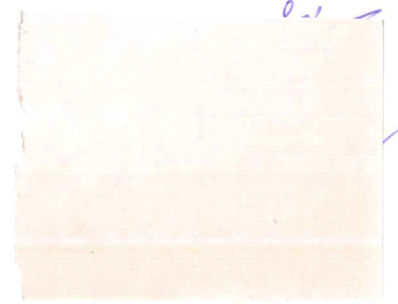


CS/S&T/PSX/KK/2019

December 19, 2019

Hafiz Maqsood Munshi
Manger
Compliances & Securities Compliance – RAD
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road
Karachi – 74000



ENQUIRY ON NEWS PUBLISHED IN PRINT /ELECTRONIC MEDIA

Dear Sir,

1. This is with reference to your letter bearing No. PSX/C-69-6013 dated December 16, 2019 regarding news item published in the blog i.e. <https://profit.pakistantoday.com.pk> dated December 13, 2019.
2. PSX is quite aware, PIACL besides being a public sector company, is a public limited, public interest company. It is a law-abiding corporate citizen of Pakistan and has been alive to its social responsibility particularly towards its valued shareholders. About a year back, it underwent an important Management change with a view to revamp and revitalize it. Both Government of Pakistan as well as the interested public has a lot of expectations from it. The new Management team with untiring and dedicated efforts right from the word 'go' has set the airline in the right direction and has started journeying towards success.
3. As per Section 237 of Companies Act, 2017, PIACL was required to prepare its Financial Statements for Half Year ended June 30, 2019 within sixty days of the close of second quarter of its year of accounts subject to a limited scope review by the statutory auditors and the Financial Statements should be approved by the Board of the Company and signed on behalf of the Board by the Chief Executive and at least one Director of the company, and in case of a listed company also by the Chief Financial Officer. But due to various reasons, PIACL could not finalize Financial Statements for FY 2017 and FY 2018, within stipulated time which caused a rolling delay in finalization of Half Yearly Financial Statements for the period ended June 30, 2019.

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4. PIACL has planned to move with full speed to finalize the Accounts for the financial year 2019, and as per direction of SECP, PIACL finalized his Half Yearly /Annual Accounts for the year 2018 and as per decision by the Board, the Annual General Meeting -2018 will be held on December 21, 2019. One of the Agenda Items of the AGM-2018 is to appoint External Auditors for FY-2019. After their appointment in AGM 2018, the External Auditors will start their Audit Activity pertaining to FY-2019.

5. As far as the contents of the referred blog of profit.pakistantoday.com.pk are concerned, please note that the contents of the said blog were never reported by PIACL or any of its representative, to any institution or its representative. It is also noteworthy that the reported figures in the said blog have not even been attributed to any source, be it official or unofficial.

6. Under the given facts as narrated above, the AGM 2018 is scheduled to be held on 21st December, 2019 and one of the agenda points of this AGM is to obtain the shareholders' approval for appointment of auditors for the audit 2019. In such a scenario, quoting such figures for the year 2019 to any source is absolutely absurd and we assure you that such an exercise was not carried-out by PIACL or any of its representatives authorized to issue such details to the public.

7. PIA is committed to ensure regulatory compliance and making sincere efforts in this regard.

Yours sincerely,


Mrs Kanceez Khursheed
Manager Corporate Affairs