

19 August 2025

The General Manager  
Pakistan Stock Exchange  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Subject: **FINANCIAL RESULTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

Dear Sir,

We have to inform you that the Board of Directors of the Company in their meeting dated: 18 August 2025 have approved the financial statements for the six months period ended 30 June 2025 and recommend the following:

**DIVIDEND**

Nil.

**BONUS SHARES**

Nil.

**FINANCIAL RESULTS**

Financial results of the Company along with the Directors report are attached hereto as **Annexure – A, Annexure B & Annexure - C**.

**PERFORMANCE OVERVIEW**

**The Group (Consolidated):**

During the six months period ended 30th June 2025, consolidated revenue grew by 18.4% year over year from Rs. 31,023.36 million to Rs. 36,739.12 million. Gross profit and operating profit increased by 29.6% and 31.7% respectively. Net profit for the period

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increased by 58.9% from Rs. 3,243.32 million to Rs. 5,152.41 million due to exchange gain this period against exchange loss recorded in the same period last year. Normalizing the impact of currency fluctuation, profit after tax showed an increase of 34.2% from same period last year. This has been achieved by improving productivity, billing efficiency and optimization of costs.

The Company delivered strong HY results with the highest-ever operating profit in absolute terms. Although total revenue for Q4 2024 was elevated due to non-recurring, transactional revenue, the Company achieved growth in services revenue in HY 2025, both year-over-year and quarter-over-quarter.

Basic and diluted earnings per share increased by 58.0% and 57.8% respectively.

### **The Company (Standalone):**

During the six-month period ended 30th June 2025, standalone revenue grew by 20.3% year-over-year, rising from Rs. 18,050.94 million to Rs. 21,718.46 million. Gross profit increased by 24.5%, while operating profit rose by 28.3%. Operating margins for this quarter fell due to the provision on intercompany balance which will be reversed on collection and has no impact on consolidated financials. Adjusting for currency fluctuations, profit after tax increased by 28.8% compared to the same period last year.

For and on behalf of Systems Limited



**Hasan Waleed Majal**  
Company Secretary



**SYSTEMS LIMITED**  
**CONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025 (UNAUDITED)**

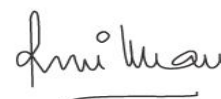
	Six Months Ended		Three Months Ended	
	June 30, 2025 Rupees	June 30, 2024 Rupees	June 30, 2025 Rupees	June 30, 2024 Rupees
Revenue from contract with customers - net	<b>36,739,108,828</b>	31,023,362,819	<b>18,659,553,878</b>	15,828,962,341
Cost of sales	<b>27,453,777,706</b>	23,860,376,078	<b>13,924,272,801</b>	12,269,879,587
<b>Gross profit</b>	<b>9,285,331,122</b>	7,162,986,741	<b>4,735,281,077</b>	3,559,082,754
Distribution expenses	<b>1,300,076,908</b>	991,686,162	<b>676,192,425</b>	494,129,678
Administrative expenses	<b>2,848,741,280</b>	2,188,022,481	<b>1,438,960,785</b>	1,078,312,103
Research & development expenses	<b>24,868,807</b>	39,294,365	<b>7,220,184</b>	6,172,629
Impairment losses on financial assets	<b>28,227,730</b>	84,720,065	<b>(2,627,123)</b>	106,038,337
	<b>4,201,914,725</b>	3,303,723,073	<b>2,119,746,272</b>	1,684,652,747
<b>Operating profit</b>	<b>5,083,416,397</b>	3,859,263,668	<b>2,615,534,806</b>	1,874,430,008
Other income	<b>820,901,359</b>	114,530,802	<b>486,511,109</b>	171,084,666
Share of loss from associate	<b>56,225,708</b>	38,369,952	<b>47,225,708</b>	18,000,000
Finance cost	<b>165,990,055</b>	287,095,140	<b>76,354,027</b>	138,801,785
<b>Profit before taxation and levy</b>	<b>5,682,101,992</b>	3,648,329,378	<b>2,978,466,180</b>	1,888,712,889
Levy	<b>337,212,254</b>	284,446,934	<b>227,873,871</b>	156,030,348
<b>Profit before taxation</b>	<b>5,344,889,738</b>	3,363,882,445	<b>2,750,592,309</b>	1,732,682,541
Taxation	<b>192,477,805</b>	120,563,117	<b>99,655,505</b>	60,579,180
<b>Profit after taxation</b>	<b>5,152,411,933</b>	3,243,319,328	<b>2,650,936,804</b>	1,672,103,361
Attributable to:				
Equity holders of the parent	<b>5,152,705,306</b>	3,243,306,433	<b>2,650,943,429</b>	1,672,102,811
Non-controlling interest	<b>(293,373)</b>	12,896	<b>(6,625)</b>	550
	<b>5,152,411,933</b>	3,243,319,328	<b>2,650,936,804</b>	1,672,103,361
Earnings per share:				
Basic earnings per share	<b>3.52</b>	2.22	<b>1.81</b>	1.15
Diluted earnings per share	<b>3.49</b>	2.21	<b>1.80</b>	1.14



(CHAIRMAN)



(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

## SYSTEMS LIMITED

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

## FOR THE SIX MONTHS AND THREE MONTHS PERIODS ENDED JUNE 30, 2025

	Six Months Ended		Three Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	Rupees			
Revenue from contracts with customers - net	21,718,456,391	18,050,942,510	10,819,760,438	8,892,432,100
Cost of revenue	(16,242,190,500)	(13,651,871,489)	(8,058,948,000)	(6,791,479,948)
<b>Gross profit</b>	<b>5,476,265,891</b>	<b>4,399,071,021</b>	<b>2,760,812,438</b>	<b>2,100,952,152</b>
Selling and distribution expenses	(500,258,404)	(360,560,318)	(254,260,684)	(193,133,025)
Administrative expenses	(1,396,102,748)	(1,163,090,591)	(700,204,163)	(616,513,074)
Research & development expenses	(24,153,715)	(39,294,365)	(7,542,977)	(6,172,629)
Other operating expenses	-	-	-	1,023,515
Impairment losses on financial assets	(221,141,025)	(237,129,811)	(221,076,231)	(237,129,811)
	(2,141,655,892)	(1,800,075,085)	(1,183,084,055)	(1,051,925,024)
<b>Operating profit</b>	<b>3,334,609,999</b>	<b>2,598,995,936</b>	<b>1,577,728,383</b>	<b>1,049,027,128</b>
Other income	986,613,490	252,069,484	584,993,114	367,058,333
Finance costs	(68,417,242)	(169,519,694)	(31,597,624)	(79,529,100)
<b>Profit before taxation and levy</b>	<b>4,252,806,247</b>	<b>2,681,545,726</b>	<b>2,131,123,873</b>	<b>1,336,556,361</b>
Levy	(216,399,275)	(179,684,927)	(107,060,892)	(87,900,341)
<b>Profit before taxation</b>	<b>4,036,406,972</b>	<b>2,501,860,799</b>	<b>2,024,062,981</b>	<b>1,248,656,020</b>
Taxation	(26,531,060)	(45,299,981)	(20,722,831)	(27,303,969)
<b>Profit for the year</b>	<b>4,009,875,912</b>	<b>2,456,560,818</b>	<b>2,003,340,150</b>	<b>1,221,352,051</b>
Earnings per share (Restated)				
-Basic	2.74	1.68	1.37	0.84
-Diluted	2.71	1.67	1.36	0.83

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(CHAIRMAN)



(CHIEF EXECUTIVE)



(CHIEF FINANCIAL OFFICER)

**DIRECTOR'S REVIEW REPORT – 30<sup>TH</sup> JUNE 2025**

On behalf of the Board of Directors we are pleased to present the Standalone and Consolidated Financial Statements for the three months ended 30<sup>th</sup> June 2025.

**FINANCIAL RESULTS****Consolidated:**

During the six months period ended 30<sup>th</sup> June 2025, consolidated revenue grew by 18.4% year over year from Rs. 31,023.36 million to Rs. 36,739.12 million. Gross profit and operating profit increased by 29.6% and 31.7% respectively. Net profit for the period increased by 58.9% from Rs. 3,243.32 million to Rs. 5,152.41 million due to exchange gain this period against exchange loss recorded in the same period last year. Normalizing the impact of currency fluctuation, profit after tax showed an increase of 34.2% from same period last year. This has been achieved by improving productivity, billing efficiency and optimization of costs.

Even though both Eid festivals fell in this quarter with lesser number of billable days, the Company was able to deliver consistent results through enhanced operational efficiency, productivity improvements, billing rate improvement and maintaining fixed costs. This enabled improved profitability vs same period last year.

The Company delivered strong HY results with the highest-ever operating profit in absolute terms. Although total revenue for Q4 2024 was elevated due to non-recurring, transactional revenue, the Company achieved growth in services revenue in HY 2025, both year-over-year and quarter-over-quarter.

Basic and diluted earnings per share increased by 58.0% and 57.8% respectively.

<b>Consolidated</b>			
<b>Particulars</b>	<b>Jun-25 (unaudited)</b>	<b>Jun-24 (unaudited)</b>	<b>Change</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>%</b>
<b>Revenue</b>	<b>36,739,108,828</b>	31,023,362,819	18.4
<b>Gross Profit</b>	<b>9,285,331,122</b>	7,162,986,741	29.6
<b>Operating profit</b>	<b>5,083,416,397</b>	3,859,263,668	31.7
<b>Profit for the period</b>	<b>5,152,411,933</b>	3,243,319,328	58.9
<b>Earnings per share (basic)</b>	<b>3.52</b>	2.22	58.0
<b>Earnings per share (diluted)</b>	<b>3.49</b>	2.21	57.8

<b>Other Income – Consolidated</b>		
<b>Particulars</b>	<b>Jun-25 (unaudited)</b>	<b>Jun-24 (unaudited)</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Other Income</b>	<b>292,483,230</b>	318,089,709
<b>Exchange Gain / (Loss)</b>	<b>528,418,129</b>	(203,558,907)
	<b>820,901,359</b>	114,530,802

## Unconsolidated:

During the six-month period ended 30<sup>th</sup> June 2025, standalone revenue grew by 20.3% year-over-year, rising from Rs. 18,050.94 million to Rs. 21,718.46 million. Gross profit increased by 24.5%, while operating profit rose by 28.3%. Operating margins for this quarter fell due to the provision on inter-company balance which has no impact on consolidated financials. Adjusting for currency fluctuations, profit after tax increased by 28.8% compared to the same period last year.

Key Financial Highlights – Unconsolidated			
Particulars	Jun-25 (unaudited)	Jun-24 (unaudited)	Change
	Rs.	Rs.	%
<b>Revenue</b>	<b>21,718,456,391</b>	18,050,942,510	20.3
<b>Gross Profit</b>	<b>5,476,265,891</b>	4,399,071,021	24.5
<b>Operating profit</b>	<b>3,334,609,999</b>	2,598,995,936	28.3
<b>Profit for the period</b>	<b>4,009,875,912</b>	2,456,560,818	63.2
<b>Earnings per share (basic)</b>	<b>2.74</b>	1.68	63.1
<b>Earnings per share (diluted)</b>	<b>2.71</b>	1.67	62.3

Other Income – Unconsolidated		
Particulars	Jun-25 (unaudited)	Jun-24 (unaudited)
	Rs.	Rs.
<b>Other Income</b>	<b>425,471,432</b>	<b>473,938,899</b>
<b>Exchange Gain / (Loss)</b>	<b>561,142,058</b>	<b>(221,869,415)</b>
	<b>986,613,490</b>	<b>252,069,484</b>

## PERFORMANCE BY SEGMENT – BY VERTICAL AND BY GEOGRAPHY

BFS and Telco remain the fastest-growing segments, while Technology and Retail are the most profitable. The Company will maintain its strategic focus on BFS, Telco, and Retail, having developed numerous AI use cases to drive accelerated growth in these verticals.

	BFSI		Telco		Technology		Retail & CPG		Others		Total	
	Un-audited		Un-audited		Un-audited		Un-audited		Un-audited		Un-audited	
	Six months ended 30 June 2025	2024	Six months ended 30 June 2025	2024	Six months ended 30 June 2025	2024	Six months ended 30 June 2025	2024	Six months ended 30 June 2025	2024	Six months ended 30 June 2025	2024
	Rupees											
Revenue - net	11,076,480,699	9,156,443,744	9,072,201,486	6,889,853,338	4,320,907,157	4,000,522,311	3,891,425,165	3,825,337,242	8,378,094,320	7,151,206,183	36,739,108,828	31,023,362,819
Cost of sales	8,407,184,796	7,913,358,247	7,177,597,778	5,093,808,884	3,102,411,339	2,844,450,290	2,502,186,381	2,678,898,574	6,264,397,412	5,329,860,083	27,453,777,706	23,860,376,078
Gross profit	2,669,295,903	1,243,085,498	1,894,603,708	1,796,044,454	1,218,495,818	1,156,072,021	1,389,238,784	1,146,438,668	2,113,696,909	1,821,346,100	9,285,331,122	7,162,986,741
Distribution expenses	391,960,427	240,122,724	321,035,540	236,724,940	152,902,773	133,166,054	137,704,810	154,352,494	296,473,358	227,319,950	1,300,076,908	991,686,162
Administrative expenses	858,867,534	515,571,790	703,456,227	526,763,167	335,042,057	295,243,615	301,740,131	349,237,702	649,635,331	501,206,207	2,848,741,280	2,188,022,481
Research & development expenses	12,423,941	21,183,737	4,614,809	5,706,317	2,147,764	3,313,314	1,957,620	3,168,222	3,724,674	5,922,775	24,868,807	39,294,365
	1,263,251,902	776,878,250	1,029,106,576	769,194,424	490,092,593	431,722,983	441,402,560	506,758,418	949,833,363	734,448,932	4,173,686,995	3,219,003,008
Profit / (loss) before taxation and unallocated income and expenses	1,406,044,002	466,207,247	865,497,132	1,026,850,030	728,403,225	724,349,038	947,836,223	639,680,249	1,163,863,545	1,086,897,168	5,111,644,127	3,943,983,733
Other operating expenses											(28,227,730)	(84,720,065)
Other income (excluding exchange gain)											292,483,230	318,089,709
Exchange (loss) / gain											528,418,129	(203,558,907)
Share of loss from associates											(56,225,708)	(38,369,952)
Finance cost											(165,990,055)	(287,095,140)
Profit before taxation and levy											5,682,101,992	3,648,329,378
Levy											(337,212,254)	(319,677,382)
Profit before taxation											5,344,889,738	3,328,651,997
Taxation											(192,477,805)	(85,332,669)
Profit after taxation											5,152,411,933	3,243,319,328

Geographical segment analysis indicates strong growth across all four regions. While APAC experienced a slowdown last year, it is now recovering. The Company is also streamlining the Pakistan segment by enhancing revenue quality, driving efficiencies, and optimizing costs. The Pakistan segment is projected to reach breakeven by the end of the first half and deliver positive results in the second half of the year. With these strategic initiatives, profitability across all segments is expected to improve in the latter part of the year.

	North America		Europe		Middle East & Africa		Asia Pacific		Pakistan & Others		Total	
	Un-audited		Un-audited		Un-audited		Un-audited		Un-audited		Un-audited	
	Six months ended June		Six months ended June		Six months ended June		Six months ended June		Six months ended June		Six months ended June	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees											
Revenue - net	7,429,789,245	6,719,264,191	1,835,458,630	1,465,245,012	20,856,922,862	17,854,793,328	1,229,995,722	1,087,584,019	5,386,942,369	3,896,476,269	36,739,108,828	31,023,362,819
Cost of sales	5,160,849,101	4,489,262,854	1,177,757,894	952,495,738	15,405,290,596	13,735,738,022	802,365,767	715,041,060	4,907,514,348	3,967,838,405	27,453,777,706	23,860,376,078
Gross profit	2,268,940,144	2,230,001,337	657,700,737	512,749,274	5,451,632,266	4,119,055,306	427,629,954	372,542,959	479,428,021	(71,362,136)	9,285,331,122	7,162,986,741
Distribution expenses	55,851,444	51,154,326	41,369,619	10,935,937	852,697,700	691,108,085	121,191,217	106,908,365	228,966,928	131,579,449	1,300,076,908	991,686,162
Administrative expenses	571,471,630	576,882,250	122,014,587	120,972,104	1,783,988,815	1,207,095,167	107,265,727	95,562,967	264,000,520	187,509,992	2,848,741,280	2,188,022,481
Research & development expenses	6,621,268	8,510,658	1,807,804	1,855,888	7,985,228	22,614,981	4,840,917	1,377,540	3,613,591	4,935,299	24,888,807	39,294,365
Profit / (loss) before taxation and unallocated income and expenses	633,944,342	636,547,234	165,192,010	133,763,928	2,644,671,744	1,920,818,233	233,297,861	203,848,872	496,581,038	324,024,740	4,173,686,995	3,219,003,008
Other operating expenses											(28,227,730)	(84,720,065)
Other income (excluding exchange gain)											292,483,230	318,089,709
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Profit after taxation											5,152,411,933	3,243,319,328

## FUTURE OUTLOOK

- The Company is charting its future around an “AI-first” vision, embedding artificial intelligence at the heart of everything it does. Internally, this means reimagining operations through automation and intelligent ERP systems to achieve new levels of efficiency and excellence. Externally, this vision is brought to life through Systems GenAI Studio—a cloud-native, model-agnostic platform that positions the Company as an AI-as-a-Service leader. Systems GenAI Studio is a cloud-native, model-agnostic platform that empowers enterprises to rapidly build, deploy, and scale Generative AI solutions with transparency and trust. Combining robust LLMOps capabilities with Responsible AI and explainability, it delivers pre-built assets, customizable accelerators, and Agentic RAG tools for diverse use cases across industries—from IT operations to healthcare. Beyond external solutions, it streamlines the SDLC, enabling secure, efficient, and high-impact AI innovation from ideation to production.
- The Company is capitalizing on the transformative potential of Artificial Intelligence (AI). Existing opportunities are evolving with new avenues for business and efficiency gains. To enable AI at scale, substantial digital transformation and engineering are required at the back end, which in turn demands a skilled workforce. This dynamic is driving growth in both existing accounts and new client acquisitions. The Company is investing significantly in workforce training while proactively pitching AI-driven solutions to clients. Increasingly, customers are seeking end-to-end Data and AI strategies and adopting new use cases as part of their transformation journeys, positioning the Company as a trusted partner in this evolving space.

- The Company’s diversified geographic presence continues to strengthen its resilience and growth prospects. After a period of slowdown, the APAC region is showing renewed opportunities. The MEA and GCC markets are on a robust growth trajectory, while the US and Europe are expected to maintain steady momentum. Domestically, the Company is streamlining operations by phasing out unprofitable contracts, with an aim to restore profitability in Pakistan by year-end. Strong export-led growth further reinforces the Company’s solid performance.
- The Company’s associates also continue to perform well. SalesFlo has successfully expanded operations in KSA and is reporting promising annual recurring revenues (ARR). OneLoad is in the process of finalizing an investor, supported by an increase in use cases following the grant of an SBP license.
- The Company remains focused on pursuing large-scale deals, while actively exploring strategic partnerships and M&A opportunities to accelerate growth and expand its global market reach.
- Pakistan’s evolving geopolitical positioning has enhanced its profile as a neutral and credible player in the region. This improvement in the country brand, both regionally and in Western markets, is creating favorable conditions for the Company to explore new avenues for growth and collaboration.
- Competing head-to-head with top-tier global system integrators, the Company has established itself as a leading regional technology brand. Its strong reputation continues to serve as a key driver of business development and revenue growth. Active participation in major global technology events and representation in government forums further strengthen its market influence and business prospects.
- The Company maintains a healthy order backlog with strong new bookings during the quarter. Although a significant portion of costs are incurred in local currency, approximately 90% of revenues—including those generated in Pakistan—are denominated in foreign currency, providing a natural hedge. Around 85–90% of business comes from enterprise clients, and a focused account development strategy is in place to deepen engagement across tiers, thereby enhancing customer lifetime value.

With a clear vision, well-defined strategic initiatives, and strong market positioning, the Company is well-equipped to address future challenges and capitalize on emerging opportunities, ensuring sustainable growth and long-term success

## **ACKNOWLEDGEMENT**

The Board takes this opportunity to thank the Company’s valued customers, bankers and other stakeholders for their corporation and support. The Board greatly appreciates the hard work and dedication of all the employees of the Company.

On behalf of the Board

Asif Peer  
Chief Executive Officer  
Date: 18<sup>th</sup> August 2025