

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

CS/SECP/SOA/2
May 17, 2024

APPROVAL OF SCHEME OF ARRANGEMENT

Dear Sir,

1. We have to inform you that Securities and Exchange Commission of Pakistan (SECP) has approved the Scheme of Arrangement between Pakistan International Airlines Corporation Limited (PIACL) and PIA Holding Company Limited (PIAHCL), on May 03, 2024
2. A copy of the approval of SECP, along-with the approved Scheme of Arrangement, is being enclosed herewith.
3. You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours truly,



FAISAL KHAN
Manager - Corporate Affairs

Encl: As stated above



Securities and Exchange Commission of Pakistan
Licensing & Registration Division
Corporate Registry Department

No. LRD/ CRD/CA-279/69/2024 - 1170

May 03, 2024

M/s. HAIDERMOTA & CO, Advocates
3-A, Street No. 32, Sector F-8/1,
Islamabad.

Subject: Application under sections 279 to 283 and 285 (8) of the Companies Act, 2017 read with S.R.O. No. 1351(I)/2023 issued by the Federal Government, for sanction of Scheme of Arrangement for Re-organization of Pakistan International Airlines Corporation Limited with PIA Holding Company Limited.

Dear Sir,

This is with reference to your application on the above-mentioned subject.

2. In this connection, please find enclosed herewith Order under section 282(3) of the Companies Act, 2017 dated May 03, 2024, issued by the Commission, for necessary compliance.

Regards,

(Farwa Hussain)
Additional Joint Registrar

Copy for information to:

Secretary
Privatization Commission
4th Floor, Pak Secretariat (Kohsar Block)
Constitution Avenue,
Islamabad.



SECP
Bilal Rasul
Secretary to the Commission

Before

the Securities and Exchange Commission of Pakistan

In the matter of

*Scheme of Arrangement Pursuant to Sections 279-282 of The Companies Act, 2017 –
Pakistan International Airlines Corporation Limited and PIA Holding Company Limited*

ORDER

Under Section 282(3) of the Companies Act, 2017 (“the Act”)

This Order shall decide the application for sanctioning the Scheme of Arrangement filed by Pakistan International Airlines Corporation Limited (“PIA”) and PIA Holding Company Limited (“HoldCo”), collectively referred to as (the “Companies”), in terms of Sections 279-283 of the Companies Act, 2017 (the “Act”) read with S.R.O. 1351 (I)/2023 dated 22-09-2023, issued by Finance Division, Government of Pakistan. In pursuance thereof, the Commission has considered the Scheme of Arrangement filed by the Companies, being public sector companies owned by the Federal Government, and passed the order in following terms:

2. The principal object and benefit of the Scheme is laid down in Article 4 of the Scheme of Arrangement, which is reproduced hereunder for ease of reference:

“Article 4 – Object and Benefit of the Scheme

4.1 The principal object of this Scheme is to establish a holding company, and for the division of PIA as follows:

- (i) cancellation and extinguishment of all the Existing Shares;*
- (ii) utilization of the credit balance created in the books of PIA as a consequence of (i) above by issuing and allotting PIA Shares to Holdco;*
- (iii) issuance of Holdco Shares (equivalent to the Existing Shares) to the Qualifying Shareholders;*
- (iv) separation of the Non-Core Undertaking from PIA;*
- (v) the transfer to, and vesting in Holdco, of the Non-Core Undertaking at the same book values as being carried in the books of PIA;*
- (vi) The consequential impact resulting from (iv) above on the shareholder's equity of PIA shall be adjusted from revenue reserves (accumulated losses) in the books of PIA; and*
- (vii) The consequential impact resulting from (v) above on the shareholder's equity of Holdco shall be created as a separate reserve in the books of Holdco.*

SECURITIES AND EXCHANGE
COMMISSION OF PAKISTAN
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Islamabad, Pakistan

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4.2 *The arrangement contemplated by this Scheme will improve PIA's efficiency and facilitate its privatization."*

3. By way of background, the Federal Cabinet in its meeting held on February 06, 2024 approved the proposed legal segregation plan of PIA and the Scheme of Arrangement and *inter-alia* directed the Aviation Division, PIA and HoldCo to undertake the required corporate and regulatory actions to implement the same. The Scheme of Arrangement was approved by the Boards of Directors of PIA on March 25, 2024 and HoldCo on March 27, 2024 and was filed with the Commission on March 28, 2024. The Scheme of Arrangement was amended to make certain corrections and re-submitted to the Commission through Addendum 'I' to the Application received on March 29, 2024, and was allowed subject to the condition that the revised Scheme of Arrangement (hereinafter called the "Scheme"), being circulated to the members and creditors of PIA, incorporates the changes mentioned in Addendum-I.

4. In view of the relevant statutory provisions and the law laid down by the superior courts with respect to the scheme of arrangement, the Commission has to take into regard all material facts relating to the company, such as the financial position of the company, the auditor's report on the latest accounts of the company, the pendency of any investigation proceedings in relation to the company and the like. Pursuant to the application, Companies have provided the following documents:

- a) Board Resolution of the Companies approving the Scheme;
- b) Letters from Auditors;
 - i. M/s. Naveed Zafar Ashfaq Jaffery & Co., Chartered Accountants, on the accounting treatment used for common control transactions; and
 - ii. M/s. Grant Thornton, Chartered Accountants, on net equity breakup of PIA as of 30-Sep-2023;
- c) List of Creditors of the PIA;
- d) NOCs from the creditors of PIA; and
- e) Special Purpose financial statements for the period ended 30-Sep-2023.

5. In terms of section 282(1) of the Act, the Commission through its order dated March 28, 2024 directed PIA to hold an Extra-ordinary General Meeting ("EOGM") for approval of the Scheme, to be chaired by Mr. Aslam R. Khan, Chairman of the Board of PIA. As per the Chairman's Report dated April 20, 2024, EOGM was held on April 20, 2024, the extracts of which are reproduced hereunder:

***"RESOLVED THAT** the Scheme of Arrangement filed with the Securities and Exchange Commission of Pakistan, prepared under the provision of Section 279 to 283 and 285(8) of the Companies Act, 2017 as approved by the Board of Directors and circulated to the members of the Company, for, inter alia, the bifurcation / separation of the business/ undertaking of PIA into two segments/ undertakings i.e., the Core Undertaking and the Non-Core Undertaking, and the transfer to and vesting in PIA Holding Company Limited, the Non-Core Undertaking, with effect from the Effective Date (as defined in the Scheme), along with all ancillary and incidental matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications /amendments required or conditions imposed by the Securities and Exchange Commission of Pakistan."*

Concluding Remarks

"The members of PIACL voted in favor of the resolution approving and adopting the Scheme of Arrangement between PIACL and HoldCo and such members constituted majority in

number representing (99.97%) in value of the shares held by the members of PIACL present in person or by proxy and voting at the meeting."

6. Furthermore, in terms of section 282(1) of the Act, the Commission through its order dated March 29, 2024 directed PIA to hold a meeting of its creditors for approval of the Scheme, to be chaired by Mr. Haroon B. Sharif of M/s. Rizwan Faiz Associates, Advocates and Solicitors. As per Chairman's Report dated April 24, 2024, the meeting was held on April 21, 2024 and it was reported that the creditors of PIA by a majority in number of those present and through proxy representing 99% of the total value of monies owed to those creditors approved the following resolution:

"RESOLVED that the Scheme of Arrangement between Pakistan International Airlines Corporation Limited ('PIACL') and PIA Holding Company Limited under section 279 to 283 and 285(8) of the Companies Act, 2017, prepared in connection with the reorganization of PIACL, considered by this meeting and initiated by the Chairman of this meeting for purpose of identification, be and are hereby approved, adopted, and agreed along with any modification/amendments required or conditions imposed by the Securities and Exchange Commission of Pakistan."

7. Necessary compliance of the relevant provisions of the Act, such as convening of the requisite meetings as detailed hereinabove, submission of the respective reports by Chairmen of the meetings, circulation of supplementary financial statements and other requisite documents have been made.

8. Further, through an affidavit dated April 29, 2024, the Chief Executive on behalf of PIA, has asserted that no active investigation proceedings are pending against PIA under the Act or any other law. Furthermore, it has been informed that an IIRC application is pending in the Supreme Court of Pakistan and the Privatization Commission has already informed the Supreme Court of Pakistan regarding the proposed measures for privatization of PIA. Additionally, certain constitutional petitions are pending in Lahore High Court and Sindh High Court against the privatization of PIA but no interim order is in field whereby the Commission, in any way, is restricted to sanction the instant Scheme. There are other routine litigations related to contractual and civil matters which are pending but the same do not have any impact on the Scheme.

9. It is pertinent to mention that during the pendency of the instant application, the Commission received letters from the 'Society of Former PIA Officers' and 'Pakistan International Airlines Retired Employees Association'. The said letters raised concerns regarding continuity of different facilities to the retired employees of PIA and the same were shared with PIA for its comments. The PIA in its response stated that there is no change in the terms and conditions of the retired employee benefits and entitlements, and no terms and conditions have been amended to the detriment of retired employees.

Be that as it may, the Scheme recognizes under Article 7.4 that all liabilities of PIA forming part of the Non-core Undertaking on or before the Effective Date shall, as from the Effective Date, be deemed to be and assumed by Holdco. Furthermore, as per Annexure B of the Scheme, all liabilities of PIA in relation to the retirement benefits (including medical and pension benefits) of all eligible former employees of PIA are transferred to HoldCo. Keeping in view the assertions made by PIA, the Commission expects that the Companies will ensure that the concerns raised by the employees including retired employees are addressed strictly in accordance with the law.

10. Subsequent to the filing of the Scheme and other requisite information/ NOCs, the applicants on May 03, 2024 have filed an application praying therein that *"In the interest of timely consummation of the*

transaction and facilitating early book closure pertaining to the Scheme, it is respectfully requested that the Commission may, in terms of the powers conferred under section 280(1) of the Companies Act, 2017 read with Article 22.2 of the Scheme, kindly sanction the scheme with Effective Date as April 30, 2024 (other than in respect of Specified Liabilities, which shall continue to be December 31, 2023)."

11. In view of the aforementioned information, documents and requisite NOCs provided by the Companies, including NOC from the Competition Commission of Pakistan, the Scheme *prima-facie* complies with the statutory requirements as laid down in sections 279-283 of the Act and does not prejudice the interests of the members and the creditors as they have already approved the Scheme. Therefore, it is not for the Commission to opine on the commercial rationale and collective wisdom of the respective Boards, members and creditors, who have considered the relevant facts and circumstances at the time of the meetings.


12. In light of the aforementioned, the Commission hereby accords sanction of the Scheme attached as *Annexure A* in terms of sub-section (3) of section 282 of the Act with effect from April 30, 2024 as requested by the applicants vide letter dated May 03, 2024, except for Effective Date in respect of Specified Liabilities, which shall be December 31, 2023.

Considering the sanctioning of the Scheme and in order to give effect to the terms of the Scheme, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited and National Clearing Company of Pakistan Limited (collectively referred to as "SROs") are directed to ensure smooth delisting of PIA and listing of PIA HoldCo as per applicable rules and regulations, and the Commission hereby grants the exemptions requested by SROs through email dated May 02, 2024.

Furthermore, the Companies are also directed to ensure compliance with all the applicable statutory and regulatory requirements including any directions of the Federal Government issued in this regard from time to time.

13. The sanction of the Scheme granted by the Commission is based on the facts and information as provided by the Companies, and this sanction is without prejudice to any action that the Commission may initiate against the Companies for any contravention, default or non-compliance with the provisions of law with respect to any matter subsequently brought into the knowledge of the Commission. Furthermore, this Order shall not prejudice any legal proceedings, suits or order of the courts and shall be dealt in accordance with law.

14. This Order is being conveyed with the approval of the Commission.


(Bilal Rasul)

Secretary to the Commission

Dated: May, 03, 2024

ANNEXURE A

Revised

SCHEME OF ARRANGEMENT
UNDER SECTIONS 279 TO 283 AND 285(8) OF THE COMPANIES ACT, 2017

BETWEEN

PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
AND ITS MEMBERS

AND

PIA HOLDING COMPANY LIMITED
AND ITS MEMBERS

[Handwritten signature]

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**SCHEME OF ARRANGEMENT
UNDER SECTIONS 279 TO 283 AND 285(8) OF THE COMPANIES ACT, 2017**

BETWEEN

**PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED
AND ITS MEMBERS**

AND

**PIA HOLDING COMPANY LIMITED
AND ITS MEMBERS**

FOR

- (i) effecting re-organisation of PIA through cancellation of its current paid-up capital;
- (ii) allowing Holdeo to own 100% of the paid-up capital of PIA;
- (iii) division of PIA by separating the Non-Core Undertaking from PIA and vesting the whole of the Non-Core Undertaking in Holdeo, with the intent that (and subject to and as may be otherwise provided in this Scheme), the aviation business and the businesses ancillary to aviation are retained in PIA and the other businesses are transferred to Holdeo; and
- (iv) simultaneous issuance and allotment of fully paid ordinary shares by Holdeo to the erstwhile shareholders of PIA.

ARTICLE I – DEFINITIONS

In this Scheme of Arrangement, unless the subject or context otherwise requires, the following expressions shall bear the meanings specified against them below:

"Act"	means the Companies Act, 2017.
"Applicable Law"	means all national (or provincial or local) legislation, statutes, ordinances and other laws, and all regulations, by-laws, rules, orders, decrees, judicial decisions, delegated legislation, directives, guidelines (to the extent mandatory) policies or code.
"Assets"	<p>means all properties (whether movable or immovable); rights, titles and assets (whether tangible or intangible), privileges, powers, licenses, permissions, claims, and interests including but not limited to:</p> <ul style="list-style-type: none"> (a) all rights, title and interest in or to immovable properties, including buildings, offices and structures; (b) all rights, title and interest in or to plant, machinery, equipment, furniture and fixtures, computer hardware and software, software applications and licenses, motor vehicles, office equipment, appliances, and accessories, spare parts and tools; (c) all stock-in-trade, inventory, stocks of fuels, raw materials, ingredients, packaging, office and laboratory supplies, engineering spares, consumable stores, work-in-progress and finished goods; (d) all legal or beneficial interests (or both, if applicable) including, without limitation statutory, contractual or regulatory rights, titles, permissions, concessions, privileges, sanctions, approvals, licenses, and registrations; (e) all benefits and rights under contracts;

	<p>(f) all data, information, records, instruments, documents of title, market statistics, marketing surveys and reports, marketing research, advertising or other promotional material and information, accounting (including management account records) financial data whether in hard copy or in computer held form (including, for avoidance of doubt, such media as microfilm and microfiche);</p> <p>(g) all claims, choses-in-action, receivables, book trade and other debts or sums (including suppliers' credit notes) due, owing, accrued or payable (whether or not invoiced and whether or not immediately due or payable), advances, deposits, prepayments and other receivables, investments, cash in hand or at bank, bank balances, rights under loan documents and other agreements for financial facilities, letters of credit, guarantees, bonds and warranties;</p> <p>(h) all connections, equipment, installations and facilities pertaining to telecommunications, water, gas, electricity, sewerage or other utilities;</p> <p>(i) all intellectual property rights, whether registered or not, including trademarks, copyrights, patents, designs, trade secrets, technical data, processes and know-how, industrial and technical information, confidential information, drawings, formulations, technical reports, operating and testing procedures, instruction manuals, raw material or production specifications, results of research and development work, whether in hard copy or in computer held form (including, for the avoidance of doubt, such media as microfilm and microfiche);</p> <p>(j) goodwill; revaluation surplus; share premium account; capital and revenue reserves; and</p> <p>(k) Tax credits, Tax or other refunds; Tax or tariff protections, remissions or exemptions.</p>
"CDC"	means the Central Depository Company of Pakistan Limited.
"CDS"	means the Central Depository System (an electronic book entry system for the recording and transfer of securities, established under the Central Depositories Act, 1997 and maintained by the CDC).
"Continuous Employee Funds"	means: (a) the fund known as the Pakistan International Airlines Corporation Employees Pension Fund; and (b) all other employee benefit schemes / funds (including any provident fund) that are subsisting on the Effective Date.
"Core Assets"	means all Assets of PIA of whatsoever nature and wheresoever situated, other than the Non-Core Assets.
"Core Liabilities"	means all Liabilities of PIA (including PIA Tax Liabilities), other than Non-Core Liabilities.
"Core Undertaking"	means the Core Assets and Core Liabilities, represented by the Split Balance Sheet.
"Effective Date"	means: <ul style="list-style-type: none"> (i) other than in respect of the Specified Liabilities, the last day of the calendar month in which the Sanction Date has occurred; and (ii) in respect of the Specified Liabilities, December 31, 2023, subject to occurrence of the Sanction Date.

“Encumbrances”	means any and all liens, charges, mortgages, pledges, hypothecation, assignments by way of security, security interests, claims and other encumbrances of whatever nature.
“Existing Shares”	means the fully paid-up ordinary class A shares of Rs. 10 (Rupees Ten only) each and the fully paid-up ordinary class B shares of Rs. 05 (Rupees Five only) each in the capital of PIA held by the Qualifying Shareholders on the Record Date.
“GOP”	means the Federal Government of the Islamic Republic of Pakistan.
“Holdco”	means PIA Holding Company Limited, a public limited company incorporated under the laws of Pakistan and having its registered office at Islamabad, Pakistan.
“Holdco Shares”	means the fully paid-up 5,233,761,118 ordinary class A shares of Rs. 10 (Rupees Ten only) each and the fully paid-up 1,499,999 ordinary class B shares of Rs. 05 (Rupees Five only), each in the capital of Holdco to be allotted and issued to Qualifying Shareholders under this Scheme.
“Liabilities”	means all recorded and unrecorded liabilities, duties and obligations of every kind, actual and contingent whether arising or payable under any agreement, statute, law or otherwise and whether pertaining to any Asset or otherwise, and all Encumbrances.
“Non-Core Assets”	means the Assets of PIA specifically listed in Annexure A (as may be amended with the prior consent of SECP so long the Assets relates to primary business of the Non-Core Undertaking).
“Non-Core Employees”	means the employees of PIA listed in Annexure D , except those employees who have ceased to be employees of PIA prior to the Effective Date.
“Non-Core Liabilities”	means the Liabilities of PIA specifically listed in Annexure B (as may be amended with the prior consent of SECP so long the Liabilities relates to primary business of the Non-Core Undertaking).
“Non-Core Tax Liabilities”	means all Tax Liabilities of PIA (howsoever arising and wheresoever accruing), other than the PIA Tax Liabilities.
“Non-Core Undertaking”	means the Non-Core Assets and Non-Core Liabilities, as represented by the Split Balance Sheet.
“PIA”	means Pakistan International Airlines Corporation Limited, a listed company incorporated under the laws of Pakistan, having its registered office at PIA Building, Jinnah International Airport, Karachi, Pakistan.
“PIA Shares”	means 5,234,511,117 fully paid-up ordinary shares of Rs. 10 (Rupees Ten only) each in the capital of PIA to be allotted and issued to Holdco under this Scheme, representing one hundred percent (100%) of issued and paid-up capital of PIA (inclusive of shares held by nominee directors).
“PIA Tax Liabilities”	means Tax Liabilities of PIA listed in Annexure C .
“Qualifying Shareholders”	means: (a) GOP; and (b) all other shareholders of PIA appearing in its register of members on the Record Date.
“Record Date”	has the meaning ascribed to the term in Article 6.3.
“Retained Employees”	means all employees of PIA immediately prior to the Effective Date, other than the Non-Core Employees.

“Sanction Date”	means the date on which the certified true copy of the order of the SECP sanctioning this Scheme is filed with the Registrar of Companies
“SCB Consortium”	means consortium of banks (who provided SCB Consortium Loan) namely Askari Bank Limited, Credit Suisse AG, Singapore Branch and Emirates NBD Capital Limited (as <i>Conventional Initial Mandated Lead Arrangers and Bookrunners</i>), Mashreq Al Islami, Islamic Banking Division of Mashreqbank PSC, Dubai Islamic Bank PJSC and Standard Chartered Bank (as <i>Islamic Initial Mandated Lead Arrangers and Bookrunners</i>), Habib Bank Limited (as <i>Mandated Lead Arranger</i>) and the Original Financiers (i.e., Askari Bank Limited, Credit Suisse AG, Singapore Branch, Emirates NBD Bank P.J.S.C and Habib Bank Limited) and the Original Participants (i.e., Mashreq Al Islami, Islamic Banking Division of Mashreqbank PSC, Dubai Islamic Bank PJSC and Standard Chartered Bank), Mashreqbank PSC (as <i>Documentation Agent, Global Agent and Facility Agent</i>) and Mashreq Al Islami, Islamic Banking Division of Mashreqbank PSC (as <i>Investment Agent</i>) and Standard Chartered Bank (as <i>Security Agent</i>).
“SCB Consortium Loan”	has the meaning ascribed thereto in Article 20.3.
“Scheme”	means this Scheme of Arrangement in its present form with any modification of it or addition to it approved by the SECP.
“SECP”	means the Securities and Exchange Commission of Pakistan.
“Specified Liabilities”	Shall have the meaning as defined in paragraph B of Annexure B of this Scheme.
“Split Balance Sheet”	means the split balance sheet of PIA based on the audited financial statements of PIA for the period ending on September 30, 2023 and attached hereto as Annexure E , separately setting out the Core Undertaking and the Non-Core Undertaking.
“Taxation”, “Tax” or “Taxes”	means all forms of taxes and statutory, governmental, provincial local, or municipal impositions, duties, contributions and levies, whether levied in or outside Pakistan by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, goods and services tax.
“Tax Liabilities”	means all Liabilities in relation to Tax.

The headings and marginal notes are inserted for convenience and shall not affect the construction of this Scheme.

ARTICLE 2 – PIA

PIA was established on January 10, 1955 as a statutory corporation under the Pakistan International Airlines Corporation Ordinance, 1955, which was subsequently repealed and replaced by the Pakistan International Airlines Corporation Act, 1956. With effect from April 19, 2016, PIA has been converted from a statutory corporation to a public limited company by shares, through Act No. XV of 2016 titled ‘The Pakistan International Airlines Corporation (Conversion) Act, 2016’. The authorized share capital of PIA is Rs. 54,000,000,000 divided into: (i) 5,349,250,000 class ‘A’ ordinary shares of Rs. 10/- each of which 5,233,761,118 are issued and fully paid; (ii) 1,500,000 class ‘B’ ordinary shares of Rs. 05/- each of which 1,499,999 are issued and fully paid; and (iii) 50,000,000 preference shares of Rs. 10/- each of which nil are issued and fully paid. GOP holds approximately 96% shares in the total issued capital of PIA. Other than par value, the terms and conditions of the class ‘A’ and class ‘B’ shares are the same.

ARTICLE 3 – HOLDCO

Holdco was incorporated on March 21, 2024 as a public limited company under the laws of Pakistan. The authorised share capital of Holdco is PKR 53,500,000,000/- divided into: (i) 5,349,250,000 class A shares

of Rs. 10/- each; and (ii) 1,500,000/- class B shares of Rs. 05/- each. 100% shares of Holdeo are beneficially owned by GOP. Other than par value, the terms and conditions of the class 'A' and class 'B' shares are the same. Holdeo has never traded and has no Assets and Liabilities other than those resulting from its incorporation and issued share capital.

ARTICLE 4 – OBJECT AND BENEFIT OF THE SCHEME

- 4.1 The principal object of this Scheme is to establish a holding company and, for the division of PIA as follows:
- (i) cancellation and extinguishment of all the Existing Shares;
 - (ii) utilization of the credit balance created in the books of PIA as a consequence of (i) above by issuing and allotting PIA Shares to Holdeo;
 - (iii) issuance of Holdeo Shares (equivalent to the Existing Shares) to the Qualifying Shareholders;
 - (iv) separation of the Non-Core Undertaking from PIA;
 - (v) the transfer to, and vesting in Holdeo, of the Non-Core Undertaking at the same book values as being carried in the books of PIA;
 - (vi) The consequential impact resulting from (iv) above on the shareholder's equity of PIA shall be adjusted from revenue reserves (accumulated losses) in the books of PIA; and
 - (vii) The consequential impact resulting from (v) above on the shareholder's equity of Holdeo shall be created as a separate reserve in the books of Holdeo.
- 4.2 The arrangement contemplated by this Scheme will improve PIA's efficiency and facilitate its privatisation.

ARTICLE 5 – EFFECTIVENESS OF SCHEME

- 5.1 This Scheme shall become operative on the Sanction Date and take effect on the Effective Date.
- 5.2 On the Effective Date (as applicable), the following actions shall be deemed to occur in the sequential steps mentioned below:
- (i) The cancellation of Existing Shares and issuance of PIA Shares and Holdeo Shares, as provided in this Scheme and in particular in Article 6 of this Scheme.
 - (ii) The Non-Core Undertaking shall stand transferred to and vest in Holdeo in consideration for ownership by Holdeo of the entire issued capital of PIA, in terms fully set out in this Scheme and in particular in Article 7 of this Scheme.

ARTICLE 6 – CANCELLATION OF EXISTING SHARES, ISSUANCE OF PIA SHARES AND ALLIED MATTERS

- 6.1 As of the Effective Date, the Existing Shares shall stand cancelled and extinguished. Forthwith upon such cancellation: (i) the credit arising in the books of PIA as a result of cancellation and extinguishment of the Existing Shares shall be capitalized; and (ii) the PIA Shares shall stand issued and allotted to Holdeo (as one single class of ordinary shares of PKR 10/- each) (and inclusive of shares) to be issued to nominees of Holdeo) and appropriate entries shall be made in PIA's register of members, as on the Record Date, to reflect their issuance and allotment to Holdeo.
- 6.2 Holdeo shall, without any further application, act, deed, consent or instrument, issue and allot, on a proportionate basis to each Qualifying Shareholder as on the Record Date, one (1) fully paid up ordinary class 'A' share of Rs. 10 (Rupees Ten) each of Holdeo, credited as fully paid up, for every one (1) class 'A' share fully paid up of Rs. 10 (Rupees Ten) each of PIA and one (1) fully paid up ordinary class 'B' share of Rs. 05 (Rupees Five) each of Holdeo, credited as fully paid up, for every one (1) class 'B' share fully paid up of Rs. 05 (Rupees Five) each of PIA (the aggregate of which

being the Existing Shares¹). With effect from the Effective Date, PIA shall become a wholly owned subsidiary of Holdeo and shall cease to be listed on the Pakistan Stock Exchange.

- 6.3 As of the Effective Date or promptly thereafter, at least seven (7) days' notice shall be given by PIA to holders of Existing Shares in the manner provided in its Articles of Association of PIA for the final closure of the register of shares of PIA on a date to be fixed by the Board of Directors of PIA by reference to which the holders of Existing Shares are to be determined for cancellation and entitlement to Holdeo Shares pursuant to this Scheme ("Record Date").
- 6.4 CDC (in relation to dematerialized shares) and the company secretary of PIA (in relation to shares held in physical form) shall (as applicable) cancel the Existing Shares and appropriate entries shall be made in PIA's register of members, as on the Record Date, to reflect their cancellation.
- 6.5 Each authorization / mandate duly notified to PIA with respect to the Existing Shares prior to the Effective Date relating to the payment of dividends and each instruction and communication then in force as to notices and other communications (including electronic communications) from PIA with respect to the Existing Shares shall, unless and until varied or revoked, be deemed, from and including the Effective Date, to be a valid and effective mandate or instructions to Holdeo in relation to the corresponding Holdeo Shares to be allotted and issued pursuant to this Scheme.
- 6.6 The issue and allotment of the PIA Shares and Holdeo Shares are an integral part hereof and shall be deemed to have been carried out without requiring any further act on the part of the PIA or Holdeo or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable, were duly complied with. The date of allotment and issuance of shares of PIA Shares to Holdeo and Holdeo Shares to Qualifying Shareholders shall be deemed to be the Effective Date notwithstanding the actual date of allotment or issuance.
- 6.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of PIA, the Board of Holdeo shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee.
- 6.8 Holdeo shall apply for listing on the Pakistan Stock Exchange in terms of and in compliance with applicable regulations of the Pakistan Stock Exchange. Holdeo Shares allotted by Holdeo pursuant to this Scheme, shall remain frozen in the depository system of CDC till listing / trading permission is given by the Pakistan Stock Exchange.
- 6.9 The Holdeo Shares and PIA Shares that are to be issued in terms of this Scheme shall stand indented and issued in the dematerialised form through the CDS.
- 6.10 Under the Scheme, Holdeo has been formed which will be owned by the erstwhile shareholders of PIA and certain assets and liabilities of PIA will be transferred to the Holdeo. Under IFRS 3 'Business Combinations' such transaction are required to be measured at acquisition-date fair values of the respective assets and liabilities. However, IFRS 3 does not apply to business combinations of entities or businesses under common control. Accordingly, in case of PIA's restructuring, the requirements of IFRS 3 will not be applicable due to common control transaction.

ARTICLE 7 - TRANSFER OF ASSETS AND LIABILITIES

- 7.1 As of the Effective Date, the Non-Core Undertaking shall, on a going concern basis, stand transferred to and vest in and be deemed to be transferred to and vested in Holdeo.
- 7.2 Insofar as any of the Assets forming part of the Non-Core Undertaking are subject to any Encumbrance immediately prior to the Effective Date, such Assets shall be deemed to have been transferred to Holdeo on the Effective Date subject to such Encumbrances.
- 7.3 Holdeo shall be deemed, without any further act, deed, matter or thing, to have created, on the Effective Date, all such Encumbrances on the Assets forming part of the Non-Core Undertaking which are transferred (without in any manner adversely affecting the ranking or priority of the same) from PIA to Holdeo on the Effective Date by virtue of the approval of this Scheme by SECP.

¹ As per PIAC's email of January 10, 2024, there are no specific terms attached to the class 'B' shares.

- 7.4 All Liabilities of PIA forming part of the Non-Core Undertaking on or before the Effective Date shall, as from the Effective Date, be deemed to be and assumed by Holdeo, as the Liabilities of Holdeo without in any manner adversely affecting the ranking or priority of the same.
- 7.5 On and from the Effective Date, PIA shall stand released and discharged from all obligations in respect of Non-Core Liabilities.
- 7.6 Notwithstanding anything to the contrary contained in this Scheme, the Specified Liabilities shall stand transferred to and vest in and be deemed to be transferred to and vested in Holdeo on and from December 31, 2023. On and from December 31, 2023 in relation to Specified Liabilities (and not otherwise): (a) all rights of whatsoever nature and Liabilities of PIA shall be deemed to be such rights and Liabilities of Holdeo; (b) PIA shall stand released and discharged of all obligations in respect of such Specified Liabilities, and (c) any payments made by PIA pursuant to the Specified Liabilities between December 31, 2023 and the Effective Date shall within thirty (30) calendar days of the Effective Date be refunded by Holdeo to PIA.

ARTICLE 8 - SUBSTITUTION OF THE NAME OF PIA WITH THAT OF HOLDEO

In all contracts, deeds, bonds, documents, correspondence, records, agreements, and instruments of any nature whatsoever executed by or in favour of PIA, which are necessary: (i) for enjoyment of the Assets under the Non-Core Undertaking; or (ii) for the performance or discharge of Liabilities under the Non-Core Undertaking, all references to PIA shall, on and from the Effective Date, be deemed to be a references to Holdeo, and all such contracts, deeds, bonds, documents, correspondence, records, agreements, and instruments shall be given effect accordingly.

ARTICLE 9 - JUDGMENTS

Any judgment or award obtained by or against PIA with respect to the Non-Core Undertaking which are not fully satisfied before the Effective Date shall at that time, to the extent to which it is enforceable by or against PIA with respect to the Non-Core Undertaking, become enforceable by or against Holdeo.

ARTICLE 10 - EVIDENCE

All books and other documents which would, before the Effective Date, have been evidenced in respect of any matter, for or against PIA with respect to the Non-Core Undertaking, shall be admissible in evidence in respect of the same matter for or against Holdeo.

ARTICLE 11 - NEGOTIABLE INSTRUMENTS

Any negotiable instrument or order for payment of money drawn on or given to, or accepted or endorsed by PIA, or payable at any place of business of PIA, whether so drawn, given, accepted or endorsed before, as of the Effective Date, with respect to matters comprising the Non-Core Undertaking, shall have the same effect as of the Effective Date, as if it had been drawn on, or given to, or accepted or endorsed by Holdeo, or were payable at the same place of business of Holdeo.

ARTICLE 12 - CUSTODY OF DOCUMENTS

The custody of any document, record or goods held by PIA as bailee and duly recorded in their books that pass to PIA under any contract of bailment relating to any such document, record or goods, which pertain to the Non-Core Undertaking, shall on the Effective Date become rights and obligations of Holdeo.

ARTICLE 13 - AUTHORIZATIONS

Any authorizations / powers of attorney granted by PIA to any persons with respect to matters pertaining to the Non-Core Undertaking shall continue to subsist subsequent to the Effective Date and shall be deemed to be authorizations / powers of attorney granted by Holdeo to such persons, until or unless otherwise revoked or modified by Holdeo.

ARTICLE 14 - EMPLOYEES

- 14.1 All Non-Core Employees shall as from the Effective Date be deemed to be the employees of Holdeo on the same terms and conditions (and without any interruption of service) on which they were employed by PIA immediately prior to the Effective Date, without being required to be paid any terminal or other benefits (other than accrued salaries and wages) by PIA.

- 14.2 The services of all Non-Core Employees prior to their transfer to Holdeo shall be taken into account for the purposes of all benefits to which such employees are eligible in terms of their relevant employment contracts.
- 14.3 Insofar as the Continuous Employee Funds are concerned, such part of the Continuous Employee Funds applicable to the Non-Core Employees shall be continued for the benefit of the Non-Core Employees pursuant to this Scheme as provided hereinafter. Until such time that Holdeo may create their own funds, PIA will contribute in respect of the Non-Core Employees to the relevant Continuous Employee Funds of PIA on the understanding that if Holdeo creates their own corresponding funds, PIA shall procure the transfer of all the contributions and balances in respect of the Non-Core Employees to the funds created by Holdeo. It is clarified that the services of the Non-Core Employees will be created as having been continuous and not interrupted for the purpose of the Continuous Employee Funds and the funds to be created by Holdeo.
- 14.4 All Retained Employees, shall on and from the Effective Date, be deemed to be the employees of PIA on the same terms and conditions on which they were employed by PIA immediately prior to the Effective Date.
- 14.5 Holdeo shall abide by agreement, settlement or arrangement into by PIA prior to the Effective Date in respect of the Non-Core Employees or any collective bargaining agent of union lawfully representing them.

ARTICLE 15 - LICENSES / PERMITS / APPROVALS

All licenses, permits, quotas, rights, permissions, concessions, privileges, sanctions, approvals, licenses, registrations and entitlements in relation to the Non-Core Undertaking, the benefit of which the Non-Core Undertaking may be eligible and which are subsisting or having effect immediately prior to the Effective Date, shall, from the Effective Date, stand vested in and transferred to Holdeo without any further act or deed, and shall be appropriately mutated by the relevant authorities in favour of Holdeo.

ARTICLE 16 - TAX

- 16.1 With effect on and from the Effective Date, all Non-Core Tax Liabilities under any law for the time being in force shall exclusively be the Tax Liabilities of Holdeo and PIA shall cease to have any Tax Liabilities in relation to the same. Where such a Tax Liability is payable by PIA, Holdeo shall be liable to reimburse such amounts to PIA.
- 16.2 With effect on and from the Effective Date, all rights of PIA to refunds, credits, advance payments or any other benefits arising out of or connected with Non-Core Tax Liabilities shall stand transferred to Holdeo. Where any such Tax refund or benefit is received by PIA after the Effective Date, it shall promptly upon receipt of it, pay the same to Holdeo.
- 16.3 Following the Effective Date, Holdeo and PIA shall have the right to revise their respective financial statements and returns along with prescribed forms and filings and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme. Holdeo and PIA are expressly permitted to revise and file their income tax returns and other statutory returns, even beyond the due date, if required.

ARTICLE 17 - FINANCIAL STATEMENTS

- 17.1 Within sixty (60) calendar days of the Effective Date, financial statements, as of the Effective Date, of (a) Holdeo shall be prepared by its management in relation to the Non-Core Undertaking; and (b) PIA shall be prepared by its management in relation to the Core Undertaking. For the purposes of foregoing financial statements, the Split Balance Sheet shall be updated on account of changes between the Effective Date and September 30, 2023. It is clarified that the actual balances of Assets and Liabilities being transferred to Holdeo pursuant to the Scheme will be as at Effective Date.
- 17.2 In case of any conflict or inconsistency in the identification of Assets and Liabilities as provided in Article 17.1 between the specific provisions of this Scheme, on the one hand, and the Split Balance Sheet, on the other, the provisions of this Scheme (to the extent of such conflict or inconsistency) shall prevail, including for purposes of preparation of the financial statements contemplated in Article 17.1 above.

ARTICLE 18 - CONDUCT

During the period between the approval of the Scheme by the Board of PIA and the Effective Date, the business of PIA shall be carried out in the ordinary course of business, consistent with its past transactions, policies, customs and business practice.

ARTICLE 19 – SHARE CAPITAL

19.1 The share capital structure of PIA as of the date of filing of this Scheme is as follows:

Authorized Capital	PKR 54,000,000,000/-
Issued and Paid-up Share Capital ('Class A ordinary')	5,233,761,118 class 'A' ordinary shares of Rs. 10/- each
Issued and Paid-up Share Capital ('Class B ordinary')	1,499,999 class 'B' ordinary shares of Rs. 05/- each

19.2 The share capital structure of Holdeo as of the date of filing of this Scheme is as follows:

Authorized Capital	PKR 53,500,000,000/-
Issued and Paid-up Share Capital ('Class A ordinary')	1,000 class 'A' ordinary shares of Rs. 10/- each
Issued and Paid-up Share Capital ('Class B ordinary')	Nil class 'B' ordinary shares of Rs. 05/- each

The share capital structure of Holdeo post Effective Date shall be as follows:

Authorized Capital	PKR 53,500,000,000/-
Issued and Paid-up Share Capital ('Class A ordinary')	5,233,761,118 class 'A' ordinary shares of Rs. 10/- each
Issued and Paid-up Share Capital ('Class B ordinary')	1,499,999 class 'B' ordinary shares of Rs. 05/- each

The share capital structure of PIA post Effective Date shall be as follows (and the Memorandum of Association and Articles of Association of PIA shall stand amended accordingly):

Authorized Capital	PKR 54,000,000,000/-
Issued and Paid-up Ordinary Share Capital	5,234,511,117 ordinary shares of Rs. 10/- each

ARTICLE 20 – STATUTORY AND REGULATORY APPROVALS

The following statutory and regulatory approvals required for or in connection with the Scheme have been obtained and / or shall be obtained by PIA and Holdeo prior to the date of filing of this Scheme.

- 20.1 The Scheme being approved by the respective requisite majorities of the members and creditors of PIA and Holdeo, as required under the Companies Act, unless and to the extent dispensed with by the SECP.
- 20.2 The Scheme being approved or exempted by the Competition Commission of Pakistan in terms of the Competition Act, 2010 read with the Competition (Merger Control) Regulations, 2016.
- 20.3 The sanction order in writing by the SECP in terms of Section 282 of the Companies Act.
- 20.4 In respect of secured creditors: (i) other than as set out in sub-clause (ii) below, commercial financiers that have extended financing to PIA have given their consent to the Scheme and vacated their security interests in terms of their no objection certificates; and (ii) the SCB Consortium that has provided a facility (i.e., conventional facility and Islamic facility) in aggregate of USD 250,000,000 ("SCB Consortium Loan") to PIA, their security interest will continue to subsist. Other secured creditors have been informed about the Scheme and the notice for the creditors' meeting will be sent to such secured creditors. As a consequence of the Scheme, the security interest of such other secured creditors will remain unaffected and shall continue unabated.

ARTICLE 21 – SCHEME'S EFFECT

- 21.1 The transfer of Assets and Liabilities in terms of this Scheme shall not: (i) constitute any assignment, transfer, devolution, conveyance, alienation, parting with possession, or other disposition under any applicable law including Tax law (other than as contemplated under Sections

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279 to 282 of the Act); (ii) give rise to any forfeiture; (iii) give rise to any right of first refusal or pre-emptive right to any person; or (iv) constitute a contractual transfer but a transfer by operation of law and, for avoidance of doubt, shall not, therefore, be affected by any contractual restriction to which PIA is a party or may be bound, notwithstanding any contractual restriction on any transfer, assignment or the like.

- 21.2 As of the Effective Date, 100% of issued and paid-up share capital of PIA shall be owned by Holdeo and the Qualifying Shareholders shall cease to own any shares in PIA.
- 21.3 On and from the Effective Date, the terms of this Scheme shall be binding by operation of law on PIA and Holdeo and also on all the shareholders and creditors of each of PIA and Holdeo, and on any other person having any right or liability in relation to either of them.
- 21.4 On the Effective Date, this Scheme will override the constitution of each of PIA and Holdeo, to the extent of any inconsistency.

ARTICLE 22 – MISCELLANEOUS

- 22.1 Notwithstanding anything to the contrary contained herein, all Annexures to this Scheme shall be subject to revision so as to reflect the position existing as of the Effective Date and all provisions contained herein shall be interpreted and construed accordingly.
- 22.2 This Scheme is subject to the sanction of the SECP and may be sanctioned in its present form or with any modification of it or addition to it as the SECP may approve and this Scheme with such modification or addition, if any, is also subject to any conditions which the SECP may impose.
- 22.3 If the SECP requires PIA or Holdeo (or both, if applicable) to consent to any modification to this Scheme, such consent may be given on behalf of PIA by the Chief Executive Officer of PIA and on behalf of Holdeo, by the Chief Executive Officer of Holdeo.
- 22.4 The Chief executive Officers of PIA and Holdeo, as applicable, are hereby authorized to take all steps and execute documents that they may consider necessary or expedient to give effect to the provisions of this Scheme.
- 22.5 All costs required to give effect to this Scheme shall be borne by PIA.



ANNEXURE A – NON-CORE ASSETS**A. SHAREHOLDING**

The legal or beneficial ownership interest held by PIA in the following entities, as reflected in the Split Balance Sheet (Note 1 of Annexure E), and includes:

- a. PIA Investments Limited, a company registered in the British Virgin Islands with its registered office at Citero Building, Wickham Cay, Road Town, Tortola, British Virgin Islands (PIA Investments), including the 792,000 (Seven hundred and ninety-two thousand) shares of par value of AED 100/- each held by PIA in above-mentioned entity.
- b. Skyrooms (Private) Limited, a company incorporated under the laws of Pakistan with its registered office at Airport Hotel, Star Gate Road, Karachi (Skyrooms), including the 4,000,000 (Four million) shares of par value of PKR 10/- each held by PIA in above-mentioned entity.
- c. Midway House (Private) limited, a company incorporated under the laws of Pakistan with its registered office at Karachi (Midway House), including 2,960,000 (Two million nine hundred and sixty thousand) shares of par value of PKR 10/- each held by PIA in above-mentioned entity.
- d. Sabre Travel Network (Private) Limited, a company incorporated under the laws of Pakistan with its registered office at Room #606 and 608, 6th Floor, the Forum, Block 9, Scheme #5, Kehlshah, Clifton, Karachi (Sabre Travel), including 446,551 (Four hundred forty-six thousand five hundred and fifty one) shares of par value of PKR 100/- each held by PIA in above-mentioned entity.
- e. Minhaj Incorporated – Sharjah, a company currently registered in British Virgin Islands under BVI laws, with its registered office at Columbus Center, P.O. Box 662, Road Town, Tortola, including the 4,000 (four thousand) shares of par value of AED 100/- each held by PIA in above-mentioned entity.
- f. Pakistan Services Limited, a company incorporated under the laws of Pakistan with its registered office at First Floor, NELSPAK House, G-5/2, Islamabad, including the 172,913 shares of par value of PKR 10/- each held by PIA in above-mentioned entity.
- g. Pakistan Tourism Development Corporation Limited, a company incorporated under the laws of Pakistan with its registered office at Ground Floor, Kohsar Block, Pak Secretariat, Islamabad, including 10,000 shares of par value of PKR 100/- each in held by PIA in above-mentioned entity.
- h. Duty Free Shops (Private) Limited, a company incorporated under the laws of Pakistan with its registered office at Suite No 504, 5th Floor, Fayyaz Centre, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, including 87,512 shares of par value of PKR 100/- each in held by PIA in above-mentioned entity.

B. IMMOVABLE PROPERTIES

Sr. no	Non-Core Immovable Property Details
1	PIA Warehouse, situated on Plot Nos. 3,4,5,6 in Sector I-11/4, Islamabad, Pakistan.
2	PIA Sales Office, situated on land measuring half (1/2) acre at Airport Road, Gwadar.
3	PIA Sales Office, situated on Plot No. 65, measuring 10 kanal 7 marla 14 square yards (comprising of parcel of land measuring 6 kanal 7 marla 14 square yards and 4 kanal), at Ahmed Shah Abdali Road, Multan.
4	PIA Sales Office, situated on a plot of land measuring 2000 square feet, located at Chattar, Muzaffarabad, Azad Kashmir.
5	PIA Sales Office, situated on land measuring 2 kanal, located on Faizabad Road, Saidu Sharif, Mingora, Swat.
6	Land for PIA Staff Housing Colony, measuring 2 kanal, situated in Saidu Sharif, Mangora, Swat.

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Sr. no	Non-Core Immovable Property Details
7	PIA Booking Office, located on land measuring 4 Kanal, in Chishma Bazar, Skardu.
8	Land for PIA sales office, airport office and TGS section, located on land measuring 3 Kanal 1 Marla situated near Skardu Airport, Skardu
9	PIA Sales Office, located on Land measuring 3.78 acres situated at Commissioner Road, Turbat.
10	PIA Sales Office, located on plot measuring 1 acre, bearing khasra nos. 1038 min, 1041 min, 1042 and 1043, at revenue estate of Qilla Gurjar Singh, Egerton Road, Lahore.
11	PIA Bungalow, located on Plot No. 33-B, measuring 1874 square yards, situated at KDA Scheme No. 1, Drigh Road, Karsaz, Karachi.
12	PIA Bungalow, located on Plot No. C-1, measuring 1120 square yards, situated at KDA Scheme No. 1, Habib Rehamatullah Road, Karsaz, Karachi.
13	PIA Sales Office, located on Plot No. 26, measuring 3 kanal 5 ¼ marla, Block 16, 26/6, Civil Lines, Faisalabad.
14	PIA Sales Office, located on land measuring 6 kanal 2 marla, bearing khasra no. 286 and khatoomi no. 932/1665, at Polo Ground, Chitral.
15	Land for PIA sales office, measuring 300 x 300 square feet, situated in Court Road, Ormara, Baluchistan.
16	Land for Sales Office, measuring 2 kanal 19 marla (80' x 200'), having Khasra Nos. 437-439, Khatoni Nos. 1096-1097, Khawat Nos. 514-515, situated at Mouza Miana Pura, opposite Chamber of Commerce Paris Road, Sialkot.
17	Land for farmhouse, measuring 28 Kanal 5 Marla, situated at Maira Gojra Cum Village Dhamtur, Tehsil and District Abbottabad.
18	Land for PIA Sales Office, measuring 1 Kanal 13 Marla, having khasra no. 3019/1862, located near NLI Shopping Centre, Gilgit.
19	Land for PIA Sales Office, measuring 14 Marla, having khasra no. 7306/3017/1860, located near NLI Shopping Centre, Gilgit.
19	Land for sales office, measuring 2146 square yards, situated at Minara Road near Jamia Masjid, Sukkur.
20	Plot No. 7-B, measuring 195.09 square meter, having Survey No. 3-A, Situated at D.I. Khan, Bannu Road, Cantonment.
21	Land for PIA Water Reservoir Tank, measuring 15,000 sq. ft. situated in Shah Faisal Colony, Karachi
22	HDD PIA Sales Office Civic Center, measuring 3000 square feet, Ground floor and mezzanine floor, Block CC1, Civic Centre, having Survey Nos. 221/B-1, 221/C-2 and 221/A, situated at Thandi Sarak, Hyderabad.
23	PIA Hospital Land (including land for PIA Boys Scouts Host & Training Centre), comprising of: (i) Plot No. ST-13, measuring 0.54 acres; (ii) Plot No. ST-17, measuring 0.96 acres; (iii) Plot No. ST-12 and 12/A, measuring 1.96 acres; (iv) Plot No. ST-13/A, measuring 0.50 acres; and (v) Plot No. ST-11, measuring 5.9 acres Sector / Block 16, Scheme D. P. Township, Scheme no. 36, Karachi
24	PIA Sales Office, situated at ground floor, measuring 11761.69 square feet; first floor measuring 18606 square feet; and parking space of the building known as the Avenue Centre, constructed on a plot of land having survey no. 264 measuring 7042.05 square yards and situated at R. A. Lines, Karachi Cantonment, Karachi
24	PIA Sales Office, situated at first floor measuring, 5046.34 square feet, in the building known as the Avenue Centre, construction on a plot of land having survey no. 264 measuring 7042.05 square yards and situated at R. A. Lines, Karachi Cantonment, Karachi.
25	Land, measuring 200 acres, situated in Deh Beil, Taluka Karachi East, Opposite DHA, Karachi.
26	Plot ST-19 is the plot allotted for PIA Scouts Academy, measuring 1.92 acres

C. PRECISION ENGINEERING COMPLEX

All Assets of PIA related to Precision Engineering Complex (PEC), including as reflected in the Split Balance Sheet (Annexure E).

D. CLAIMS

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All claims (including pending or threatened litigation or other proceedings before any judicial or quasi-judicial body or court) relating to the Assets mentioned in (A), (B) and (C) above.

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ANNEXURE B – NON-CORE LIABILITIES

- A. All Liabilities of PIA to the GOP in relation to all funding provided by GOP to PIA including as reflected in the Split Balance Sheet (Note 4.1 of Annexure E).
- B. All Liabilities of PIA owed to financial institutions in relation to financing facilities procured by PIA from the specified financial institutions identified in Notes 4.2 and 4.3 of Annexure E. It is clarified that the outstanding balance that shall be transferred to Holdco shall as at December 31, 2023 as set forth in Article 7.6 of this Scheme, and the Notes are for reference purposes only.
- C. All Liabilities of PIA procured relating to financing provided by the following subsidiaries of PIA (and as reflected in the Split Balance Sheet Note 4.4 of Annexure E):
 - a. in PIA Investments Limited, a company registered in the British Virgin Islands with its registered office at Citeo Building, Wickham Cay, Road Town, Tortola, British Virgin Islands; and
 - b. Sabre Travel Network (Private) Limited, a company incorporated under the laws of Pakistan with its registered office at Room #606 and 608, 6th Floor, the Forum, Block 9, Scheme #5, Kehkashan, Clifton, Karachi.
- D. All Liabilities of PIA owed to Civil Aviation Authority and National Insurance Company Limited, as reflected in the Split Balance Sheet (Note 6 of Annexure E).
- E. All Liabilities of PIA in relation to the retirement benefits (including medical and pension benefits) of all eligible former employees of PIA who ceased to be an employee of PIA on or prior to September 30, 2023. The unfunded amount of such benefits shall be as reflected in the Split Balance Sheet (Note 5 of Annexure E).
- F. All Liabilities of PIA in relation to accrued markup/profit in relation to employee related provident funds as reflected in the Split Balance Sheet (Note 5 of Annexure E).
- G. All Liabilities as at September 30, 2023 owed by PIA to Pakistan State Oil Limited (a public listed company organized under the laws of Pakistan) (PSO) as reflected in the Split Balance Sheet (Note 6 of Annexure E). It being clarified that all Liabilities owed by PIA to PSO accruing after September 30, 2023 are Core Liabilities.
- H. All Liabilities of PIA related to Precision Engineering Complex (PEC), including as reflected in the Split Balance Sheet (Annexure E).
- I. Non-Core Tax Liabilities.
- J. Any and all financing procured by PIA from scheduled commercial banks and DFIs in Pakistan between the filing of this Scheme and the Sanction Date.
- K. All claims (including pending or threatened litigation or other proceedings before any judicial or quasi-judicial body or court) relating to the Liabilities mentioned in (A) – (J) above.

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ANNEXURE C – PIA TAX LIABILITIES

All existing and potential Tax Liabilities of PIA under Customs Act, 1969, Sales Tax Act, 1990, Income Tax Ordinance, 2001, Islamabad Capital Territory (Tax on Services) Ordinance, 2001, Federal Excise Act, 2005, Sindh Sales Tax Act on Services, 2011, Punjab Sales Tax Act on Services, 2012, Balochistan Sales Tax Act on Services, 2022 and Khyber Pakhtunkhwa Sales Tax Act on Services, 2022.

ANNEXURE D – NON-CORE EMPLOYEES

Sr. No.	Employee Number	Full Name	Date Of Joining	National Identifier	Father Name
1.	46252	AVM SYED HASAN KASHIF	14-Oct-22	38403-6623436-1	Mr. ABID HUSSAIN JAFFERY
2.	46611	Mr. UMER FAROOQ	22-Jul-87	42201-3155537-5	Mr. HAJI SHAH
3.	46625	Mr. SYED RAZA HUSSAIN	30-Jul-87	42101-5979874-1	Mr. S A
4.	46627	Mr. MUHAMMAD NASEER BARLAS	02-Aug-87	42201-2322478-5	Mr. M NAZIR
5.	46645	Mr. MOBEEN AHMED	23-Oct-88	42201-0465768-5	Mr. ABDUL GHAFOOR
6.	46651	Mr. SHAKIL AHMED KHAN	29-Oct-88	42201-7435472-3	Mr. NAZIR A
7.	46652	Mr. MIRZA MEHMOOD BAIG	30-Oct-88	42201-2553330-3	Mr. M MUMTAZ
8.	46661	Mr. MOHAMMAD RAMZAN	13-Dec-88	42501-1389539-7	Mr. MUHAMMAD RASHED
9.	47699	Mr. M ASHIQUE ALI	01-May-90	42201-0940524-1	Mr. MOHSIN ALVI
10.	47895	Mr. MUHAMMAD TAZEEM	01-Mar-89	42501-9027044-5	Mr. M SADIQ
11.	47902	Mrs. FARHAT MEHMOOD	01-Mar-89	42201-0365303-8	Mr. NADAF MEHMOOB
12.	47903	Mr. FARIDA ANSARI	01-Mar-89	42101-1548974-0	Mr. A KHLIQ
13.	47904	Mr. AKHLAQ AHMED	01-Mar-89	42101-8991832-5	Mr. RAHIMUDDIN
14.	47905	Mr. MUHAMMAD ASHRAF	01-Mar-89	42201-3194892-9	Mr. MUHAMMAD YOUSUF
15.	47908	Mr. SADIQ ALI	01-Mar-89	42201-5340859-1	Mr. PHOOL DIN
16.	47910	Mr. MUHAMMAD YOUSUF ALI	01-Mar-89	42201-6295588-5	Mr. M YAQOOB
17.	47912	Mr. MUHAMMAD SALEEM	01-Mar-89	42301-2060144-1	Mr. ABDUL RAZZAK
18.	47914	Mr. ASLAM JAWED	01-Mar-89	42201-3108253-3	Mr. NAZIR AHMED
19.	47917	Mr. WASEEM A SIDDIQUI	01-Mar-89	42000-2403766-1	Mr. Z A
20.	48245	Mr. SHAHID AKHTER	01-Mar-89	42201-0700247-7	Mr. ABDUL MAJEED
21.	48247	Mr. SYED ZAFAR SHAFIQ	01-Mar-89	42201-0491317-1	Mr. S SHAFIQ
22.	48253	Mrs. MUSARRAT	21-Mar-89	42201-0612153-8	Mr. NAZIR AHMED
23.	48256	Mr. JAVED MASIH	21-Aug-89	42201-1368580-3	Mr. IQBAL MASIH
24.	48264	Mr. SHAKIL IQBAL	24-Dec-90	42201-8552512-5	Mr. MUHAMMAD IQBAL
25.	48271	Mr. AHMED NAWAZ	01-Mar-89	38403-5071960-5	Mr. MUHAMMAD NAWAZ
26.	48225	Mr. FAISAL MANSOOR	01-Mar-89	42201-8047681-9	Mr. MANZOOR A
27.	48228	Mr. JAMIL AKHTER	01-Mar-89	42201-8555492-7	Mr. MOHD SHARIF
28.	48229	Mr. FAIZ AHMED	01-Mar-89	42501-1484782-5	Mr. FAZAL DIN
29.	48230	Mr. ARSHAD NAZIR	01-Mar-89	42501-1464052-5	Mr. NAZIR ALI
30.	48231	Mr. MUHAMMAD USMAN	01-Mar-89	42501-6605378-9	Mr. QAZI UR
31.	48235	Mr. SHAHBAZ HUSSAIN SHAH	01-Mar-89	34201-0489524-7	Mr. S AHMED
32.	48236	Mr. AFTAB AHMED	01-Mar-89	42101-8624671-1	Mr. MOHD HANIF
33.	48241	Mr. MUHAMMAD ROSHANI	01-Mar-89	42201-7726990-3	Mr. MOHD HANIF
34.	48244	Mr. MUHAMMAD SALEEM	01-Mar-89	42201-9664568-5	Mr. MAQBOOL AHMED
35.	48282	Mr. KAZI ATEEQUE AHMED	29-Sep-94	43304-5155609-1	Mr. KAZI A
36.	52968	Mr. ATIF HUSSAIN	17-Apr-95	42201-3230608-1	Mr. MEHRBAN HUSSAIN
37.	53855	Mr. NASIR ALI	22-Nov-95	33303-4549408-5	Mr. MUHAMMAD ALI KHAN
38.	53856	Mr. MUHAMMED ALI	22-Nov-95	42201-3163418-7	Mr. MUHAMMAD DIN
39.	53857	Mr. ARSHAD MEHMOOD	22-Nov-95	42201-0487265-9	Mr. SAKHI MUHAMMAD
40.	53858	Mr. S IQTIDAR ALI	22-Nov-95	42101-1558140-7	Mr. SYED IFTIKHAR
41.	53859	Mr. KHALID ZAMAN	22-Nov-95	42501-1590411-3	Mr. MUHAMMAD SHAFI
42.	53860	Mr. SHAHZAD BABAR	22-Nov-95	42201-0624548-9	Mr. MUSHTAQ AHMED
43.	53862	Mr. MUHAMMAD TAHIR AYUB	22-Nov-95	42201-0686152-3	Mr. MUHAMMAD AYUB
44.	53864	Mr. ZAHOOR KHAN	22-Nov-95	42201-0782544-3	Mr. PANDHI KHAN
45.	53865	Mr. SAJID MUNIR	22-Nov-95	42501-3544578-3	Mr. WAZIR MUHAMMAD
46.	53866	Mr. SALEEM AHMED	22-Nov-95	42201-3904752-7	Mr. ABDUL RAZAQ
47.	53868	Mr. SYED MUHAMMAD FAISAL	22-Nov-95	42201-2626741-7	Mr. SYED SHOUKAT
48.	53869	Mr. AFTAB AHMED ABBASI	22-Nov-95	42501-6299101-5	Mr. BAGH ALI
49.	59722	Mr. MUSHTAQ AHMED	01-May-03	42401-8614407-5	Mr. M K Ghani
50.	59443	Mr. TASADDUQ MAHBOOB	01-May-03	42201-0584618-7	Mr. MEHBOOB KHAN
51.	53871	Mr. RIAZ AHMED SHEIKH	22-Nov-95	45102-4565750-3	Mr. MUHAMMAD HUSAIN
52.	53816	Mr. ALLAH DITTA MASIH	22-Nov-95	42201-0739076-5	Mr. AMANAT MASIH
53.	53817	Mr. ZAWAR HUSSAIN	22-Nov-95	42201-0556493-3	Mr. KHUDA BUKSHSH

54.	53820	Mr MUHAMMED FAREED	22-Nov-95	42101-1857452-3	Mr. ABDUL WAHEED
55.	53825	Mr. FAHEEM IQBAL	22-Nov-95	42201-0562916-5	Mr. MALIK M
56.	53827	Mr SOHAIL SAMUAL	22-Nov-95	42201-2663999-7	Mr. SAMUAL
57.	53828	Mr AZHAR IQBAL	22-Nov-95	42201-3620136-3	Mr. ABDUL .
58.	53829	Mr. GHULAM MUHAMMED	22-Nov-95	42501-0972479-7	Mr. MUHAMMAD KHAN
59.	53830	Mr MUHAMMED ABBAN	22-Nov-95	42501-2887061-7	Mr. HAMEED .
60.	53831	Mr. SABIR ABBAS	22-Nov-95	42000-7642118-7	Mr. NOOR MUHAMMAD
61.	53833	Mr MUHAMMED IBRAHIM	22-Nov-95	42501-2570030-5	Mr. WALI MUHAMMAD
62.	53834	Mr MANZOOR	22-Nov-95	42501-1487096-9	Mr NATHA KHAN
63.	53835	Mr ZAHID ALI	22-Nov-95	42201-4628866-9	Mr. M MOSSA
64.	53836	Mr RASHEED AHMED	22-Nov-95	42501-1497806-9	Mr. MUHAMMAD SIDDIQ
65.	53838	Mr. MAZHAR IQBAL	22-Nov-95	42201-0297725-7	Mr. MUHAMMAD IQBAL
66.	53839	Mr MUFTI F NASEEM	22-Nov-95	42201-0782678-1	Mr. MUFTI F
67.	53840	Mr SHAFIQ UR REHMAN	22-Nov-95	42501-1477318-9	Mr. GOHAR REHMAN
68.	53845	Mr. MUHAMMED NASEER	22-Nov-95	42201-0791842-1	Mr. MUHAMMAD SHAFI
69.	53847	Mr WAJID RAFIQUE	22-Nov-95	42201-0588030-1	Mr. MUHAMMAD RAFIQ
70.	53848	Mr SAJJAD AHMED	22-Nov-95	42201-3984063-3	Mr. KALA KHAN
71.	53849	Mrs. DILSHAD RAUF	22-Nov-95	42501-1366244-2	Mr. M SHARIF
72.	53850	Mr ABID KHAN	22-Nov-95	42000-0572892-5	Mr. MAQBOOL UR REHMAN
73.	53852	Mr. KHALIL AHMED	22-Nov-95	42201-3806806-9	Mr. ABDUL GHANI
74.	53872	Mr. MUHAMMED ASHFAQ	22-Nov-95	13101-8093006-5	Mr. MUHAMMAD IRSHAD
75.	53873	Mr. NAVEED IQBAL	22-Nov-95	42101-5830397-1	Mr. MUHAMMAD ASLAM
76.	53877	Mrs. TANVEER KAUSAR	22-Nov-95	34201-0394378-8	Mr. M MAHRAJ
77.	53880	Mr. SYED MUHAMMED NASIR	22-Nov-95	42201-0291442-1	Mr. RAIS AHMED
78.	53881	Mr MUHAMMAD ASGHAR ALI KHAN	22-Nov-95	42201-7018903-7	Mr. R ALI
79.	53886	Mr SHAKEEL AHMED	22-Nov-95	42201-0390125-1	Mr. MUNEEB AHMED
80.	53895	Mr. ZAHID SHAFIQ SAJID	22-Nov-95	42201-2111592-1	Mr. MUHAMMAD SHAFIQ
81.	53897	Mr. ZAHIR SHAH	22-Nov-95	42201-0388330-1	Mr. HAZRAT SHAH
82.	53899	Mr. BASHIR MUHAMMAD KHAN	22-Nov-95	11201-0359976-3	Mr. MAZULLAH KHAN
83.	53900	Mr. SHAHZAD RAZA	22-Nov-95	42101-5492687-3	Mr. SAEED RAZA
84.	53901	Mr. MUZAFFAR AHMED	22-Nov-95	42201-1511205-9	Mr. ABDUL MAJEED
85.	53902	Mr. NOOR AZMAT	22-Nov-95	42201-0692690-9	Mr. MALIK Sher Muhammad
86.	53903	Mr. MUHAMMAD RAMZAN	22-Nov-95	42201-6820617-5	Mr. FAZAL KARIM
87.	53904	Mr. AZHAR MEHMOOD KHAN	22-Nov-95	42201-0372502-3	Mr. SIKANDER KHAN
88.	53908	Mr. ASIF ALI	22-Nov-95	42201-0332317-7	Mr. MUHAMMAD ALI
89.	53909	Mr. HAMEED KHAN	22-Nov-95	42201-9547486-7	Mr. ILYAS KHAN
90.	54615	Mr. HAMOOD UR REHMAN	22-Nov-95	42201-5636489-5	Mr. M FAZALURREHMAN
91.	54616	Mr. SALEEM KHOKHAR	22-Nov-95	42201-7448850-9	Mr. GHULAM RASOOL
92.	54617	Mr. MUHAMMED DILDAR	22-Nov-95	42201-0508546-7	Mr. ABDUL SATTAR
93.	54620	Mr. M YASIN SHAHID	22-Nov-95	42501-16105112-	Mr. ALLAH WASAYA
94.	54621	Mr. ASIM UDDIN	22-Nov-95	42201-0692747-5	Mr. SAEED UDDIN
95.	54625	Mr. MAQSOOD M BHATTI	22-Nov-95	42201-0665053-1	Mr. HAMID MASIH
96.	54627	Mr. MUHAMMED MADNI	22-Nov-95	31302-8172157-1	Mr. M IBRAHEEM
97.	54628	Mr. MUHAMMED JAVED	22-Nov-95	35201-1260638-9	Mr. NOOR HUSSAIN
98.	54629	Mr. AZHAR TUFAIL	22-Nov-95	13101-0822532-3	Mr. MUHAMMAD TUFAIL
99.	59497	Mr. HUMAIR RAFI	01-May-03	42501-9345759-7	Mr. RAFIUDDIN
100.	59498	Mr. IMTIAZ RASOOL	01-May-03	42201-1595261-3	Mr. HAYAT RASOOL
101.	59512	Mr. MUHAMMAD AMJAD KHAN	01-May-03	42201-0655562-7	Mr. M ASGHAR
102.	54633	Mr. ASGHAR ALI ABBAS	22-Nov-95	42000-0503882-7	Mr. JAMAL UDDIN
103.	54634	Mr. NOOR HASSAN MIRANI	22-Nov-95	42501-1544514-5	Mr. NOOR HASAN
104.	54635	Mr. SAJJAD ALI SHAH	22-Nov-95	42501-2260870-1	Mr. NAWAZ ALI SHAH
105.	54636	Mr. MANZOOR ALI	22-Nov-95	42201-3291044-1	Mr. RASOOL BUX
106.	54637	Mr. SAMI ULLAH	22-Nov-95	42201-1848130-9	Mr. ABDUL MANAN
107.	54645	Mr. NADEEM MUGHNI	22-Nov-95	42201-0595588-1	Mr. Muhammad Abdul Mughni
108.	54646	Mr. NAZIR AHMED	22-Nov-95	42501-0583128-7	Mr. SHARF KHAM
109.	54647	Mr. NAZIR AHMED	22-Nov-95	38101-0688605-1	Mr. MUHD BAKHSH

110.	54649	Mr. SYED ARFEEN SHAH	22 Nov-95	42000-0481794-1	Mr. SYED ABDUL QAYYUM SHAH
111.	54651	Mr. IMRAN TARIQ	22-Nov-95	42201-0472844-1	Mr. MANAWAR TARIQ
112.	54652	Mr. WASEEM MALIK	22-Nov-95	42501-0174104-3	Mr. MIAN M
113.	54653	Mr. ALLAH DITTA	22 Nov-95	42501-0389547-5	Mr. MUHAMMAD YOUSAF
114.	54654	Mr. MUHAMMAD QADIRUDDIN	22 Nov 95	42201-0754068-5	Mr. M BADI
115.	54655	Mr. SYED RIFFAT HUSAIN SHAH	22 Nov-95	42201-0825173-7	Mr. S TAHIR
116.	54656	Mr. M ASHRAF KHAN	22 Nov 95	42501-9619719-3	Mr. M ANWAR
117.	54657	Mr. EJAZ ALI ABBASI	22 Nov-95	42000-3711384-7	Mr. SARFAZ A
118.	54658	Mr. ANWAR MASOOD	22-Nov-95	42301-1291358-1	Mr. SHAHID MASOOD
119.	54659	Mr. MUHAMMED ANWAR	22-Nov-95	42201-0535132-7	Mr. NAWAB DIN
120.	54660	Mr. HAROON RASHEED	22-Nov-95	35202-8998449-1	Mr. MUHAMMAD SHARIF
121.	54663	Mr. GHULAM SHABBIR	22-Nov-95	42201-4621402-5	Mr. RAJA A
122.	54671	Mr. MIR BAZ KHAN	03-Dec-95	11201-7954758-3	Mr. BASIT KHAN
123.	54681	Mr. ZULFIQAR AHMED	22-Nov-95	42201-0701351-3	Mr. NOOR GHANI
124.	54685	Mr. AKHTAR NAWAZ	22-Nov-95	42201-0397013-3	Mr. AHMED NAWAZ
125.	54696	Mr. AQEEL AHMED JAVAID	30-Sep-96	33303-2189515-3	Mr. MUHAMMAD ALI KHAN
126.	54698	Mr. FAROOQ HAIDER KHAN	27-Oct-96	42201-8918941-3	Mr. MOULA DAD
127.	54588	Mr. KHATEEB UR REHMAN	22-Nov-95	42201-5139515-9	Mr. MUJEEBUR REHMAM
128.	54589	Mr. SHAH AFZAL	22-Nov-95	42201-0504832-3	Mr. M AKBAR
129.	54590	Mr. ASHFAQ AHMED	22-Nov-95	42501-7299142-5	Mr. MUHAMMAD SHARIF
130.	54591	Mr. M WAHEED AWAN	22-Nov-95	42501-1083518-5	Mr. MALIK SULTAN
131.	54592	Mr. LAIQ BADSHAH	22-Nov-95	11201-0343474-5	Mr. MIR BADSHAH
132.	54594	Mr. Syed Nasir Hussain	22-Nov-95	14301-5612775-7	Mr. S S
133.	54595	Mr. WAQAR HUSAIN SHAH	22-Nov-95	42201-0769857-1	Mr. MISKEN SHAH
134.	54596	Mr. ZAHID HUSSAIN	22-Nov-95	42501-2506898-1	Mr. MUHAMMAD SULTAN
135.	54597	Mr. KALEEM ULLAH KHAN	22-Nov-95	42000-0503929-3	Mr. AMANULLAH KHAN
136.	54599	Mr. SALIM ALIAS JEHANGIR	22-Nov-95	42000-7640354-5	Mr. M IBRAHIM
137.	54601	Mr. RASHEED AHMED	22-Nov-95	42201-3926094-7	Mr. ABDUL MAJEED
138.	54602	Mr. SHAHID RASHEED	22-Nov-95	42301-7138968-7	Mr. M RASHEED
139.	54603	Mr. MUHAMMED ARIF	22-Nov-95	31102-0651819-7	Mr. ALTAF HUSSAIN
140.	54608	Mr. ZULFIQAR ALI	22-Nov-95	42501-6277668-3	Mr. SHAUKAT ALI
141.	54609	Mr. FARHAN IQBAL	22-Nov-95	42501-1546497-1	Mr. MALIK M
142.	54610	Mr. MUHAMMED JAVED	22-Nov-95	42501-6118998-5	Mr. SHEIKH FARID
143.	54612	Mr. SUBHAN ALI NASIR	22-Nov-95	42201-0449143-1	Mr. ASMAT ULLAH
144.	54613	Mr. FIAZ ALI RAZA	22-Nov-95	42201-0524590-1	Mr. SARDAR MUHAMMAD
145.	57962	Mr. NADEEM AHMED	01-May-03	42201-0840293-1	Mr. KHURSHEED AHMED
146.	58029	Mr. AKHLAQ AHMED SHAH	01-May-03	42501-6756566-7	Mr. AZIM SHAH
147.	59281	Mr. ARSHAD IQBAL	01-May-03	42201-0796805-5	Mr. ABDUL MAJID
148.	60928	Mr. SIKANDAR ALI	01-May-04	42501-1612621-7	Mr. ALLAH BACHAYO
149.	57019	Mr. SOHAIL RANA	01-May-03	42201-8821566-9	Mr. M HUSSAIN
150.	60931	Mr. ABDUL RAHIM	01-May-04	42201-2705108-1	Mr. ABDUL SALAM
151.	60932	Mr. MUHAMMAD WASEEM	01-May-04	42201-8239552-7	Mr. M MUSTAQEEM
152.	60933	Mr. MUHAMMAD SHOAB	01-May-04	42201-0369329-3	Mr. ANWAR UL HAQ
153.	60934	Mr. TANVEER HABIB	01-May-04	42301-1060704-5	Mr. CH. Abdul Habib
154.	60935	Mr. ZAFFAR KHAN	01-May-04	11201-1085351-9	Mr. AKBAR KHAN
155.	60936	Mr. MUHAMMAD AYAZ	01-May-04	42201-0417977-7	Mr. MUHAMMAD ILYAS
156.	60938	Mr. MUHAMMAD SAFEER	01-May-04	42401-1975857-5	Mr. SARDAR MUHAMMAD
157.	60940	Mr. QAISER MEHMOOD	01-May-04	42501-0254941-3	Mr. KHADIM HUSSAIN
158.	60944	Mr. MUHAMMAD ISLAM	01-May-04	42201-0407646-3	Mr. AMEER SULTAN
159.	60950	Mr. ABDUL SAMAD	01-May-04	42201-7816228-1	Mr. SIRAJ AHMED
160.	60953	Mr. SYED MUNIR	01-May-04	42201-2843649-9	Mr. SYED YOUSAF
161.	60955	Mr. SYED MUHAMMAD HAROON	01-May-04	42401-1866904-5	Mr. MUHAMMAD GHOUSE
162.	60956	Mr. MUHAMMAD AMIR AHMED	01-May-04	42201-6788446-1	Mr. NASIRUDDIN AHMED
163.	60959	Mr. SHAFEEQ AHMED	01-May-04	42201-0288514-3	Mr. ALEEM GUL
164.	60960	Miss Nausheen Khalid Malik	01-May-04	42000-0364424-0	Mr. KHALID SAEED MALIK
165.	60961	Mr. MUHAMMAD YAQOOB AZIZ	01-May-04	42201-1640595-3	Mr. ABDUL AZIZ

166.	60963	Mr SHOAB AHMED	01-May-04	35102-0714332-9	Mr. HAJI HABIBULLAH
167.	60964	Mr FAREED AHMED	01-May-04	42201-8296427-9	Mr FAYYAZ AHMED
168.	60965	Mr. IFTIKHAR AHMED	01-May-04	34201-8851818-1	Mr. MUHAMMAD KHAN
169.	60945	Mr. MOHSIN AKHTAR	01-May-04	42201-0557864-9	Mr. MUHAMMAD AKHTAR
170.	45399	Mr JAVED IQBAL	29-Aug-85	42501-9394870-1	Mr. MOHAMMAD IQBAL
171.	45662	Mr. SALEEM KHOKHAR	01-Jun-86	42201-2135891-5	Mr. ALLAH RAKHA
172.	45665	Mr. YAQOOB MASIH	01-Jun-86	42000-0561075-3	Mr. BARKAT MASIH
173.	45915	Mr. GHULAM RASOOL	15-Jun-87	42101-6499949-9	Mr. MOHAMMED KHAN
174.	44735	Mr. MUHAMMAD AMIR RAIS	21-Feb-84	42101-5670500-9	Mr. RAIS UDDIN
175.	44763	Mr. AYAZ AHMED KHAN	27-Feb-84	42201-6546012-3	Mr. NIAZ AHMED
176.	44802	Mr. SYED ARIF HUSSAIN	08-Apr-84	42201-8184633-1	Mr. SYED NABI
177.	44699	Mr. M TAHIR BUTT	18-Feb-84	42301-1021540-1	Mr. AHMED DIN
178.	53821	Mrs. NAFEEES FATIMA	22-Nov-95	42201-0686058-4	Mr. S ASHFAQ
179.	61572	Mr. IMRAN TARIQ	11-Mar-05	42501-3059669-5	Mr. TARIQ MAHMOOD
180.	61573	Mr. SYED AZFAR MEHDI	15-Mar-05	42201-0527744-3	Mr. Syed Ghulam Mehdi
181.	61576	Mr. JAWAID IQBAL AWAN	22-Mar-05	42501-1600411-5	Mr. Mohammad SAEED (Late)
182.	61186	Mr. TAHIR ROSHAN	30-Aug-04	42101-1547426-7	Mr. ROSHAN DIN
183.	61187	Mr. MUHAMMAD AKMAL	30-Aug-04	42101-1453834-5	Mr. MUHAMMAD SHARIF
184.	61190	Mr. HAIDER ALI	03-Sep-04	42401-2027761-5	Mr. ALI AHMED
185.	61191	Mr. ATIF NASEER	13-Sep-04	35201-1671423-5	Mr. NASEER UDDIN HAMAYUN
186.	61193	Mr. ABDUL WAHEED KHIZAR	14-Sep-04	36104-0482333-7	Mr. ABDUL SALAM SAEED
187.	61232	Mr. MUHAMMAD SHAKIR	04-Oct-04	42101-5929273-1	Mr. MUHAMMAD ZAKI
188.	61233	Mr. IFTIKHAR ALI	06-Oct-04	37301-5021469-3	Mr. MUHAMMAD BASHIR
189.	60967	Mr. MUHAMMAD IQBAL KHAN	01-May-04	11201-0358861-1	Mr. SHAISTA KHAN
190.	60968	Mr. KHALID SALEEM KHAN	01-May-04	42301-9355362-3	Mr. A JAULI
191.	60969	Mr. ANWER AYUB KAYANI	01-May-04	42201-0781990-7	Mr. M AYUB
192.	60970	Mr. FAROOQ RAFIQ	01-May-04	42501-1600820-7	Mr. MUHAMMAD RAFIQ
193.	60971	Mr. SHAHID HYDER	01-May-04	42201-0691121-9	Mr. GHULAM HYDER
194.	60972	Mr. RANA SABIR SHAHZAD	01-May-04	32102-0980944-5	Mr. RANA MUHAMMAD RAFIQUE
195.	60973	Mr. MANZOOR AHMED	01-May-04	42201-2889836-9	Mr. S MANZOOR
196.	60975	Mr. MUHAMMAD HAYAT KHAN	01-May-04	42501-1497781-9	Mr. MUHAMMAD ASLAM KHAN
197.	60978	Mr. PERVAIZ ALAM	01-May-04	42201-0737049-3	Mr. MUHAMMAD AKHTAR
198.	60979	Mr. MUHAMMAD AURANGZEB	01-May-04	42201-7167754-9	Mr. KHURRAM KHAN
199.	60980	Mr. RASHID RAUF	01-May-04	42501-6315676-7	Mr. ABDUL RAUF
200.	60983	Mr. TARIQ MEHMOOD	01-May-04	42401-2075627-9	Mr. BANARAS KHAN
201.	62568	Mr. SANAM SIBTAIN RIZVI	18-Jan-07	42201-8949870-9	Mr. MUNAWAR HUSSAIN RIZVI
202.	65013	Mr. MUHAMMAD SALMAN	09-Jul-10	42501-2596973-9	Mr. M HUSSAIN
203.	53846	Mr. MUSLIM PASHA	22-Nov-95	42201-0325171-9	Mr. NAZIR AHMED
204.	51816	Mr. SYED JALAL SHAHOOD	13-Mar-91	42101-1688045-9	Mr. SHAHOODUL HAQ
205.	52920	Mr. MUHAMMAD ILYAS	06-Jul-94	42501-5178944-3	Mr. ALLAH BACHAYO
206.	52927	Mr. JAWAID AMJAD	04-Sep-94	42501-7590934-7	Mr. GHULAM RASOOL AMJAD
207.	52928	Mr. MUHAMMAD MUMTAZ	21-Jan-95	42000-4756350-5	Mr. MUHAMMAD HAYYAT
208.	52929	Mr. IRFAN SOHAIL	27-Nov-94	42501-9601403-9	Mr. GHULAM RASOOL
209.	52930	Mr. IFTIKHAR AHMED	10-Sep-94	42201-0555805-5	Mr. SARDAR KHAN
210.	52931	Mr. MUHAMMAD AMEER KHAN	28-Jan-95	42000-6611956-3	Mr. MUHAMMAD SHER
211.	52933	Mr. FAHEEM UDDIN	10-Sep-94	42501-1505035-5	Mr. KARIM UDDIN
212.	52934	Mr. MUHAMMAD SHARIF	07-Jan-95	42201-0663767-3	Mr. SHAHZAD KHAN
213.	52936	Mr. ARIF JAVED	03-Dec-94	42501-3414024-1	Mr. RAJA SAFDAR HUSSAIN
214.	52937	Mr. MUHAMMAD KALEEM	18-Sep-94	42101-1376579-1	Mr. M NABI
215.	52938	Mr. MUSADDIQ MEHBOOB	05-Dec-94	42201-0779160-3	Mr. MAHBOOB KHAN
216.	52943	Mr. SHAKEEL AHMED	04-Dec-94	42201-4042354-7	Mr. KHALIL AHMED
217.	52944	Mr. MUHAMMAD UMER	16-Jul-94	42201-0655702-7	Mr. MUHAMMAD YAHYA
218.	52945	Mr. NUSRAT AHMED KHAN	10-Jul-94	42201-3832637-9	Mr. ADEEB AHMED
219.	52946	Mr. ASHHAB ASLAM KHAN	04-Dec-94	42101-8907917-9	Mr. M ASLAM
220.	52948	Mr. S ULFAT HUSSAIN	12-Sep-94	37201-1656206-9	Mr. S KARAM
221.	52949	Mr. MUHAMMAD FAZIL	15-Jul-94	42201-0649104-1	Mr. M SARWAR

222.	52951	Mr. DIN MUHAMMAD	23-Jul-94	42501-1487096-5	Mr. NATHA KHAN
223.	52952	Mr. M SHAHZAD MUNIR	05-Sep-94	42201-5603788-5	Mr. CH M
224.	52955	Mr. IMTIAZ AHMED	02-Jan-95	42101-8917568-3	Mr. NIAZ AHMED
225.	52957	Mr. MUHAMMED RASHID	31-Jul-94	42501-8907138-7	Mr. MUHAMMAD ISMAIL
226.	52980	Mr. AMANULLAH MEMON	09-Oct-95	43303-0613561-1	Mr. GHULAM H
227.	52984	Mr. HUSSAIN GUL	12-Nov-95	42201-0653088-9	Mr. SHAHEED GUL
228.	52985	Mr. M SAGHIR BARLAS	20-Nov-95	42201-0728488-7	Mr. M NAZIR
229.	52987	Mr. ZULFIQAR AHMED	15-Jan-96	42201-1771200-5	Mr. MUHAMMAD BASHIR
230.	52988	Mr. ISHRAT ALI KHAN	21-Jan-96	42101-4585856-3	Mr. ANWER ALI
231.	52989	Mr. MUHAMMAD AMIR ANWAR	22-Nov-95	42501-6872285-9	Mr. MUHAMMAD ANWAR
232.	52990	Mr. MUHAMMAD IMRAN	22-Nov-95	42000-2984068-9	Mr. MUHAMMAD SHAMKAIZ ABBASI
233.	52991	Mr. KHAN MULK	22-Nov-95	42501-1487815-7	Mr. MUHAMMED ASHRIF
234.	52992	Mr. SULTAN MEHMOOD	22-Nov-95	42501-0607464-3	Mr. BASHIR AHMED FAROOQUI
235.	52993	Mr. SYED NOSHAD HAIDER	22-Nov-95	42201-0713553-5	Mr. Syed SAGHIR HAIDER
236.	52994	Mr. WAJID ALI	22-Nov-95	42201-0475563-1	Mr. ROSHAN ALI
237.	52995	Mr. HUSSAIN AHMED	22-Nov-95	42201-0585452-1	Mr. GHULAM MOHYUDIN
238.	52996	Mr. SALEEM RAZA	22-Nov-95	42201-6048823-5	Mr. RAB NAWAZ
239.	52998	Mr. SALEEM SHAHZAD	22-Nov-95	42201-4357950-9	Mr. SHANGRA
240.	54257	Mr. MUHAMMAD RIAZ	07-May-95	42501-8186674-3	Mr. MUSHTAQ AHMED
241.	54695	Mr. SYED ISHRAT ABBAS	14-Jul-96	42201-5606645-5	Mr. SIQBAL
242.	54701	Mr. JAVED AHMED KHAN	13-Apr-97	42101-1867886-3	Mr. Muzafur Hussain
243.	60480	Mr. MASHOOQUE ALI	11-Jun-03	42501-8002497-1	Mr. MUHAMMAD PUNJAL
244.	60503	Mr. ZULFIQAR ALI	12-Jun-03	42201-8985786-1	Mr. JAN MUHAMMAD
245.	58978	Mr. SHAH NAWAZ BROHI	01-May-03	42301-6185417-3	Mr. TAJ MUHAMMAD
246.	57070	Mr. M MERAJ AKHTAR	01-May-03	42501-1385436-3	Mr. M SIDDIQUE
247.	58811	Mr. M SHAHBAZ ASHFAQ	01-May-03	42201-2016371-7	Mr. M SALEEM
248.	59290	Mr. SOHAIL UDDIN	01-May-03	42101-1494066-7	Mr. MOINUDDIN
249.	59601	Mr. JAMIL AHMED	01-May-03	42201-8509463-5	Mr. M IKRAMUL
250.	61894	Mr. MUHAMMAD WASEEM ANSARI	26-Jan-06	42201-0809244-1	Mr. M MUSTAQEEM

Revised

ANNEXURE E – SPLIT BALANCE SHEET

PKRm	Total PIA	PIA (Core Undertaking)	To be transferred to HoldCo (Non-Core Undertaking)			Note reference for other non- core balances
			PEC	Other non- core balances	HoldCo	
Property, plant & equipment	100,213	92,622	199	7,392	7,592	
Investment properties	2,933	601	-	2,332	2,332	
Long-term investments	4,538	-	-	4,538	4,538	Note 1
Long-term loan to subsidiaries	3,920	-	-	3,920	3,920	
Long-term deposits	5,992	5,992	-	-	-	
Stores and spares	3,931	3,777	154	-	154	
Trade debts	25,950	22,355	501	3,094	3,595	Note 2
Advances, deposits, prepayments and other receivables	19,476	16,831	241	2,403	2,644	Note 3
Cash and bank balances	4,485	4,393	93	-	93	
Total assets	171,438	146,570	1,188	23,679	24,868	
Long term financing	394,762	15,637	-	379,125	379,125	Note 4
Lease liabilities	30,031	30,031	-	-	-	
Employee liabilities	65,987	27,269	1,090	37,628	38,718	Note 5
Contingent liabilities	8,211	8,211	-	-	-	
Trade and other payables	266,607	121,031	1,822	143,753	145,575	Note 6
Accrued interest	65,194	95	-	65,100	65,100	Note 4
Total liabilities	830,792	202,274	2,912	625,605	628,518	
Net equity	(659,354)	(55,704)	(1,724)	(601,926)	(603,650)	

Revised

Note 1: Long term investments		PKRm
Subsidiaries		
PIA Investments Limited		4,416
Skyrooms (Private) Limited		40
Midway House (Private) Limited		29
Sabre Travel Network Pakistan (Private) Limited		0,002
Provision for diminution in value of investments		(691)
		4,416
Other investments		
Minhal Incorporated		0.4
Pakistan Services Limited		121
Pakistan Tourism Development Corporation Limited		0.1
Duty Free Shops Limited		0.3
Total long-term investments		4,538

Note 2: Trade debts		PKRm
Due from Government		4,855
Due from other customers		5,642
		10,497
Considered doubtful		
Government related		(3,492)
Other customers		(3,911)
Provision for impairment against doubtful debts		(7,403)
Total trade debts		3,094

Note 3: Advances, deposits, prepayments and other receivables		PKRm
Interest receivable from PIA Investments Limited		900
Receivable from GoP		557
Other receivables		856
Total advances, deposits, prepayments and other receivables		2,403

Note 4: Long term financing and accrued interest			
PKRm	Loan outstanding	Accrued Interest	Total
Loan from GoP (Note 4.1)	112,953	48,115	161,068
Loan from banks (Note 4.2)	229,893	11,811	241,704
Foreign currency loan (Note 4.3)	24,807	1,697	26,504
Loan from subsidiaries (Note 4.4)	11,472	3,474	14,946
Accrued interest on dormant non-fleet loan	-	3	3
Total long term financing and accrued interest	379,125	65,100	444,225

Note 4.1: Loan from GoP			
PKRm	Loan outstanding	Accrued Interest	Total
GoP loan	8,000	11,298	19,298
Loan from GoP against Markup	100,953	36,816	137,769
CAA Bridge Finance Facility	4,000	-	4,000
Total loan from GoP	112,953	48,114	161,067

Note 4.2: Finance from Banks			
PKRm	Principal Outstanding	Accrued Markup/Profit	Total
The Bank of Punjab	55,765	3,317	59,082
Askari Bank Limited	35,512	864	36,376
Habib Bank Limited	27,662	1,905	29,567

Revised

Faysal Bank Limited	24,433	365	24,798
JS Bank Limited	17,895	2,358	20,253
National Bank of Pakistan	13,000	114	13,114
Bank Islami Pakistan Limited	10,725	59	10,784
Al Baraka Bank Limited	6,556	582	7,138
Sonert Bank Limited	2,222	230	2,452
Short term loans	30,566	1,917	32,483
Sukuk	5,557	100	5,657
Total loan from banks	229,893	11,811	241,704

Note 4.3: Foreign currency Finance from Banks

PKRm	Principal Outstanding	Accrued Markup/Profit	Total
National Bank of Pakistan and Habib Bank Limited consortium	24,807	1,697	26,504

Note 4.4: Finance from subsidiaries

PKRm	Advance outstanding	Accrued Markup/Profit	Total
PIA Investments Limited	11,297	3,474	14,771
Sabre Travel Network (Private) Limited	175	-	175
Total loan from subsidiaries	11,472	3,474	14,946

Note 5: Deferred liabilities

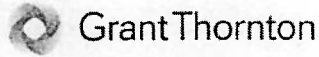
	PKRm
Post Retirement Medical Benefits – unfunded	10,193
Pension Obligation – Actuarial Assessment	19,590
Obligation for compensated absences	163
Accrued mark-up on Provident Fund	8,771
Total deferred liabilities	38,717

Note 6: Trade and other payables (payables to state owned entities)

	PKRm
Civil Aviation Authority	120,904
Pakistan State Oil Company Limited	20,181
National Insurance Company Limited	2,668
Total trade and other payables	143,753

ANNEXURE D

ANNEXURE F – to the Scheme of Arrangement



BAS/C462/24/0326

26 March 2024

Mr. Amos Nadeem
Chief Financial Officer
Pakistan International Airlines Corporation Limited (the Company)
Karachi

**Grant Thornton Anjum
Rahman**
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Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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APPLICATION OF IFRS 3

Dear Sir

We wish to inform you that we have carried out an audit of the special purpose financial statements of the Company for the nine months period ended 30 September 2023 and draw your attention to note 1.3 to the above financial statements which states that the Company is in the process of restructuring its business under the direction of Privatization Commission of Pakistan and in this respect a scheme of arrangement has been approved by the Federal Cabinet.

Under the scheme, a Holding Company will be formed which will be owned by the same shareholders and certain assets and liabilities of the Company will be transferred to the Holding Company. Under IFRS 3 'Business Combinations' such transactions are required to be measured at acquisition-date fair values of the respective assets and liabilities. However, IFRS 3 does not apply to business combinations of entities or businesses under common control. Accordingly, in case of the Company's restructuring plan, the requirements of IFRS 3 will not be applicable due to common control transaction.

Yours sincerely

A handwritten signature in black ink, appearing to read "Anjum Rahman".

A large, stylized handwritten mark or signature in black ink, located in the bottom right corner of the page.