

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This Statement sets out the material facts concerning the Special Business to be transacted at the Extra-Ordinary General Meeting of the Company to be held on Friday, 10th April 2026:

Investments in Associated Companies & Associated Undertakings

1 – PIA Equity Limited for the acquisition of Pakistan International Airlines Corporation Limited (PIACL)

Arif Habib Corporation Limited (AHCL / the Company), as lead member of consortium comprising AHCL, Fatima Fertilizer Company Limited, The Lake City Holdings (Private) Limited, AKD Group Holdings (Private) Limited and City Schools (Private) Limited (the Consortium) was declared the successful bidder with a bid of PKR 135 billion for the step-wise acquisition of 75% equity stake in Pakistan International Airlines Corporation Limited (PIACL) under the privatisation process of the Government of Pakistan.

Pursuant to the execution of the relevant transaction agreements with the Privatisation Commission and other stakeholders, the Consortium has incorporated a special purpose vehicle, PIA Equity Limited (PIAEL), to undertake the acquisition. The Consortium has also requested the Privatisation Commission to include Fauji Fertilizer Company Limited as a nominated person to subscribe to a portion of the shareholding in PIAEL, in accordance with the transaction documents.

AHCL, as subscriber to the Memorandum of Association of PIAEL, has made an initial equity investment of PKR 1,699,998,440 in PIAEL. In order to meet its funding obligations under the transaction documents and to enable PIAEL to complete the acquisition of PIACL, the Board of Directors has approved, subject to the approval of members under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, a consolidated limit for further investments in PIAEL. Such investments may be made in any form, including equity, loans, advances, running finance, standby letters of credit, guarantee, indemnities, pledge of shares etc.

Completion of the transaction is subject to satisfaction of the agreed conditions precedent, following which transfer of management control of PIACL is expected. In accordance with the transaction documents, the Consortium / PIAEL also intends to exercise its option to acquire the remaining 25% shareholding of PIACL held by the Government of Pakistan.

The proposed investment aligns with the Company's strategic objective of expanding its portfolio in key sectors and is expected to facilitate operational, financial and governance improvements in PIACL under private sector management, with the aim of enhancing efficiency and long-term value. The Board confirms that necessary due diligence has been carried out and considers the proposed investment to be in the best interest of the Company and its shareholders.

The proposed investment may involve transactions with related parties and associates. Accordingly, common directors may be considered interested due to their directorships and/or shareholdings in the relevant entities. The Company has already obtained shareholders' approval for such transactions up to the next Annual General Meeting. Any transactions undertaken and approved by the Board will be deemed approved under Sections 207 and/or 208 of the Companies Act, 2017, where applicable.

A - Disclosures for all types of investments:

Ref. No.	Requirement	Information
I	Name of associated company or associated undertaking	PIA Equity Limited (PIAEL)
II	Basis of relationship	An associated undertaking due to common directorship of Mr. Arif Habib and shareholding.
III	Earnings per share for the last three years	Not Applicable – PIAEL was recently incorporated and has not yet completed a financial period.
IV	Break-up value of share, based on the latest audited financial statements	Not Applicable – PIAEL was recently incorporated and has not yet completed a financial period. Face value of PIAEL share is Rs.10 per share.
V	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	Not Applicable – PIAEL was recently incorporated and has not yet completed a financial period.
VI	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: 1. Description of the project and its history since conceptualization; 2. Starting date and expected date of completion of work; 3. Time by which such project shall become commercially operational; 4. Expected time by which the project shall start paying return on investment; and 5. Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	PIAEL has been incorporated as a special purpose vehicle (SPV) pursuant to the requirements of the Privatisation Commission, Government of Pakistan through its Letter of Acceptance dated 2 nd January 2026 and Transaction Documents, in connection with the privatisation of Pakistan International Airlines Corporation Limited (PIACL). The sole and exclusive principal business of PIAEL shall be to acquire the shares / equity stake in PIACL in accordance with the applicable Transaction Documents, and not to undertake any other business.
VII	Maximum amount of investment to be made	Approval is requested for a consolidated limit of PKR 40 billion for further investments in PIAEL, to be utilized in any form, including equity, loans, advances, running finance, standby letters of credit, guarantee, indemnities, pledge of shares etc.
VIII	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The proposed investment aims to generate long-term returns by leveraging strategic opportunities in the aviation sector and supporting operational, financial, and governance improvements under private sector management to enhance efficiency and sustainable shareholder value. Approval is sought for a period of around one year which may be renewed / extended. Limits utilized for equity and loans shall be exhausted to

		that extent, while limits for running finance, standby letters of credit, guarantees and similar facilities, along with any unutilized amounts, may be renewed in subsequent general meetings.
IX	<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds</p> <p>1. Justification for investment through borrowing</p> <p>2. Detail of collateral, guarantees provided and assets pledged for obtaining such funds.</p> <p>3. Cost benefit analysis</p>	<p>The investment may be made from Company's own available liquidity and/or credit lines.</p> <p>1. Higher rate of return</p> <p>2. Pledge of listed securities and / or charge over assets of the Company, if and where needed.</p> <p>3. Company expects to make the investment to earn return over and above the borrowing cost.</p>
X	Salient feature of agreements (if any) with associated company or associated undertaking with regards to proposed investment	<p>On 29th January 2026, following agreements were executed :</p> <p>1- Share Purchase and Subscription Agreement (SPSA) among the President of the Islamic Republic of Pakistan, Privatisation Commission, PIA Holding Company Limited (PIAHCL), PIA Equity Limited (PIAEL), Arif Habib Corporation Limited (AHCL), Fatima Fertilizer Company Limited (FATIMA), The Lake City Holdings (Private) Limited (LCHPL), City Schools (Private) Limited (CSPL), AKD Group Holdings (Private) Limited (AKDGHPL), and Pakistan International Airlines Corporation Limited (PIACL), to record the terms and conditions relating to issuance and transfer of the PIACL Shares and management control to PIAEL on the terms and subject to the conditions of SPSA and the Shareholders' Agreement.</p> <p>2- Shareholders' Agreement (SHA) among the PIAHCL, PIAEL, AHCL, FATIMA, LCHPL, CSPL, AKDGHPL, and PIACL, to set forth their mutual understanding with respect to the affairs of PIACL and matters <i>inter se</i> the Shareholders.</p>
XI	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company	The proposed investment may involve transactions with related parties and associates. Accordingly, some directors may be considered interested due to their

	or associated undertaking or the transaction under consideration	directorships and/or shareholdings in the relevant entities. The Company had already obtained shareholders' approval for such transactions up to the next AGM. Any transactions undertaken and approved by the Board will be deemed approved under Sections 207 and/or 208 of the Companies Act, 2017, where applicable.
XII	In case an investment in associated company has already been made, the performance review of such investment including complete information / justification for any impairments / write-offs	PIAEL was recently incorporated on 9 th January 2026. AHCL, being a subscriber to the Memorandum of Association of PIAEL, has made an initial equity contribution of PKR 1,699,998,440 towards its share capital.
XIII	Any other important details necessary for the members to understand the transaction:	None

B - Disclosures relating to proposed equity investments:

XIV	Maximum price at which securities will be acquired	At par, premium, or such price as may be offered or negotiated at the time of the transaction/investment, in accordance with applicable laws and the terms of the relevant transaction or any agreements.
XV	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not applicable
XVI	Maximum number of securities to be Acquired	No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. VII & XIV
XVII	Number of securities and percentage thereof held before and after the proposed investment	Before: AHCL, as subscriber to the Memorandum of Association of PIAEL, presently holds 169,999,844 ordinary shares representing 51.51% of the issued share capital of PIAEL. Subject to approval of the Privatisation Commission for inclusion of Fauji Fertilizer Company Limited (FFCL) as a nominated person and issuance of new PIAEL shares to FFCL, AHCL's shareholding shall remain 169,999,844 ordinary shares; however, its percentage holding shall be diluted to 34%. After: Increase in securities / percentage in accordance with Sr. Nos. VII, XIV and XVI.
XVIII	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	Not applicable
XIX	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not Applicable – PIAEL was recently incorporated in January 2026. Face value of PIAEL share is Rs.10 per share.

C - Disclosures relating to proposed investments in the form of loans, advances running finance, standby letters of credit, guarantee, indemnity, pledge of shares etc. :

XX	Category-wise amount of investment	As disclosed in Sr. VII above
XXI	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	Existing average borrowing cost ranges from 1-month to 3-month KIBOR plus a spread of 0.70% to 1.75% per annum
XXII	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	If applicable, at least the average borrowing cost of the investing company.
XXIII	Particulars of collateral or security to be obtained in relation to the proposed investment	Not Applicable
XXIV	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	In case of a loan or advance, the Management will negotiate in the best interest of the Company and decide on conversion feature, if any, at the time of making the investment or entering into any arrangement in this regard.
XXV	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	Facilities to be extended in the nature of Running Finance Facility / Advance / Standby Letters of Credit (SBLC) / Guarantee / Indemnity, Pledge of shares etc. shall be for a period of around one year and renewable in next annual general meeting(s) for further period(s). SBLC may be issued directly, or routed through PIAEL. Facilities to be extended in the nature of Long-term Loan shall be for a period as agreed at the time of disbursement.

2 – Javedan Corporation Limited

The Board of Directors of the Company (AHCL) has approved the specific limits for the investments in the form of equity, loans, advances, running finance, standby letters of credit, guarantee, indemnity, pledge of shares etc along with other particulars for investments in Javedan Corporation Limited, subject to the consent of members under Section 199 of the Companies Act, 2017 / Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The Board of Directors do hereby undertake / certify that necessary due diligence for the following existing / proposed investment has been carried out.

The principle purpose of this special resolution is to make the Company in a ready position to capitalize on the investment opportunities as and when they arrive. It is prudent that the Company should be able to make the investment at the right time when the opportunity is available, and the limit shall be valid for a period upto three years , with the option of renewal thereon.

The proposed investment may involve transactions with related parties and associates. Accordingly, common directors may be considered interested due to their directorships and/or shareholdings in the

relevant entities. The Company has already obtained shareholders' approval for such transactions up to the next Annual General Meeting. Any transactions undertaken and approved by the Board will be deemed approved under Sections 207 and/or 208 of the Companies Act, 2017, where applicable.

A - Disclosures for all types of investments:

Ref. No.	Requirement	Information																		
I	Name of associated company or associated undertaking	Javedan Corporation Limited (JCL)																		
II	Basis of relationship	An associated undertaking due to common control, shareholding & common directorships of Mr. Arif Habib, Mr. Samad Habib, Mr. Kashif Habib and Mr. Muhammad Ejaz																		
III	Earnings per share for the last three years	Year 2025: 4.11 Year 2024: 4.47 Year 2023: 17.70																		
IV	Break-up value of share, based on the latest audited financial statements	PKR 66.64 per share base on the audited financial statement of JCL for the year ended 30 th June 2025.																		
V	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	<table border="0"> <tr> <td>30th June 2025</td> <td style="text-align: right;">(PKR in Million)</td> </tr> <tr> <td>Non-current assets</td> <td style="text-align: right;">20,989.61</td> </tr> <tr> <td>Current assets</td> <td style="text-align: right;">20,357.66</td> </tr> <tr> <td>Equity</td> <td style="text-align: right;">25,381.82</td> </tr> <tr> <td>Non-current liabilities</td> <td style="text-align: right;">4,569.53</td> </tr> <tr> <td>Current liabilities</td> <td style="text-align: right;">11,395.92</td> </tr> <tr> <td>Operating Revenue</td> <td style="text-align: right;">7,361.13</td> </tr> <tr> <td>Profit before Tax</td> <td style="text-align: right;">2,151.86</td> </tr> <tr> <td>Profit after Tax</td> <td style="text-align: right;">1,564.93</td> </tr> </table>	30th June 2025	(PKR in Million)	Non-current assets	20,989.61	Current assets	20,357.66	Equity	25,381.82	Non-current liabilities	4,569.53	Current liabilities	11,395.92	Operating Revenue	7,361.13	Profit before Tax	2,151.86	Profit after Tax	1,564.93
30th June 2025	(PKR in Million)																			
Non-current assets	20,989.61																			
Current assets	20,357.66																			
Equity	25,381.82																			
Non-current liabilities	4,569.53																			
Current liabilities	11,395.92																			
Operating Revenue	7,361.13																			
Profit before Tax	2,151.86																			
Profit after Tax	1,564.93																			
VI	<p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:</p> <ol style="list-style-type: none"> 1. Description of the project and its history since conceptualization; 2. Starting date and expected date of completion of work; 3. Time by which such project shall become commercially operational; 4. Expected time by which the project shall start paying return on investment; and 5. Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts; 	Not Applicable																		
VII	Maximum amount of investment to be made	Fresh limit of PKR 1 billion for further investments in JCL, to be utilized in any form, including equity, loans, advances, running finance, standby letters of credit, guarantee, indemnities, pledge of shares etc. This is in addition to the available unutilized limits of equity investment and sanctioned limits of other investments.																		

VIII	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	For the benefit of the Company and to earn better returns on investment by capturing the opportunities on the right time. The approval hereby sought shall be valid for the period upto 3 years and shall be renewable for any further period(s) as approved by the shareholders subsequently. Limits utilized for equity and loans shall be exhausted to that extent, while limits for running finance, standby letters of credit, guarantee and similar facilities, along with any unutilized amounts, may be renewed in subsequent general meetings.
IX	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds 1. Justification for investment through borrowing 2. Detail of collateral, guarantees provided and assets pledged for obtaining such funds. 3. Cost benefit analysis	The investment may be made from Company's own available liquidity and/or credit lines. 1. Higher rate of return 2. Pledge of listed securities and / or charge over assets of the Company, if and where needed. 3. Company expects to make the investment to earn return over and above the borrowing cost.
X	Salient feature of agreements (if any) with associated company or associated undertaking with regards to proposed investment	There is no agreement to date.
XI	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	The proposed investments may involve transaction with related parties, directors, or substantial shareholders of the companies. Consequently, the directors of the Company may be deemed interested in these investments in their capacity as directors or shareholders of the companies involved. The Company has already obtained shareholders' approval for such transactions up to the next Annual General Meeting. Any transactions undertaken and approved by the Board will be deemed approved under Sections 207 and/or 208 of the Companies Act, 2017, where applicable.
XII	In case an investment in associated company has already been made, the performance review of such investment including complete information / justification for any impairments / write-offs	JCL's FY-25 performance delivered several operational milestones. The launch of the Naya Nazimabad Business Enclave attracted a diverse mix of SMEs and brand outlets, and several allottees have commenced construction on their plots. Projects progressed through REIT structures with construction on schedule, reinforcing Naya Nazimabad's position as Karachi's leading master-planned community. Secondary-market activity surged, with a total of

		1,234 property transfers and an estimated transaction value of Rs. 22 billion (plots, houses and apartments), indicating rising buyer confidence and sustained demand. In the subsequent six-month period, demand for commercial properties persisted, and overall performance remained satisfactory.
XIII	Any other important details necessary for the members to understand the transaction:	None

B - Disclosures relating to proposed equity investments:

XIV	Maximum price at which securities will be acquired	At par / premium / market / offered / negotiated price prevailing at the time of transaction / investment.
XV	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not applicable
XVI	Maximum number of securities to be Acquired	No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. VII & XIV.
XVII	Number of securities and percentage thereof held before and after the proposed investment	Before: 139,474,412 (ordinary shares) being 36.62% holding in JCL as on 16 March 2026. After: Increase in securities / percentage in accordance with Sr. Nos. VII, XIV and XVI.
XVIII	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	As at 16 March 2026, Current price per share: PKR 98.60 Weighted average market price per share of preceding twelve weeks: PKR 134.30.
XIX	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not Applicable

C - Disclosures relating to proposed investments in the form of loans, advances running finance, standby letters of credit, guarantee, indemnity, pledge of shares etc. :

XX	Category-wise amount of investment	As disclosed in Sr. VII above
XXI	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	Existing average borrowing cost ranges from 1-month to 3-month KIBOR plus a spread of 0.70% to 1.75% per annum

XXII	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	At the time of making the investment or entering into any arrangement, it will be ensured that the rate to be charged by the Company shall be in line with Section 199 of the Companies Act, 2017 and the guidelines provided in the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.
XXIII	Particulars of collateral or security to be obtained in relation to the proposed investment	Shall be decided on case to case basis. Being investments made in a group company, requirement of collateral may be relaxed or waived as well.
XXIV	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	Not Applicable
XXV	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	Facilities to be extended shall be for a period upto three years and renewable in next annual general meeting(s) for further period(s).