Effect of discounting	563,731	-	-	-
	<u>36,998,319</u>	<u>7,694,490</u>	<u>12,040,360</u>	<u>12,757,000</u>
16 TAXATION				
Current	27,877	-	-	-
Deferred	189,750	-	-	-
	<u>217,627</u>	<u>-</u>	<u>-</u>	<u>-</u>
17 LOSS PER SHARE				
Net loss for the period (Rupees in 000)	<u>(33,851,785)</u>	<u>(9,312,477)</u>	<u>(12,091,637)</u>	<u>(12,721,048)</u>
				(Numbers)
Weighted average number of ordinary shares	<u>52,345,120</u>	<u>52,345,120</u>	<u>52,345,120</u>	<u>52,345,120</u>
'A' class ordinary shares (Rupees)	<u>(0.65)</u>	<u>(0.18)</u>	<u>(0.23)</u>	<u>(0.24)</u>
'B' class ordinary shares (Rupees)	<u>(0.32)</u>	<u>(0.09)</u>	<u>(0.12)</u>	<u>(0.12)</u>

18 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company's senior management carries out financial risk management under governance approved by the Board of Directors.

18.1 Market risk

Market risk is the risk that the fair value of future cash flows will fluctuate because of changes in market variables such as interest rates, foreign exchange rates and equity prices.

18.2 Credit risk

Credit risk is the risk that counterparty will cause a financial loss for the Company by failing to discharge its obligations. As of the reporting date, the Company is not materially exposed to such risk.

18.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity risk through support of GoP either in the form of capital / loans or in the form of guarantee to obtain financing from lenders:

19 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	Nature of transaction	For the period from 01 January 2025 to 30 September 2025	For the period from 21 March 2024 to 30 September 2024
		(Rupees in '000)	
Pakistan International Airlines Corporation Limited	Payments made to commercial banks	-	9,643,007
	Pension payments	813,922	703,605
	Medical reimbursements	866,518	471,002
	Other payments	4,792	144,034
	Rent receivables	39,921	34,300
Government of Pakistan	Finance cost	11,708,699	13,084,237
National Bank of Pakistan	Finance cost	6,071,041	6,378,220
PIA Investment Limited	Interest expense	522,375	-
	Interest income	374,905	-
Minhal France S.A	Management fee	11,899	2,038
National Insurance Company Limited	Insurance premium	-	5,859
Key management personnel	Salaries and allowances	16,899	5,000

20 GENERAL

Being the first accounting period of the Company, there are no comparative figures to report.

21 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors in its meeting held on MAY 08, 2025


Chief Executive Officer


Director


Chief Financial Officer





CONSOLIDATED
FINANCIAL
STATEMENTS

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

		SEPTEMBER 30, 2025 (Un-Audited)	December 31, 2024 (Audited)-
		----- (Rupees in '000) -----	
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment	4	314,258,464	309,304,918
Investment property	5	3,311,721	3,271,453
Intangibles		9,706,157	9,686,687
Long-term investments	6	144,633	144,634
Receivable in respect of Centre Hotel		-	2,104,225
Long-term deposits and prepayments		7,308,034	6,807,309
		<u>334,729,010</u>	<u>331,319,229</u>
CURRENT ASSETS			
Stores and spares		5,476,343	4,304,040
Trade debts		12,593,251	13,005,316
Advances		13,451,243	7,198,823
Trade deposits and short-term prepayments		6,420,642	10,453,625
Other receivables		16,929,783	13,104,938
Cash and bank balances		17,422,443	16,351,527
		<u>72,293,704</u>	<u>64,418,272</u>
Assets held for sale		-	524,629
TOTAL ASSETS		<u>407,022,714</u>	<u>396,262,131</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		53,500,000	53,500,000
Issued, subscribed and paid-up share capital		52,345,120	52,345,120
Reserves		(781,527,196)	(763,604,338)
Surplus on revaluation of property, plant and equipment - net		145,217,870	141,976,251
Attributable to the Holding Company's shareholders		<u>(583,964,206)</u>	<u>(569,282,967)</u>
Non-controlling interest		7,088,894	5,999,176
		<u>(576,875,312)</u>	<u>(563,283,791)</u>
NON-CURRENT LIABILITIES			
Long-term financing		410,998,482	398,459,945
Lease liabilities		9,116,857	14,426,525
Long-term advances and deposits		119,113	118,186
Deferred taxation - net		7,796,842	6,325,295
Deferred liabilities		65,158,936	59,922,259
		<u>493,190,229</u>	<u>479,252,208</u>
CURRENT LIABILITIES			
Trade and other payables		314,761,333	332,685,244
Unclaimed dividend - preference shares		65,634	65,634
Accrued interest		111,475,960	107,911,798
Taxation - net		7,355,423	5,859,174
Short-term borrowings		7,110,773	-
Current maturities of non current liabilities		49,938,673	30,768,414
		<u>490,707,795</u>	<u>477,290,262</u>
Liabilities related to assets held for sale		983,898,024	956,542,470
		<u>-</u>	<u>3,003,452</u>
TOTAL EQUITY AND LIABILITIES		<u>407,022,714</u>	<u>396,262,131</u>

CONTINGENCIES AND COMMITMENTS

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


Chief Executive Officer


Director

7

Chief Financial Officer

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

	Note	September 2025 ----- (Rupees in '000) ----- (Un-Audited)	September 2024 (Un-Audited)
Revenue - net	8	181,211,907	183,499,889
Cost of services			
Aircraft fuel		(51,956,762)	-
Others		(103,185,401)	(144,921,985)
	8	(155,142,163)	(144,921,985)
Gross profit		26,069,744	38,577,904
Distribution costs		(6,732,697)	(6,835,283)
Administrative expenses		(9,122,104)	(17,648,204)
Other provisions and adjustments - net		(2,064,771)	469,893
Other income - net		5,440,068	3,349,104
		(12,479,504)	(20,664,490)
Profit from operations		13,590,240	17,913,414
Exchange loss - net		1,316,376	(1,717,806)
Profit / (loss) before interest and taxation		14,906,616	16,195,608
Finance costs		(41,003,861)	(21,360,991)
Loss from continued operations		(26,097,245)	(5,165,383)
Loss from discontinued operations		4,667,208	-
Loss before levy and income tax		(21,430,037)	(5,165,383)
levy - minimum tax		(1,325,461)	-
Loss before income tax		(22,755,498)	(5,165,383)
Taxation		(1,645,077)	(2,309,988)
Loss for the year		(24,400,576)	(7,475,371)
Attributable to:			
Equity holders of the Holding Company		(24,498,869)	(7,669,275)
Non-controlling interest		98,294	193,902
		(24,400,576)	(7,475,373)
Loss per share - basic and diluted			
Loss attributable to:			
'A' class Ordinary shares of Rs.10 each		(4.68)	(1.47)
'B' class Ordinary shares of Rs. 5 each		(2.34)	(0.73)

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 SEPTEMBER 30, 2025**

	September 2025	September 2024
	----- (Rupees in '000) -----	
Loss for the year	(24,400,576)	(7,475,371)
Other comprehensive income		
<i>Items that will be reclassified subsequently to consolidated statement of profit or loss</i>		
Loss on re-measurement of derivative - net of tax	2,044	(302)
Exchange differences on translation of foreign operations	5,940,120	2,347,661
	5,942,164	2,347,359
<i>Items that will not be reclassified subsequently to consolidated statement of profit or loss</i>		
Unrealised gain on re-measurement of investments at FVOCI - net of tax	-	-
Revaluation reserve realized - net of tax	(1,302,127)	-
Surplus on revaluation of property, plant and equipment - net of tax	8,734,679	(30,549)
Actuarial gain/(loss) on defined benefit obligation	-	(554,067)
Related deferred tax	(2,506,970)	-
	4,925,581	(584,616)
Total other comprehensive income for the year	10,867,745	1,762,743
Total comprehensive loss for the year	(13,532,830)	(5,712,628)
Attributable to:		
Equity holders of the Holding Company	(14,622,549)	(5,766,769)
Non-controlling interest	1,089,718	54,139
	(13,532,830)	(5,712,630)

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 SEPTEMBER 30, 2025

Attributable to the Holding Company's shareholders									
Share capital	Capital Reserves				Revenue Reserves				Total
	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 investment at FVOCI	
52,345,110	1,966,779	250,000	284,259	96,027	118,069	1,779,674	(759,941,888)	197,195	(553,950,626)
Addition - scheme of arrangement									
Total comprehensive income for the Period									
- Loss for the period									
- Other comprehensive income									
- Currency translation differences				(1,413)	(5,542)	(7,669,275)		(30,549)	
- Surplus arising on property, plant and equipment during the year - net of tax									
- Unrealised gain on remeasurement of investment									
- Other comprehensive income / (loss)				(1,413)	(5,542)	(7,669,275)		(30,549)	
Total comprehensive income / (loss) for the period									
Currency translation differences									
Balance as at September 30, 2024	52,345,110	1,966,779	250,000	284,259	94,614	112,527	5,889,001	166,646	138,211,960
Balance as at January 01, 2025	52,345,120	1,966,779	250,000	284,259	96,027	59,381	1,779,674	166,646	141,917,561
Total comprehensive income for the Period ended September 30, 2025:									
Loss for the year									
Other comprehensive income / (loss)									
- Unrealised gain on re-measurement of investments									
- Actuarial gain/(loss) on defined benefit obligation at FVOCI-net of tax									
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon -					2,044				
- Surplus arising on property, plant and equipment during the year - net of tax									
- Revaluation reserves realized									
- Exchange differences on translation of foreign operations									
Adjustment during the period									
- Unrealised gain on remeasurement of investment									
Total comprehensive income / (loss) for the year									
Balance as at September 30, 2025	52,345,120	1,966,779	250,000	284,259	96,027	61,425	1,779,674	166,646	145,217,870

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


Chief Executive Officer


Director


Chief Financial Officer

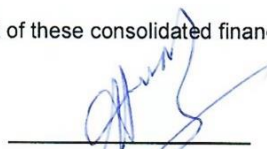
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CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS AS AT SEPTEMBER 30, 2025

	Note	September 2025 ----- (Rupees in '000) ----	September 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	10	17,682,225	21,040,211
Profit on bank deposits received		214,285	59,755
Finance costs paid		(36,203,089)	(5,092,460)
Taxes paid		(1,331,649)	(66,438)
Staff retirement benefits paid		(332,791)	(1,454,056)
Long-term deposits and prepayments - net		(658,234)	(772,660)
Net cash generated from operating activities		(20,629,252)	13,714,352
Net cash generated from / (used in) Discontinued operations		-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,939,180)	(250,263)
Investments made		(100,118)	2,288,097
Restricted cash		116,021	3,083,259
Purchase of intangibles		(8,203)	-
Proceeds from sale of property, plant and equipment		17,661	3,546
Net cash used in investing activities		(1,913,819)	5,124,639
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing - net		33,546,872	(10,736,325)
Dividend paid		-	7,000,000
Proceeds from long-term financing		(3,384,662)	-
Repayments of lease liabilities		(6,599,369)	(6,056,910)
Net cash used in financing activities		23,562,842	(9,793,235)
Increase / (decrease) in cash and cash equivalents		1,019,771	9,045,756
Cash and cash equivalents at beginning of the year		16,351,527	6,918,724
Effects of exchange rate changes on cash and cash equivalents		51,145	(9,878)
Cash and cash equivalents at end of the year		17,422,443	15,954,602
Cash and cash equivalents			
Cash and bank balances		17,422,443	15,954,602

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 SEPTEMBER 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 an associate.

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.

The principal activity of the Company to act as the holding company of its subsidiaries and associates.

1.2 Subsidiaries

1.2.1 Pakistan International Airlines Corporation Limited (PIACL)

The principal activity of PIACL is to provide commercial air transportation, which includes passenger, cargo and postal carriage services. Other activities of PIACL include provision of engineering and allied services. The head office of the PIACL 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 subsidiary company of the Holding Company and its 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 September 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 September 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 September 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 September 2025.

1.3 Associate

Minhal Incorporated (Minhal), Sharjah was incorporated on January 1, 1977 in Sharjah, United Arab Emirates as a limited liability Holding Company and is currently registered in British Virgin Islands. The principal activities of Minhal are to carry on business as promoters. PIAHCL controlling interest in associate is 40% as at September 30, 2025.

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 and for the nine months ended 30 September 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
- 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 accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan

- 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

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.

		September 30 2025 (Un-audited)	December 31, 2024 (Audited)
4	PROPERTY, PLANT AND EQUIPMENT	----- (Rupees in '000) -----	
	Operating fixed assets:		
	- owned	299,752,802	289,738,364
	- right of use asset	14,072,905	19,175,434
		<u>313,825,707</u>	<u>308,913,798</u>
	Capital work-in-progress	432,758	391,122
	Reclassified to Assets held for sale	-	(2,000)
		<u>314,258,465</u>	<u>309,304,918</u>
5	INVESTMENT PROPERTY	Land	Building
		----- (Rupees in '000) -----	
	Period ended September 30, 2025		Total
	Balance at beginning of the year	2,516,455	754,998
	Gain on revaluation during the year	5,940.00	34,329
	Balance at end of the year	<u>2,522,395</u>	<u>789,327</u>
	Year ended December 31, 2024		
	Balance at beginning of the year	2,219,209	709,342
	Gain on revaluation during the year	297,246	45,656
	Balance at end of the year	<u>2,516,455</u>	<u>754,998</u>

6 LONG TERM INVESTMENTS

Investment in related party

Unquoted at cost

Associate

144,634	144,634
144,634	144,634

7 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 September 30, 2025

8 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

8.1 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

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

	Nine months ended	
	September 30, 2025 (Rupees in '000)	September 30, 2024 (Rupees in '000)
REVENUE - NET		
Aviation	159,666,013	157,999,465
Hotel Services	20,756,753	26,308,651
Others	789,141	576,300
Adjustments and eliminations due to inter-segment balances	-	(1,384,526)
	181,211,907	183,499,890
COST OF SERVICES		
Aviation	51,956,762	140,884,995
Hotel Services	14,500,343	5,349,831
Others	88,685,058	71,686
Adjustments and eliminations due to inter-segment balances	-	(1,384,526)
	155,142,163	144,921,986

9 OPERATING CASHFLOWS

Profit / (Loss) before Levy and Income tax	(22,755,498)	(5,165,383)
Adjustments for:		
Depreciation	8,244,239	11,801,276
Gain on disposal of property, plant and equipment - net		(3,546)
Amortisation of intangibles	42,325	68,285
Fair value gain on investment property	(40,269)	-
Provision for impairment against doubtful debts	652,548	469,893
Provision for slow moving stores and spares	379,847	
Provision for expected credit loss	(815,451)	
Provision for staff retirement benefits	2,602,491	3,269,467
Provision for redelivery cost	761,656	4,560
Finance cost	41,003,861	21,360,991
Unrealised exchange (gain) / loss	1,655,366	(630,673)
Profit on bank deposits	16,355	59,755
	31,747,468	31,234,625
Working capital changes		
(Increase) / decrease in stores and spares	(1,570,310)	(376,252)
(Increase) in trade debts	117,223	4,046,498
(Increase) / decrease in advances	(9,025,000)	103,612
(Increase) in trade deposits and prepayments	(880,515)	(453,467)
(Increase) / decrease in other receivables	66,467	(10,751,854)
(decrease) / Increase in trade and other payables	(2,773,108)	(2,762,951)
	(14,065,243)	(10,194,414)
Net Cash generated from operating activities	17,682,225	21,040,211

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 year:

Name of Related Parties	Direct Shareholding	Relationship
Government of Pakistan	96%	Major Shareholder
PIA Corporation Limited	100%	Subsidiary
PIA Investments Limited PIAL	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	Nature of transaction	Nine months ended	
		September 30, 2025 (Rupees in '000)	September 30, 2024 (Rupees in '000)
PIA Investments Limited PIAL	Interest Income	522,375	-
	Interest Expense	429,128	-
PIA Corporation Limited	Rental Income	39,921	34,300
	Other payments	4,792	144,034
Minhal France S.A	Management Fee	11,899	2,038
Government of Pakistan	Finance Cost	9,623,305	13,084,237
National Bank of Pakistan	Finance Cost	6,071,041	6,378,220
Key management personnel	Salaries and Allowances	16,899	5,000

12 GENERAL

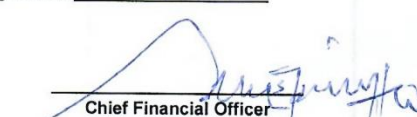
Being the first accounting period of the Company, there are no comparative figures to report.

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



www.piahcl.com.pk

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

