

Quarterly Progress Report
Q3 - Ended March 31, 2026

GAMMON PAKISTAN LIMITED
Quarterly Progress Report
For the Period Ended March 31, 2026

In compliance with Clause 5.11.3(b) of the Rule Book of the Pakistan Stock Exchange Limited;

1. The Board of Directors of the Company hereby presents the progress report for the third quarter ended March 31, 2026, for dissemination to the shareholders. The report provides an update on the status of the Company's efforts towards commencement and resumption of business operations during the quarter ended March 31, 2026.

2. Status of Operations

During the quarter under review, the Company did not undertake any new project. As disclosed in the preceding quarterly reports, management continues its efforts to secure suitable construction and infrastructure projects; however, no significant development in this regard materialized during the current quarter.

3. Operating Environment

The construction and infrastructure sector continued to face challenges during the period. While certain macroeconomic indicators showed relative stability, overall economic activity remained subdued. Public sector development spending remained constrained due to fiscal limitations, while private sector investment continued to be cautious in light of high financing costs and economic uncertainty. Elevated interest rates and cost pressures further impacted project initiation and execution across the sector. These conditions resulted in limited availability of new projects and delays in award decisions.

4. Business Development Activities

Notwithstanding the challenging environment, the Company remained actively engaged in business development initiatives, including participation in tendering processes, engagement with relevant government departments and private sector entities, and exploration of joint venture opportunities where feasible. The management continues to evaluate all opportunities with a focus on financial viability and risk management.

5. Financial Discipline and Recoveries

The Company maintained a prudent approach towards cost management and operational efficiency during the quarter. Administrative and overhead expenses were kept under control to preserve liquidity. Efforts for recovery of outstanding receivables, claims, and retention monies from completed projects continued during the period. These recoveries remain important for strengthening the Company's financial position.

6. Outlook

The Board recognizes that the prevailing economic conditions continue to impact the Company's ability to secure new projects. However, management remains committed to exploring all viable opportunities and maintaining financial discipline. Any improvement in macroeconomic conditions, including potential easing of monetary policy and revival in development spending, may positively influence the construction sector and create opportunities for the Company going forward.

7. Conclusion

The absence of new project awards during the quarter is attributable to external market conditions. The Company continues to actively pursue opportunities and remains focused on improving its operational and financial position in a prudent manner.

Yours Sincerely,

For and on behalf of

Gammon Pakistan Limited



Ghulam Murtaza Khurshid

Chief Financial Officer