systems

SUBJECT: ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER, 2025

We are pleased to present to you the Annual Report for Systems Limited for the fiscal year concluded on December 31, 2025. This document encapsulates our financial performance, achievements, and strategic direction over the past year.
For stakeholders interested in a more detailed examination, a high-resolution version of the Annual Report is accessible on our official website. You can download it using the following link: https://www.systemsltd.com/financial-reports#financial

For and on behalf of Systems Limited

Fayez Qamar Rasheed
Company Secretary

Headquarters

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APAC

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systems

AI at the Core, **Impact** at Scale

Annual Report ***2025***

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Company **Information**

Board of Directors

Mr. Aezaz Hussain *Chairman*	Non Executive
Mr. Asif Peer *Group CEO and Managing Director*	Executive
Mr. Arshad Masood *Director*	Non Executive
Mr. Zubyr Soomro *Director*	Independent
Mr. Omar Saeed *Director*	Independent
Ms. Maheen Rehman *Director*	Independent
Ms. Romana Abdullah *Director*	Independent

Human Resource & Compensation committee

Mr. Omar Saeed
Chairman

Ms. Maheen Rehman
Member

Mr. Arshad Masood
Member

Audit Committee

Mr. Zubyr Soomro
Chairman

Ms. Maheen Rehman
Member

Ms. Romana Abdullah
Member

Sustainability Committee

Ms. Romana Abdullah
Chairman

Mr. Asif Peer
Member (subsequent to year end)

Chief Financial Officer

Ms. Roohi Khan

Head of Internal Audit

Mr. Zeeshan Khawar

Tax Advisors

A.F.Ferguson & Co.
Chartered Accountants

Zulfiqar Ahmad & Co.
Chartered Accountants

External Auditors

A.F.Ferguson & Co.
Chartered Accountants

Legal Advisors

Hassan & Hasan Advocates
Ahmad & Pansota
Mohsin Tayebali & Co.

Company Secretary

Fayez Qamar Rasheed

Share Registrar

Central Depository Company
CDC House, 99-B, Block B, S.M.C.H.S., Main
Shahra-e-Faisal, Karachi – 74400.
Tel: (92-21) 111-111-500 Fax: (92-21)
34326034

Registered Address

Systems Limited
E-1, Sehjpal Near DHA
Phase -VIII (Ex.-Air Avenue),
Lahore Cantt
T: +92 42 111-797-836
F: +92 42 3 636 8857

Banks

Allied Bank Limited
Bank AL Habib Limited
Bank Islami Pakistan Limited
Faysal Bank Limited
FINJA Microfinance Bank Limited
Habib Bank Limited
HABIB Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
Samba Bank Limited
United Bank Limited

Board of **Directors**

Mr. Aezaz Hussain

Chairman/Non Executive Director

Mr. Aezaz Hussain founded Systems Limited in 1977 as the first software house in Pakistan. His professional acumen provided the overall direction for turnkey computer projects involving installation, and the planning and management of large-scale industrial projects. Within the organization, he has been responsible for the internal restructuring needed to respond to periodic shifts in the company's strategy.

Mr. Hussain was the CEO of Visionet Systems, Inc. in New Jersey, USA till 2008 and he is currently the Chairman for both Visionet Systems and Systems Limited. His main role is the development of enterprise strategy. He was a member of Pakistan's Information Technology Commission, which advised the President of Pakistan on IT-related matters and national policies. He has been a member of several committees and advisory bodies set up by the government on Information Technology strategies and on the development of public-sector information systems. He was a founding member and the founding President of Pakistan Software Houses Association (P@SHA). He served as a member of the Economic Advisory Board, Government of Pakistan, the Information Technology Commission of Pakistan, and the Council of Computer Society of Pakistan.

Mr. Asif Peer

Group CEO & Managing Director

Mr. Asif Peer is the Group CEO and Managing Director of Systems Limited, a global systems integrator and AI-first technology company with over four decades of industry presence. Having begun his professional journey in the same company, he has grown with the organization to lead a global workforce of more than 8,271 professionals, driving AI-powered innovation, digital transformation, and enterprise-scale technology execution across international markets.

Under his leadership, Systems Limited has expanded its operations across UK, US, MEA, KSA, and APAC, delivering industry-focused solutions across sectors including BFS, Telco, Public Sector, Healthcare, and Retail & CPG. The company operates in 16+ countries through multiple subsidiaries and maintains strategic partnerships with leading global technology providers to enable sustained enterprise growth.

Beyond Systems Limited, Mr. Peer has held several influential leadership and advisory roles. He served as President of the Executive Committee of the American Business Council in 2020, contributing to strengthened business collaboration between Pakistan and the United States. He has also served as an IT Board Member for the CPEC Business Council and as an IT member for the Government of Pakistan's Finance Division. In addition, he serves on the boards of Khaadi, Pakistan's leading fashion retailer, and DHA.

Mr. Peer is a frequent speaker at prominent international forums including GITEX, LEAP, Web Summit Qatar, Forbes Annual Dinner, and the Silicon Valley Annual Forum, where he contributes to global discourse on artificial intelligence, the future of technology, digital transformation, and business leadership.

In recognition of his contributions to the IT sector, Mr. Peer was awarded the Presidential Award, Sitara-e-Imtiaz. He has also received the Tech Leadership – Software & Services Provider Award at the FinTech Futures Banking Tech Awards 2023 for his impact on the fintech ecosystem.

Under his stewardship, Systems Limited has earned multiple global and regional accolades, including Forbes Asia's Best Under a Billion Award five consecutive times, Microsoft Inner Circle for AI Business Solutions five times in a row, Microsoft Country Partner of the Year 2023 for UAE and Pakistan, AsiaMoney's Most Outstanding Company, and consistent recognition as one of Pakistan's top IT exporters. The company has also ranked among the top three companies on the PSX for the fourth consecutive year in 2025. Guided by his leadership, Systems Limited has achieved approximately 36% CAGR profit growth over the past five years, reflecting sustained scale, operational strength, and long-term value creation.

Mr. Arshad Masood started his career with IBM Corporation in the US and held various professional and managerial positions. Mr. Masood founded several companies, including Visionet Systems Inc.

His educational background includes a BSc (Engineering) degree from Engineering University, Lahore, an MSc degree from the University of Guelph, Canada, and an MBA from Baruch College, New York City.

Mr. Arshad Masood
Non Executive Director

With over twenty years of experience in investment banking, research, and asset management, Ms. Maheen Rehman is currently the CEO of InfraZamin Pakistan, a key player catalyzing private sector investment in infrastructure projects. In her prior role as CEO of Alfalah GHP Investment Management, she led the company to become one of Pakistan's largest asset management firms. Ms. Rehman's achievements include being featured on Fortune's "40 Under 40's Women to Watch" list in 2015.

Currently she serves as an Independent Director at GlaxoSmithKline Pakistan, Director for the British Overseas School, and Director of Nasra Public Schools, Ms. Rehman is actively involved in various roles, including advising KatalystLabs and directing the Centre for Economic Research in Pakistan. She holds a Bachelor of Science (Hons) in Economics from the Lahore University of Management Sciences and a Master of Science in Finance and Economics from Warwick Business School. Ms. Rehman is also certified by the New York Stock Exchange (Series 7) and holds an independent director certification from the Pakistan Institute of Corporate Governance.

Ms. Maheen Rehman
Independent Director

Ms. Romana Abdullah is CEO of Highpoint Ventures (Pvt) Ltd, a fashion retail company that she co-founded in 2014. Prior to becoming an entrepreneur, Romana led the strategic planning and transformation functions at MCB Bank and Soneri Bank. Earlier, Romana worked at The Boston Consulting Group (Management Consulting) and Merrill Lynch (Investment Banking) in New York, where she focused on strategic, financial, and operational assignments for Fortune 500 financial services and consumer clients. Ms. Romana is also on the boards of Nestle Pakistan and Interloop. She has a BSc in Financial Engineering from Princeton University and an MBA from the Harvard Business School.

Ms. Romana Abdullah
Independent Director

Mr. Omar Saeed

Independent Director

Mr. Omar Saeed graduated with high honors from Brown University and did his Master's in Business Administration from Harvard Business School. He is the Chief Executive Officer of Service Long March Tyres Limited and Servis Foundation. Omar also serves as a Director on the Boards of Nestle Pakistan Limited, Systems Limited, Service Global Footwear Limited, The Hunar Foundation and Shalamar Hospital. Omar has served as the Chief Executive Officer of Service Industries Limited (SIL) from 2011 to 2018. Under his stewardship, SIL won the prestigious Pakistan Stock Exchange Top 25 Companies Award multiple times.

Omar has set up multiple new companies for the Servis Group in the healthcare, trading, manufacturing and technology industries.

Mr. Zubyr Soomro

Independent Director

Mr. Zubyr Soomro is a distinguished figure with over three decades of experience in international banking, having held senior roles at Citibank across the globe. Recognized for his leadership in the privatization and restructuring of United Bank Ltd (UBL) in Pakistan, he was awarded the Quaid-e-Azam Centenary Gold Medal by the State Bank of Pakistan in 2004. Mr. Soomro has played a crucial role in financial inclusion and poverty alleviation, leading the Pakistan Microfinance Investment Company and earning a Lifetime Achievement Award from the Pakistan Microfinance Network in 2023.

He has been invited to speak on bank restructuring projects by the World Bank, IMF, and IFC, and held the chairmanship of the National Bank of Pakistan (NBP) and the United National Bank, UK. Mr. Soomro's influence extends to policy-making education, and philanthropy, serving on the boards of all three financial services regulators in Pakistan, the Economic Advisory Council of Pakistan and on the boards of prestigious educational institutions.

Mr. Soomro holds a BSc Hons from the London School of Economics and a master's from the School of Oriental and African Studies, with executive education from Harvard Business School and the Harvard Kennedy School. Currently, he chairs the Board of the Indus Valley School of Art and Architecture and contributes to the boards of Acumen Pakistan and other notable trusts, while also managing his family's agricultural interests in Jacobabad.

OUR LEADERSHIP

Asif Peer

Group CEO & Managing Director

Mr. Asif Peer is currently serving as Chief Executive Officer (CEO), Managing Director (MD), and a Member of the Board of Directors of Systems Limited. He has been associated with Systems Group for 30+ years in various Senior Management positions, executing company growth strategy in line with the vision and mission. He was awarded the presidential award, Sitara-e-Imtiaz, for his meritorious contribution to the IT sector.

Asif Akram

Group COO

Mr. Asif Akram is an experienced global management consultant and an information technology professional having over 25 years of experience. As the COO of Systems Limited, he is responsible for the delivery of Systems services while driving operational excellence, improving efficiency, and building upon Systems Limited's strong foundation for achieving accelerated growth. He is also focused on seeding and enabling AI driven initiatives within Systems Limited both for our teams and customers.

Roohi Khan

Group CFO

With over two decades of international experience in strategic finance, Ms Roohi Khan serves as the Group CFO at Systems Limited. She oversees the financial stewardship of all group entities worldwide, leading corporate strategy, operations, M&As, and investor relations. In her role, Roohi is responsible for driving sustainable growth, enhancing enterprise value, and strengthening governance across diverse markets. Prior to joining Systems Limited, Roohi was associated with PepsiCo, and Levi Strauss & Co. A dual-qualified Chartered Accountant from ICAEW and ICAP, trained by PwC Lahore, Roohi continues to play a pivotal role in shaping Systems Limited's global growth trajectory and long-term value creation.

Toima Asghar

Group CHRO

Ms. Toima Asghar is a dynamic HR leader – creating a comprehensive people-technology ecosystem, enabling rapid problem identification and solutions, intervention development, and evaluation to deliver tangible business outcomes. She has over 26 years of extensive people and culture management experience, ranging from Banking, Manufacturing, Retail, Telco, Academia to IT industry. With expertise in analytics and a passion for data-driven decisions, her talent acquisition, enablement, and engagement strategies have empowered people to grow within the organization in these industries.

Khurram Majeed

General Manager, Systems MEA

Khurram Majeed serves as General Manager for Middle East and Africa at Systems Limited. He is a technology evangelist and global change maker with 20+ years of experience. His strategic initiatives have positioned the company as a go-to partner for large telco, banking, and public sector clients. Under his guidance, Systems MEA has consistently delivered innovative solutions, driving digital transformation and contributing to the success of organizations across various sectors.

Rao Hamid Khan

General Manager, Systems Arabia & Bahrain

Mr. Rao Hamid has served in the IT industry for over two decades with multinational organizations. After serving as Application Innovation Services and Telecommunications Industry Leader at companies like IBM and working for Teradata, he joined Systems Limited as a Chief Commercial Officer. He was then promoted as General Manager and led the Pakistan business for 4 years. In 2022, he was tasked with moving to and setting up Systems KSA operations. He currently holds P&L responsibilities for Saudi Arabia and Bahrain and is based out of Riyadh.

M. Mairaj Yousuf

General Manager, Pakistan

Mr. Muhammad Mairaj Yousuf leads business operations for Systems Limited in Pakistan, with overall responsibility for business growth, delivery excellence, customer satisfaction, and profit and loss management. He oversees a diverse portfolio of clients across multiple sectors, driving strategic initiatives to strengthen market presence and deliver sustainable value.

In addition to operational leadership, he plays a key role in expanding strategic partnerships to enhance market reach and unlock new business opportunities. With over 25 years of experience, Mr. Yousuf has been instrumental in driving digital transformation and innovation, contributing significantly to the growth and evolution of the technology landscape in Pakistan.

Waseem Yusaf

General Manager, Systems APAC

Waseem Yusaf is General Manager for Asia Pacific at Systems Limited, leading regional strategy, market growth, and client engagement across APAC. With 25+ years of experience in telecom and technology industry across Asia Pacific, the Middle East, Africa, and Europe, he brings deep expertise in digital transformation and large-scale delivery and cross regional operations. Known for building high-performing teams, he drives operational excellence and strengthens client delivery across the Asia Pacific region.

Ammara Masood

General Manager BFS

Global Industries GM Banking and Financial Services, Systems Limited, Ms. Ammara Masood, has a career spanning three decades in entrepreneurship and running successful companies. She brings rich global experience across continents in multiple markets in IT Strategy, Consulting, and Digital Transformations for the banking and financial sector. She is responsible for overseeing the company's strategic direction, expansion, and delivering value-added IT services in banking.

Imran Soofi

General Manager, Telco

Mr. Imran Soofi leads the global Telecom vertical at Systems Limited and helps our clients in solving their business challenges through technology solutions that have a high ROI, optimal TCO, and efficient turnaround time. He is responsible for strategy, revenue and offerings to ensure long-term, profitable, and sustainable growth of Systems Telco footprint.

Salman Wajid

Chief Process Outsourcing Officer

Mr. Salman Wajid Mian is a dynamic leader in customer experience and one of the pioneers in outsourcing services in Pakistan, with over 20 years of experience. As Chief Process Outsourcing Officer in Systems Limited, he is responsible for steering large-scale culture-transformation initiatives and process re-engineering programs across diverse industry verticals while optimizing operations and resources and driving success.

Javeria Fahad

Head of Marketing

Javeria Fahad leads global marketing at Systems Limited, bringing over 15 years of experience in strategic marketing, digital innovation, and AI-driven transformation. She drives the company's B2B strategy, leveraging data and AI to deliver high-impact campaigns that foster growth and deepen client engagement. Her leadership has been instrumental in executing major partner and client initiatives across markets. She is passionate about using emerging technologies and talent to deliver effective marketing and elevate the company's global brand presence.

Tahir Saeed

Chief Investment Officer

Mr. Tahir Saeed is Chief Investment Officer at Systems Limited, with 15+ years of experience across equity research, asset management, investment strategy, and investor relations. He leads global investments, including identifying new opportunities, conducting due diligence, executing M&A transactions, and overseeing group investments and treasury globally. He has held senior roles at ABL Funds, Stylo, and Topline Securities. A CFA charterholder with a Master's in Business Economics, he also serves on the board of CFA Society Pakistan (2024–2027).

Chairman's **Message**

Dear Shareholders,

It gives me great pleasure to address you once again as we reflect on another successful year for Systems. I would like to extend my sincere congratulations to our valued shareholders for their continued trust and support, and to commend the management team and employees for their dedication, resilience, and outstanding performance.

During the year under review, your Company delivered strong financial results, achieving a revenue growth of 19% and an impressive net profit growth of 48% over the previous year. These results are a testament to our robust business model, strategic clarity, and the relentless execution capabilities of our team.

A key highlight of the year has been the successful execution of our inorganic growth strategy. We completed one major acquisition in October 2025 and are currently in the process of finalizing a second. Together, these acquisitions have added over 1,000 skilled professionals along with a battle-hardened leadership, to the Systems family, significantly strengthening our capabilities and positioning us in the years ahead. We are confident that these additions will serve as a strong engine for future expansion and value creation.

Your Company remains firmly committed to Environmental, Social, and Governance (ESG) principles. We continue to align our operations with global best practices and ensure compliance with all relevant standards. The key initiatives undertaken in this regard are detailed in this report, reflecting our belief that sustainable growth must go hand in hand with responsible corporate conduct.

At the same time, we remain mindful of the external challenges facing our industry. The continued pressure arising from a managed exchange rate environment poses a significant risk to maintaining profitability for export-oriented businesses such as ours. We have consistently raised this concern at relevant forums, alongside other industry participants, and will continue to advocate for a more balanced and market-aligned approach.

We are also closely monitoring the evolving geopolitical situation in the Middle East and the associated inflationary pressures, which present potential risks to the broader economic environment. However, our diversified geographic presence provides a degree of resilience and is expected to help mitigate some of these impacts.

A cornerstone of our success has always been our ability to attract, train, and retain high-quality talent. This enduring strength continues to underpin our performance and will remain central to sustaining our growth momentum in the future.

Looking ahead, we remain optimistic about the future. With a strengthened team, expanding capabilities, and a clear strategic direction, Systems is well-positioned to capitalize on emerging opportunities and deliver sustained value to all stakeholders.

On behalf of the Board, I thank you for your continued confidence and support.

Warm regards,
Aezaz Hussain
Chairman

CEO's Message

A Year of Resilient Growth and Strategic Acceleration

2025 has been a year of strong execution and strategic progress for Systems Limited. We delivered solid revenue growth alongside continued expansion in profitability improving margins, supported by continued investments in talent, partnerships, and global delivery capabilities. Our Pakistan business achieved a meaningful milestone in profitability, while our international operations continued to scale across the Middle East & Africa (MEA), North America, and Europe.

Banking and financial services continue to anchor our portfolio, complemented by strong momentum in telecom and the public sector. MEA remains our largest market, where we continue to serve as a trusted partner for enterprise transformation, while our recent acquisition will support our strategy in North America and the UK allowing direct access to large, high-value clients.

At its core, our strategy remains consistent: a vertical-led approach, deep penetration in data and AI, partnerships with principals and hyperscalers, and scalable global delivery—now further strengthened by our expanding presence across geographies and access to global talent.

With over 8000 professionals and delivery hubs across Pakistan, Egypt, and the Middle East, we operate with a strong supply-side advantage, positioning us well to capture growing global demand. We have a high customer retention ratio which allows us to create greater references in the market and to utilize these relationships for growth and business development. Our ecosystem remains central to our growth. Strategic partnerships with global leaders such as Microsoft continue to drive co-innovation and pipeline generation, while strengthening our credibility in large-scale transformation programs.

The defining shift of our industry today is the transition from AI experimentation to AI execution. Enterprises are no longer exploring AI in isolation—they are seeking partners who can deliver real, production-grade outcomes within complex, regulated environments. AI is significantly enhancing productivity, but enterprise environments remain complex, with legacy systems, fragmented data, and deep integration needs—making domain-led execution and orchestration critical areas of opportunity for us.

At Systems Limited, we are helping our customers to move from implementing systems to orchestrating outcomes across the organization. We are embedding AI across our delivery model to augment teams and accelerate outcomes, while continuing to rely on human expertise for judgment, governance, and client trust. As AI lowers barriers to building software, demand is accelerating, reinforcing the need for partners who can combine scale, expertise, and AI effectively.

We continue to invest heavily in AI, cloud, and domain capability building, ensuring our workforce remains future-ready. At the same time, we are committed to developing the broader technology ecosystem by engaging with academia and contributing to the development of an AI-ready talent pipeline.

At the same time, we are pursuing targeted inorganic growth opportunities to enhance industry capabilities, AI depth and expertise, expand market access, and accelerate our presence in key geographies. Our recent acquisitions and partnerships, including large-scale global engagements such as GBS models, reflect our ability to operate at increasing scale and complexity.

Sustainability considerations are increasingly shaping how we evaluate our business performance and long-term value creation. We ensure that risks are responsibly identified and managed, so they do not translate into unintended impacts on stakeholder returns. As sustainability becomes integrated into our business value and strategy, our initiatives are already reflecting positively in strengthening our brand equity and overall business performance.

As we move into 2026 and beyond, our focus is clear:

- AI at the core of our delivery and solutions, scaling with our domain-led AI offerings
- Expansion in key global markets, particularly North America and Europe
- Continued expansion in MEA
- Disciplined growth with sustained profitability

We have built a business grounded in adaptability, resilience, and disciplined execution. As AI reshapes the industry and global dynamics evolve, we are well positioned not just to navigate change, but to lead through it.

I thank our shareholders for their continued trust, our clients for their partnership, and our people for their unwavering commitment.

Warm regards,
Asif Peer
Group CEO & Managing Director

DIRECTOR'S REPORT

for the year ended
31st December 2025

The Directors of the Company take pleasure in presenting the Annual Report of your Company, together with the Unconsolidated and Consolidated Financial Statements for the year ended 31st December 2025.

Group Overview

The Company is a public limited company incorporated in Pakistan under the Companies Act, 2017, and listed on the Pakistan Stock Exchange. The Company was incorporated in 1977 and is principally engaged in the business of software development, trading of software, hardware and business process outsourcing services.

Activities

The Company's revenue comes primarily from Digital/Data/Cloud Services, Managed Services, Consulting Services, IT outsourcing and Business Process Outsourcing/Contact Center. The Group generates ~ 91% of its revenue in currency other than PKR, from export of Services to various geographies such as North America, Europe, Middle East and Asia Pacific and also through signing USD contracts in Pakistan. The Company is well diversified into various industry verticals such as Banking and Finance, Telco, Retail, CPG, Technology, Pharma, and public sector.

Financial performance of the company and the group during 2025

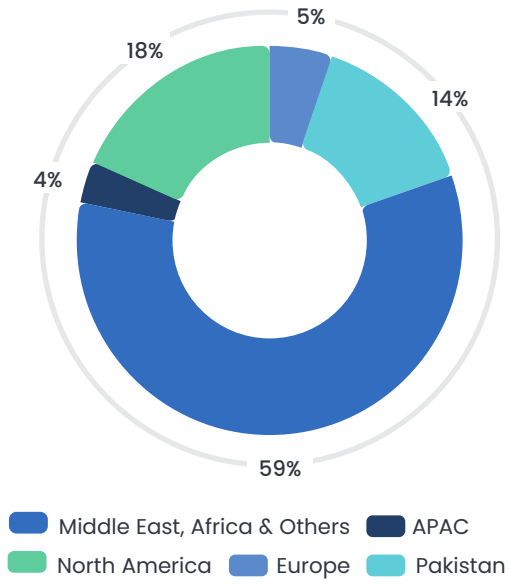
Consolidated

During year ended 31 December 2025, Revenues of the Company were Rs 80,391.88 million in 2025 compared to Rs. 67,473.02 million in 2024. Operating profit from ordinary course of business amounts to Rs 12,006.34 million showing a growth of 45.1%. Despite aggressive investment in growth and talent, company has improved operating profit margin from 12.3% to 14.9% this year. The net profit margin has also improved from 11.1% to 13.7%, standing at Rs 11,040.58 million showing an increase of 48% as compared to same period last year. This has been achieved by growth, enhanced operational efficiency, improving productivity, and optimization of costs primarily fixed costs.

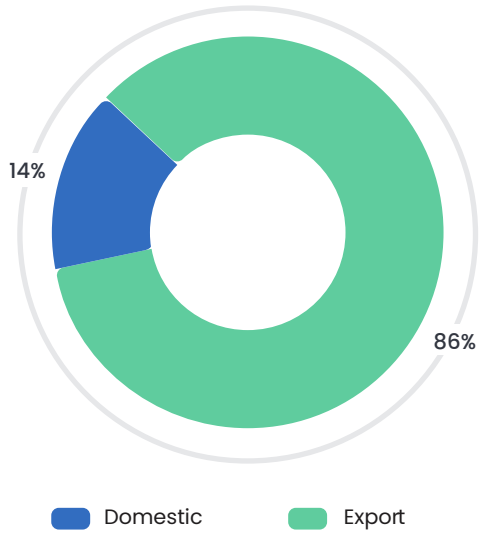
Since FY 2021, the Company has delivered a Compounded Annual Growth Rate (CAGR) in revenue of 51%. This growth is contributed by both the Company and its subsidiaries.

Consolidated			
Particulars	FY 2025	FY 2024	Y/Y
Revenue	80,391,884,594	67,473,021,160	19.1%
Gross profit	22,409,264,889	16,157,701,305	38.7%
Operating Profit	12,006,337,696	8,271,972,779	45.1%
Profit before taxation	12,448,252,207	8,291,296,483	50.1%
Profit after taxation	11,040,583,934	7,460,012,773	48.0%
Earnings per share (basic)	7.52	5.11	47.2%
Earnings per share (diluted)	7.44	5.07	46.8%

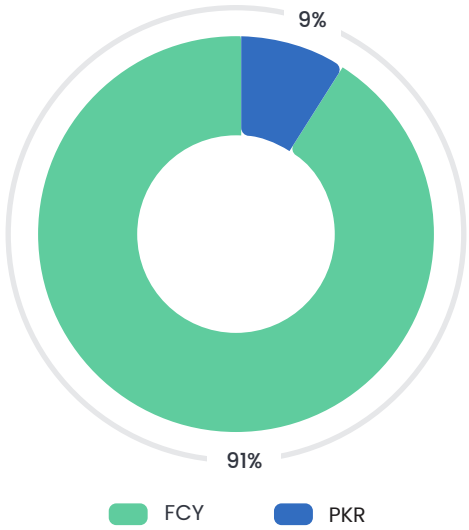
Revenue by Geography



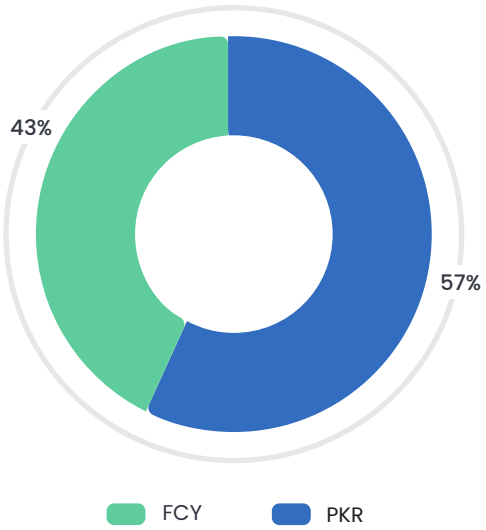
Export Contribution



Revenue by Currency



Cost by Currency



Unconsolidated

The unconsolidated accounts also show that the Company has maintained a strong topline growth trajectory in 2025 as well. Revenues for the year were Rs. 44,230.61 million showing a growth of 14.8% over the previous year. Profit after tax for the year was Rs. 8,019.01 million showing an increase of 31.1%. Gross profit and operating profit increased by 22.3% and 33.7% respectively.

Unconsolidated			
Particulars	**FY 2025**	**FY 2024**	**Y/Y**
Revenue	44,230,607,495	38,526,983,552	14.8%
Gross profit	11,840,004,032	9,683,308,262	22.3%
Operating Profit	7,650,778,999	5,720,375,428	33.7%
Profit before taxation	8,543,259,959	6,401,673,584	33.5%
Profit after taxation	8,019,013,845	6,115,297,176	31.1%
Earnings per share (basic)	5.46	4.19	30.3%
Earnings per share (diluted)	5.41	4.16	30.0%

Performance By Segment (Consolidated)

Vertical Segment

The four primary segments now revolve around industry verticals, reflecting the company's strategic shift:

- **Banking Financial Services & Insurance (BFSI):** This segment includes activities related to banking, financial services, and insurance. This has become the largest segment for the Company in terms of revenue share. Post acquisition of Temenos regional partner, the Company aggressively cross sells and upsells to all banking and finance customers. The margins have considerably improved but are still lower as compared to other segments due to the investment in the sales and marketing and amortization charge of the license for the country model bank (CMB) which is acquired for 5+ years.
- **Retail & CPG (Consumer Packaged Goods):** This segment encompasses retail operations and consumer goods. Most of these customers are based in the North America and Europe segment, contributing to higher margins.
- **Telco (Telecommunication):** This segment involves telecommunications services and technologies. The company has delivered innovative AI cases to Telco and now specialized in many of the digital offerings which is going to help in future growth.
- **Technology:** This segment includes technology related solutions, products and services. Also includes the work subcontracted to the Company by the other SI.
- **Others:** This catch-all category includes other remaining segments that don't fall into the specific verticals mentioned above. Healthcare segment is picking up with the help of AI.

	BFSI		Retail & CPG		Technology		Telco		Others		Total*	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees in Millions											
Revenue	**23,905**	20,507	**7,762**	7,676	**9,520**	8,057	**20,308**	15,489	**18,897**	15,744	**80,392**	67,473
Cost of revenue	**(17,683)**	(17,119)	**(4,970)**	(5,088)	**(6,470)**	(5,761)	**(15,227)**	(11,451)	**(13,632)**	(11,896)	**(57,983)**	(51,315)
Gross profit	**6,222**	3,388	**2,792**	2,588	**3,050**	2,296	**5,081**	4,083	**5,265**	3,848	**22,409**	16,158
Research & Development Expense	**(102)**	(44)	**3**	(8)	**3**	(9)	**(7)**	(17)	**6**	(15)	**(82)**	(92)
Distribution expenses	**(921)**	(754)	**(299)**	(282)	**(367)**	(296)	**(782)**	(570)	**(728)**	(579)	**(3,097)**	(2,482)
Administrative expenses	**(1,852)**	(1,465)	**(601)**	(548)	**(737)**	(576)	**(1,573)**	(1,107)	**(1,464)**	(1,125)	**(6,228)**	(4,820)
	(2,875)	(2,263)	**(898)**	(839)	**(1,101)**	(881)	**(2,348)**	(1,694)	**(2,186)**	(1,719)	**(9,408)**	(7,395)
Profit before taxation and unallocated income and expenses	**3,347**	1,124	**1,894**	1,749	**1,949**	1,415	**2,733**	2,344	**3,079**	2,130	**13,002**	8,763

Numbers are rounded off to millions hence slight difference from financial statements.

Geographical Segment

The Company is showing strong growth across all three segments, with Middle East region taking the lead, followed by Europe and North America. Export sales of the Company are approximately 86% of total sales. The regional update is covered in detail in future outlook.

	North America		Europe		Middle East & Africa		APAC		Pakistan		Total*	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees in Millions											
Revenue	**14,771**	13,890	**4,239**	3,021	**47,110**	39,553	**2,771**	2,300	**11,500**	8,709	**80,392**	67,473
Cost of revenue	**(9,934)**	(9,257)	**(2,617)**	(1,824)	**(33,937)**	(29,784)	**(1,794)**	(1,666)	**(9,701)**	(8,784)	**(57,983)**	(51,315)
Gross profit	**4,837**	4,634	**1,623**	1,197	**13,173**	9,769	**978**	633	**1,799**	(75)	**22,409**	16,158
Research & Development Expense	**2**	(36)	**(29)**	(8)	**(33)**	(31)	**2**	(3)	**(25)**	(14)	**(82)**	(92)
Distribution expenses	**(196)**	(290)	**(91)**	(63)	**(2,160)**	(1,805)	**(286)**	(202)	**(364)**	(121)	**(3,097)**	(2,482)
Administrative expenses	**(1,035)**	(1,222)	**(235)**	(267)	**(4,173)**	(2,948)	**(212)**	(80)	**(573)**	(303)	**(6,228)**	(4,820)
	(1,228)	(1,548)	**(355)**	(339)	**(6,366)**	(4,785)	**(496)**	(286)	**(962)**	(439)	**(9,408)**	(7,395)
Profit/(loss) before taxation and unallocated income and expenses	**3,609**	3,086	**1,267**	858	**6,807**	4,984	**482**	348	**837**	(513)	**13,002**	8,763

Numbers are rounded off to millions hence slight difference from financial statements.

North America & Europe

Margins of North America region are 32.75% GP and 24.43% OP. The Company is expecting to see higher growth in this segment with the acquisition of Confiz. There is great opportunity to cross sell and up sell systems offerings to Confiz current enterprise landscape. The gross margins and operating margins for Europe stands at 38.27% and 29.89% respectively.

Middle East and Africa

Middle East & Africa region contributes ~59% of the total group revenue. In the Middle Eastern region, the subsidiaries in UAE and Arabia are leading the growth trajectory. Further, Qatar is also expecting to gain momentum and expected to become a sizeable business in near future. We have very healthy backlog of revenue in this territory.

APAC

APAC has also become a significant segment where the Company is seeing growth specially in the Technology and BFSI sector with healthy margins.

Pakistan

The Company is streamlining the Pakistan segment by enhancing revenue quality, driving efficiencies, and optimizing costs. The Pakistan segment continued its upward trajectory by turning positive, showing 7.3% OP for this year compared to a -6% loss last year. The Company is heading towards improving both top line and bottom line in Pakistan with a healthy backlog and pipeline.

Dividend & Appropriations

For the year 2025, the Directors recommended a payment of final cash dividend Rs. 2 per share after a split of 1:5 last year (2024: Rs. 6 per share) from the unappropriated profit of the parent company.

The following appropriation on account of dividend was made during the year:

	Un-appropriated profit (PKR)
Balance as at 31 December 2024	23,753,597,914
Total comprehensive income for the year	8,019,013,845
Less: Final dividend for the year ended 31 December 2024 at the rate of PKR Rs 6 per share	(1,758,696,899)
Balance as at 31 December 2025	30,013,914,860

Earnings Per share

The Basic and Diluted earnings per share for the Group for the year ended 31 December 2025 are Rs. 7.52 and Rs.7.44 (31 December 2024: Rs. 5.11 and Rs. 5.07) per share.

Similarly, the basic and diluted earnings per share for the Company are Rs. 5.46 and Rs. 5.41 (31 December 2024: Rs. 4.19 and Rs. 4.16) per share.

Awards and Accolades

The Company actively competes with leading global firms across the UAE and broader GCC markets, and its continued recognition in 2025 has further reinforced its credibility in regional markets, enabling sustained business growth and expansion into high-value opportunities.

Enhancing its industry reputation, the Company has once again been recognized as a member of the Microsoft Inner Circle for 2025. This prestigious accolade highlights the organization's consistency, innovation, and excellence in delivering Microsoft solutions, underscoring its strong partner ecosystem and long-term commitment to enterprise transformation.

Further strengthening its standing in the technology and digital services landscape, the Company has been recognized by leading analyst firm Everest Group for its capabilities in IT services and digital transformation. In addition, recognition from P@SHA and being acknowledged among Pakistan's top IT exporters reflects the Company's significant contribution to the country's technology exports and its growing global footprint.

Further solidifying its leadership in the financial services sector, Temenos has recognized the Company as a leading regional delivery partner in 2025. This achievement reflects the Company's strong execution capabilities in delivering large-scale core banking transformations and its continued contribution to business growth through strategic integrations and domain expertise

People's Update

The Company continues to invest in strengthening its talent base, with a focus on building future-ready capabilities aligned with evolving client needs.

Over the past two years, significant progress has been made in upskilling the workforce in AI-enabled tools and technologies, enabling enhanced productivity and more value-driven client delivery. This focus will continue, with further investment in developing advanced digital and AI capabilities across teams.

In parallel, the Company is evolving towards a globally integrated talent model, leveraging AI-driven recruitment and workforce deployment. This approach enables access to a broader talent pool across multiple geographies and supports scalable, high-quality service delivery independent of location.

By combining global talent access with technology-enabled workforce management, the Company is well positioned to meet the demands of a dynamic and increasingly digital business environment.

Infrastructure

Company continues to invest in infrastructure to support its long-term growth and delivery requirements. A new office facility in Lahore is currently in the planning phase, with approvals underway and construction expected to commence in the second half of 2026. The project, with an estimated timeline of two years, will accommodate over 2,000 employees and include a dedicated parking infrastructure.

This expansion is aligned with the Company's strategy to scale operations, enhance delivery capacity, and support a growing global client base.

Furthermore, the Company has registered its Lahore office under the Special Technology Zones (STZ) framework, enabling access to tax incentives and supporting a more efficient cost structure. The Company is in the process of acquiring an office in Karachi as well which is registered with STZ.

Corporate Social Responsibility(CSR)

The Company is dedicated to creating meaningful and lasting impact within the communities it serves. With a strong belief that youth are the driving force of the future, the Company focuses on empowering young individuals through education, skill development, and access to opportunities—especially in the field of technology.

The Company's CSR strategy is centered around three core pillars: Education, Health, and Youth Empowerment. It strives to bridge gaps in access to quality education by supporting initiatives that equip individuals with modern, technology-driven skills. Through continued backing of the IT Mustakbil Training Program, the Company is enabling individuals to reskill and upskill, ensuring they are better prepared to participate in and contribute to the evolving digital economy.

Youth empowerment remains at the heart of all efforts. By providing equal learning opportunities and fostering inclusion, the Company aims to help underprivileged children and young people build sustainable careers and avoid social and economic exclusion.

In the area of healthcare, the Company remains committed to improving community well-being by facilitating access to quality medical services. This is achieved through partnerships with healthcare institutions, along with targeted donations and sponsorships that support essential health initiatives.

During the financial year, the Company contributed approximately Rs 69.3 million in cash donations along with free laptops and devices to support these causes, reinforcing its commitment to building a healthier, more educated, and empowered society.

Environment, Social, Governance (ESG)

In line with the Company's Sustainability Vision, the Company has identified five (5) pillars to cater its ESG footprint and to map its activities with the UN sustainability principles. Periodic self-assessment is undertaken and progress with the objectives aligned with each pillar are reported.

These pillars are as follows:

Be kind to the Environment

- Water Conservation through awareness programs
- Water used for sanitation, and other domestic purposes is returned to municipal sewer systems with approximately no net loss, reflecting the low-impact nature of our office-based activities
- Per employee water consumption improved by 23.70% in 2025
- Reduced dependency on national grid through upgradation of solar capacity, leading to a reduction of 8.5% in grid consumption during FY 2025
- Selling back excess electricity generated to the national grid. 27,000 kWh of electricity was exported to the grid in FY 2025
- Implementation of energy efficient HVAC systems and LED lighting upgrades across offices to improve energy efficiency
- Adopting reuse and recycle practices to reduce waste
- Controlled disposal processes, vendor oversight, and continuous monitoring of waste volumes, to minimize environmental impacts and promote responsible resource management
- Strengthened e-waste management through certified recycling vendors and asset lifecycle tracking
- Expanded digital documentation policies and paper reduction initiatives across operations
- Progress underway towards formalizing science-based climate targets and strengthening climate governance frameworks
- Initiated comprehensive GHG emissions quantification across Scope 1, 2 and 3 aligned with the GHG Protocol

Be kind to the Employees

- Increased employment of specially abled employees (up by 67% in 2025)
- Increased employee engagements through town halls and management meetings
- Enhanced emphasis on women empowerment
- Significant increase in trainings & certifications - Continued investment in employee learning and professional development programs to enhance workforce capabilities
- Implementation of initiatives promoting inclusive workplace practices and equal opportunities, supporting retention and workforce productivity
- Numerous safety drills and sessions on work space ergonomics
- Ongoing collaboration with academic institutions and recruitment channels to support local talent development.
- A formal whistleblowing and grievance policy strengthens accountability by providing a structured channel for employees to raise workplace concerns.
- Regular training and awareness programs to educate employees about their rights
- Facility to avail interest-free emergency loans;
- On-site daycare facilities to assist working parents with young children
- Availability of gym facilities to support employee health and wellbeing

Giving back to the Society

- Allocation of CSR budget and planned CSR initiatives
- Initiated Digital Inclusion through IT Mustakbil Program
- Increased donations to schools, hospitals and other charity organizations including but not limited to Aga Khan University, Indus Hospital, Shaukat Khanum Memorial Trust, and The Citizens Foundation
- Helping employees in times of difficulty
- In 2025, approximately PKR 69.3 million was invested in local community initiatives across Pakistan

Governance

- Independent Board and its committees promoting GRC
- Board comprises members of diverse professional backgrounds, including technology, finance, governance, and human capital
- Responsible tax practices
- Disclosure of all related party transactions
- Code of conduct/Business ethics - Structured governance framework designed to promote integrity, accountability, and responsible business practices
- Cyber security and data privacy - Maintain strong information security and data protection controls aligned with international standards and regulatory requirements.
- Strengthened sustainability oversight framework by embedding sustainability governance within its overall corporate governance architecture
- A comprehensive suite of internal policies and procedures aligned in substance with internationally recognized responsible business conduct standards

Sustainable Financial Growth

- 5-year revenue CAGR over 51%
- Consistent dividend payouts and capitalization gains
- Global expansion to reduce concentration risk
- Disciplined cost management, global delivery capabilities, and continuous innovation, the enabling sustainable financial performance
- Long-term customer relationships combined with deep industry expertise across diversified sectors reflect sustainability and resilience

For further details, a summarized sustainability report is included within the Annual Report, while a comprehensive and detailed report is available separately on the Company's website..

Future Outlook and Prospects for Growth

The Company delivered strong strategic progress during the year, marked by targeted acquisitions, expansion into new service lines, and continued geographic diversification.

Acquisitions

A key milestone was the completion of two strategic acquisitions, including Confiz and BAT-Shared Services. These transactions significantly strengthen the Company's market position and are expected to contribute higher revenue growth, with full-year impact to be realized in the upcoming period.

The acquisition of Confiz once approved by the court, will be effective from 1st Jan 2026 and will provide direct access to North American enterprise clients and will create meaningful opportunities for cross-sell and up-sell, leveraging the Company's scale, delivery capabilities, and domain expertise. Integration efforts are progressing as planned, with early indications of synergy realization.

In parallel, the Company has successfully scaled its Global Business Services (GBS) operations, particularly in relation to BAT, establishing a new growth vertical. Early pipeline traction and expanding engagement scope, including collaboration with partners such as Accenture, reinforces confidence in this segment.

Growth Strategy

The Company enters the coming year with a strong foundation with a healthy backlog and a clear strategic direction, supported by a diversified portfolio of markets, capabilities, and growth drivers. The Company will continue to pursue a balanced growth approach:

- **Organic growth** within existing client relationships
- **Expansion of net new customers** through strengthened partnerships with global technology leaders
- **Inorganic growth** through selective acquisitions, including the use of structured transaction approaches where appropriate

Geographic Expansion

The Company will continue to diversify its revenue base across key regions:

- **North America:** Scaling recently acquired platforms and expanding enterprise client relationships
- **UK & Europe:** Building a full-fledged regional operation and expanding into continental Europe by establishing its UK entity. The Company is in the process of onboarding leadership, with full operational capability expected in the near term. The UK will serve as a hub for broader European expansion
- **APAC:** Investments made in the prior year are yielding results, with strong momentum in Vietnam, Malaysia, and Indonesia, supported by a growing backlog. Plans are underway to further strengthen sales capability and evaluate a delivery center in Malaysia.
- **Middle East:**
  - UAE remains a core market, supported by a diversified base of large enterprise clients across key sectors.
  - Saudi Arabia is emerging as a high-growth market, with a strengthening pipeline following initial market development.
- **Domestic:** The business in Pakistan has demonstrated a notable turnaround, with profitability improving from negative to positive levels. This reflects the impact of focused execution and operational discipline. the Company expects continued improvement in the domestic business, with a focus on aligning margins closer to those achieved in international markets

AI and Data-Led Opportunities

Operationally, the Company has also made significant progress in AI enablement, embedding AI across internal processes and client-facing solutions. Workforce capability has been strengthened, with widespread adoption of AI tools to enhance productivity and service delivery. The Company sees significant opportunity in the evolving AI landscape. While enterprise interest in AI continues to grow, effective adoption requires strong data foundations and integrated systems.

Accordingly, the Company is focused on:

- Expanding capabilities in data engineering and system integration
- Embedding AI across all client engagements, including proposals and transformation programs
- Developing repeatable use cases and scalable solution models to drive measurable value for clients

The Company is also strengthening its alignment with global technology principals (OEM partners), enabling rapid adoption and deployment of new AI platforms and services. This positions the Company as a key implementation partner in driving enterprise AI adoption.

Macroeconomic Considerations

The Company remains mindful of external factors, particularly currency movements, given the significant proportion of USD-denominated revenue. While recent trends have impacted margins, stabilization aligned with economic fundamentals is expected to support profitability.

Principal Risk and Uncertainties Facing the Company

Risk Factors

Following are some of the risk factors that may impact our business and financial results:

- **Political Risk** – The current local and global political environment can impact businesses if the situation gets adverse.
- **Macro-Economic Environment** – The global macroeconomic environment remains uncertain, with continued concerns around economic slowdown in key markets and ongoing geopolitical tensions, particularly in the Middle East region.

  Despite of this, the Management remains confident that the Company will continue to meet its targets. The principal risks that may impact the region are slower customer collections, delayed spending decisions and margin pressure in the exposed sectors; however, management believes core technology and transformation demand will continue. To mitigate these risks, the Company is prioritizing cash collection, strengthening operating discipline, expanding offshore and hybrid delivery models, and further diversifying across the UK, Europe, APAC, the US, Pakistan and Egypt. Management also sees the disruption as an opportunity to gain market share as clients seek lower-cost, resilient delivery partners and as talent and acquisition opportunities become more accessible. The Company therefore views the current situation as both a risk-management priority but also as a potential catalyst for accelerated growth.
- **Country Risk** – Political instability, high inflation and interest rates can impact business.
- **Exchange Rate Risk** – The Company remains exposed to foreign exchange movements, given that a significant portion of its revenues is denominated in USD while the majority of its cost base is in PKR.

  Continued strength in the PKR relative to the USD may exert pressure on margins, particularly in the absence of corresponding pricing adjustments or productivity gains. The Company continues to actively monitor currency trends and implement mitigation strategies to manage this risk.

Changes during financial year concerning the nature of the business of the company or of its subsidiaries and joint operation

There has been no change in the nature of business of the company or its subsidiaries.

Main trends & factors likely to affect the future development, performance and position of the company business

Technology is rapidly changing and demands are on the higher side for disruptive technologies. In order to grow at a faster pace, the Company has to scale up and nurture talent. Scaling into relevant technologies will have a significant impact on future performance and position of the Company's business. Company is fully geared to participate in the AI driven technology advancement.

Adequacy of internal financial controls

The management of Systems Limited as a Group is responsible for the establishment and maintenance of the Company's and the Group's system of internal control in order to identify and manage risks faced by the Group. The system provides reasonable, though not absolute, assurance that:

- Assets are safeguarded against unauthorized use or disposition;
- Proper and reliable accounting records are available for use within the business;
- Adequate control mechanisms have been established within the operational businesses and
- Internal financial controls deployed within the Company have been satisfactory throughout the year.

Corporate governance and financial reporting framework

As required by the Code of Corporate Governance, the directors are pleased to confirm that:

- The financial statements prepared by the management of the Company and the Group, present its state of affairs fairly, the result of its operations, cash flows and changes in equity
- Proper books of accounts of the Company and each of its subsidiaries have been maintained
- Appropriately accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and there have been no departures therefrom
- The system of internal control is sound in design and has been effectively implemented and monitored
- There are no significant doubts about the Company's ability along with the subsidiaries to continue as a going concern.

There has been no material departure from the best practices of corporate governance as detailed in listing regulations.

Composition of the Board

In line with the requirements of the CCG, the Company encourages representation of Independent and Non-Executive Directors, as well as gender diversity, on its Board. The current composition of the Board is as follows:

Total Number of Directors

- Male: **5**
- Female: **2**

Composition

i. Independent Directors: 4

Mr. Zubyr Soomro
Ms. Maheen Rehman
Ms. Romana Abdullah
Mr. Omer Saeed

ii. Non-Executive Directors: 2

Mr. Aezaz Hussain - Chairman
Mr. Arshad Masood

iii. Executive Director: 1

Mr. Asif Peer - CEO

Board Committees

The Board of Directors has constituted Audit Committee, Human Resource & Compensation Committee and Sustainability Committee. The names of members of Board Committees and number of meetings attended by each member is as follows:

Audit Committee

Mr. Zubyr Soomro - Chairman
Ms. Maheen Rehman – Member
Ms. Romana Abdullah – Member

HR & Compensation Committee

Mr. Omer Saeed – Chairman
Ms. Maheen Rehman – Member
Mr. Arshad Masood – Member

Sustainability Committee

Ms. Romana Abdullah - Chairman
Mr. Asif Peer – Member

During the period under review, eight (8) Board meetings, three (03) Audit Committee meetings, one (01) Human Resource and Compensation Committee (HRCC) meetings, and no (0) Sustainability Committee meeting was held as it was formed close to the year end. Attendance by each Director of the respective Board/Sub – Committees meetings was as follows:

Board of Directors				
Name of Director	**Board of Directors**	**Audit Committee**	**HRCC**	**Sustainability Committee**
Mr. Aezaz Hussain	8	-	-	-
Mr. Arshad Masood	6	-	1	-
Mr. Asif Peer	8	-	-	-
Mr. Zubyr Soomro	8	3	-	-
Mr. Omer Saeed	7	-	1	-
Mr. Maheen Rehman	7	3	-	-
Ms. Romana Abdullah	8	3	-	-

Directors' remuneration

The Board of Directors has approved a formal Directors' Remuneration Policy which includes a transparent procedure for the remuneration of Directors, in accordance with the Companies Act, 2017 and CCG. As per the said policy, Non-Executive and Independent Directors are paid a pre-tax remuneration of PKR 200,000/- for attending each meeting of the Board or its Sub–Committee.

Appropriate disclosure for remuneration paid during the year to Directors and the Chief Executive has been provided in note 45 to the unconsolidated financial statements.

Board evaluation

As required under the Listed Companies (Code of Corporate Governance Regulations), 2019, the Board conducts a self– evaluation of its performance on an annual basis. The Board of Directors believes that continuous assessment is critical in determining how effectively the Board has performed against the objectives and goals that they have set for themselves. Based on the results of the evaluation, areas of improvement are identified, and corrective action plans are prepared and acted on.

Directors' training

Seven Directors have either acquired the Directors' Training Program Certificates or are exempt from the requirements of Director's Training Program as per the Listed Companies (Code of Corporate Governance) Regulations, 2019 of the CCG. All Directors are fully conversant with their duties and responsibilities as Directors of corporate bodies.

Key operating and financial data

Key operating and financial data for the last six years is annexed with the annual report.

Investments of provident fund

The value of provident fund operated by the Company, based on the un-audited accounts of the fund as on 31 December 2025 amounts to Rs 5,401.05 million (31 December 2024: Rs 4,251.85 million)

Pattern of shareholding

The Pattern of Shareholding as at 31 December 2025 of Systems Limited is annexed in the annual report.

Trading by directors, executives and their spouses and minor children

The Company's Directors, executives and their spouses and minor children did not trade in the Company's shares during the year ended 31 December 2025 other than those disclosed on Pakistan Stock Exchange.

Review of related parties transactions

In compliance with the Code of Corporate Governance and applicable laws and regulations, details of all related party transactions are placed before the Audit Committee and upon recommendation of the Audit Committee, the same are placed before the Board for review and approval. All the directors are required to disclose their interest where such transactions are of interest to them.

Quarterly and annual financial statements

The financial statements were duly endorsed by CEO and CFO before approval of the Board. Quarterly financial statements of the Company, along with consolidated financial statements of the Group, were approved, published and circulated to shareholders within statutory timelines, while Half yearly financial statements of the Company reviewed by the external auditor and consolidated audited financial statements of the Group, approved by the Board, published and circulated to shareholders within statutory timelines.

Auditors

A.F. Ferguson & Co. has completed its tenure for the year 2025 and retire at the conclusion of the 49th Annual General Meeting. Being eligible, they have offered themselves for re-appointment for the financial year ending December 31, 2026.

Upon recommendation of the Audit Committee, the Board recommends appointing M/s A.F. Ferguson & Co. as the statutory auditors of the Company for the year ending December 31, 2026, subject to the approval of the Shareholders at the forthcoming Annual General Meeting of the Company.

Consolidated financial statements

For details of group associates, subsidiaries and sub-subsidiaries included in the consolidated financial statements, please refer note 1.2 and 1.3 of the consolidated financial statements.

Subsequent events

No material changes or commitments affecting the financial position of the Company and the Group have occurred between the end of the financial year and the date of this report except as those disclosed in the audited financial statements annex with the annual report.

Acknowledgement

The Board takes this opportunity to thank the Company's and its subsidiaries' valued customers, bankers and other stakeholders for their coorporation and support. The Board greatly appreciates hard work and dedication of the management and all employees of the Group.

On behalf of the Board

Asif Peer
Chief Executive Officer

Aezaz Hussain
Chairman

Date: 6-April-2026
Lahore

شیئر ہولڈنگ کا پیٹرن

مورخہ 31 دسمبر 2025ء تک سسٹمز لمیٹڈ کی شیئر ہولڈنگ کا پیٹرن سالانہ رپورٹ کے ساتھ منسلک ہے۔

ڈائریکٹرز، ایگزیکٹوز اور ان کے شریک حیات اور نابالغ بچوں کی ٹریڈنگ

کمپنی کے ڈائریکٹرز، ایگزیکٹوز اور ان کے شریک حیات اور نابالغ بچوں نے 31 دسمبر 2025ء کو ختم ہونے والے سال کے دوران کمپنی کے شیئرز میں کوئی لین دین نہیں کیا، سوائے ان معاملات کے جو پاکستان اسٹاک ایکسچینج پر ظاہر کئے گئے ہیں۔

متعلقہ فریقین کے لین دین کا جائزہ

کارپوریٹ گورننس کوڈ اور قابل اطلاق قوانین وضوابط کی تعمیل میں، تمام متعلقہ فریقین کے لین دین کی تفصیلات آڈٹ کمیٹی کے سامنے پیش کی جاتی ہیں اور آڈٹ کمیٹی کی سفارش پر انہیں جائزہ اور منظوری کیلئے بورڈ کے سامنے رکھا جاتا ہے۔ تمام ڈائریکٹرز پر لازم ہے کہ وہ ایسے لین دین میں اپنی دلچسپی ظاہر کریں جہاں ان کا مفاد شامل ہو۔

سہ ماہی اور سالانہ مالیاتی بیانات

مالیاتی بیانات کو بورڈ کی منظوری سے پہلے چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے باقاعدہ توثیق دی۔ کمپنی کے سہ ماہی مالیاتی بیانات، گروپ کے یکجا مالیاتی بیانات کے ساتھ، قانونی مدت کے اندر منظور، شائع اور شیئر ہولڈرز کو فراہم کیے گئے۔ جبکہ کمپنی کے ششماہی مالیاتی بیانات کا بیرونی آڈیٹر نے جائزہ لیا اور گروپ کے یکجا آڈٹ شدہ مالیاتی بیانات بورڈ کی منظوری کے بعد قانونی مدت کے اندر شائع اور شیئر ہولڈرز کو فراہم کیے گئے۔

آڈیٹرز

اے ایف فرگوسن اینڈ کمپنی نے سال 2025ء کیلئے اپنی مدت مکمل کر لی ہے اور 49ویں سالانہ اجلاس عام کے اختتام پر سبکدوش ہو جائیں گے۔ اہل ہونے کے باعث، انہوں نے 31 دسمبر 2026ء کو ختم ہونے والے مالی سال کیلئے دوبارہ تقرری کی پیشکش کی ہے۔

آڈٹ کمیٹی کی سفارش پر، بورڈ کمپنی کے آئندہ سالانہ جنرل اجلاس میں شیئر ہولڈرز کی منظوری سے میسرز اے ایف فرگوسن اینڈ کمپنی کو 31 دسمبر 2026ء کو ختم ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز مقرر کرنے کی سفارش کرتا ہے۔

یکجا مالیاتی بیانات

گروپ کے ایسوسی ایٹس، ذیلی کمپنیوں اور ذیلی، ذیلی کمپنیوں کی تفصیلات کیلئے، براہ کرم یکجا مالیاتی بیانات کے نوٹ 1.2 اور 1.3 دیکھیں۔

بعد کے واقعات

مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی اور گروپ کی مالی پوزیشن پر اثر انداز ہونے والی کوئی اہم تبدیلی یا ذمہ داری سامنے نہیں آئی، سوائے ان کے جو سالانہ رپورٹ کے ساتھ منسلک آڈٹ شدہ مالیاتی بیانات میں ظاہر کی گئی ہیں۔

اظہارِ تشکر

بورڈ اس موقع پر کمپنی اور اس کی ذیلی کمپنیوں کے معزز صارفین، بینکرز اور دیگر اسٹیک ہولڈرز کا ان کے تعاون اور حمایت پر شکریہ ادا کرتا ہے۔ بورڈ انتظامیہ اور گروپ کے تمام ملازمین کی محنت اور لگن کو سراہتا ہے۔

بحکم بورڈ

آصف پیر
چیف ایگزیکٹو آفیسر

اعزاز حسین
چیئرمین

مورخہ 6 اپریل 2026ء، لاہور

آڈٹ کمیٹی	ایچ آر اینڈ کمپنسیشن کمیٹی	سسٹینیبلٹی کمیٹی
جناب زبیر سومرو۔چیئرمین	جناب عمر سعید۔چیئرمین	محترمہ رومانہ عبداللہ۔چیئرپرسن
محترمہ ماہین رحمان۔ممبر	محترمہ ماہین رحمان ممبر	جناب آصف پیر۔ممبر
محترمہ رومانہ عبداللہ۔ممبر	جناب ارشد مسعود۔ممبر	

زیرغور مدت کے دوران بورڈ کے اجلاس کی تعداد 8، آڈٹ کمیٹی کے اجلاسوں کی تعداد 3، انسانی وسائل و معاوضہ جاتی کمیٹی کا ایک اجلاس منعقد ہوا جبکہ سسٹینیبلٹی کمیٹی کا ابھی تک کوئی اجلاس منعقد نہیں ہوا ہے۔منعقد ہونے والے اجلاسوں میں ہر ڈائریکٹر کی جانب سے شمولیت کی تفصیل ذیل میں ملاحظہ فرمائیں:۔

بورڈ آف ڈائریکٹرز

نام ڈائریکٹر	بورڈ آف ڈائریکٹرز	آڈٹ کمیٹی	ایچ آر سی سی	ایس سی
جناب اعزاز حسین	8	-	-	-
جناب ارشد مسعود	6	-	1	-
جناب آصف پیر	8	-	-	-
جناب زبیر سومرو	8	3	-	-
جناب عمر سعید	7	-	1	-
جناب مہین رحمان	7	3	-	-
محترمہ رومانہ عبداللہ	8	3	-	-

ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے کیلئے ایک باقاعدہ پالیسی منظور کی ہے جس میں ڈائریکٹرز کے معاوضے کیلئے ایک شفاف طریقہ کار شامل ہے، جو کمپنیز ایکٹ 2017ء اور کارپوریٹ گورننس کوڈ کے مطابق ہے۔ مذکورہ پالیسی کے مطابق، نان ایگزیکٹو اور آزاد ڈائریکٹرز کو بورڈ یا اس کی ذیلی کمیٹی کے ہر اجلاس میں شرکت پر قبل از ٹیکس 200,000 پاکستانی روپے معاوضہ ادا کیا جاتا ہے۔

سال کے دوران ڈائریکٹرز اور چیف ایگزیکٹو کو ادا کئے گئے معاوضے کی مناسب تفصیلات غیر یکجا مالیاتی بیانات کے نوٹ 45 میں فراہم کی گئی ہیں۔

بورڈ کی کارکردگی کا جائزہ

لسٹڈ کمپنیز (کارپوریٹ گورننس ریگولیشنز) 2019ء کے تحت، بورڈ ہر سال اپنی کارکردگی کا خود جائزہ لیتا ہے۔ بورڈ آف ڈائریکٹرز کا ماننا ہے کہ مسلسل جائزہ لینا اس بات کا تعین کرنے کیلئے نہایت اہم ہے کہ بورڈ نے اپنے مقرر کردہ اہداف اور مقاصد کے مقابلے میں کتنی مؤثر کارکردگی دکھائی ہے۔ جائزے کے نتائج کی بنیاد پر بہتری کے شعبوں کی نشاندہی کی جاتی ہے اور اصلاحی اقدامات کے منصوبے تیار کر کے ان پر عمل کیا جاتا ہے۔

ڈائریکٹرز کی تربیت

سات ڈائریکٹرز یا تو ڈائریکٹرز ٹریننگ پروگرام کے سرٹیفکیٹس حاصل کر چکے ہیں یا لسٹڈ کمپنیز (کارپوریٹ گورننس) ریگولیشنز 2019ء کے مطابق اس پروگرام کی شرط سے مستثنیٰ ہیں۔تمام ڈائریکٹرز اپنی ذمہ داریوں اور فرائض سے مکمل طور پر آگاہ ہیں۔

اہم آپریٹنگ اور مالیاتی ڈیٹا

گزشتہ چھ سالوں کا اہم آپریٹنگ اور مالیاتی ڈیٹا سالانہ رپورٹ کے ساتھ منسلک ہے۔

پروویڈنٹ فنڈ کی سرمایہ کاری

کمپنی کے زیر انتظام پروویڈنٹ فنڈ کی مالیت 31 دسمبر 2025ء کو فنڈ کے غیر آڈٹ شدہ حسابات کی بنیاد پر 5,401.05 ملین روپے ہے (31 دسمبر 4,251.852024 ملین روپے)۔

کارپوریٹ گورننس اور مالیاتی رپورٹنگ کا فریم ورک

کارپوریٹ گورننس کے کوڈ کے مطابق، ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

☆ کمپنی اور گروپ کی مالیاتی بیانات انتظامیہ کی جانب سے تیار کی گئی ہیں اور اس میں کاروباری حالت، آپریشن کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیاں درست طور پر ظاہر ہیں۔

☆ کمپنی اور اس کی ہر ذیلی کمپنی کے صحیح کتابیں برقرار رکھی گئی ہیں۔

☆ مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر نافذ کیا گیا ہے اور اکاؤنٹنگ اندازے معقول اور محتاط فیصلوں پر مبنی ہیں۔

☆ پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ کے معیارات کو مالیاتی بیانات کی تیاری میں فالو کیا گیا ہے اور ان سے کوئی انحراف نہیں ہوا۔

☆ داخلی کنٹرول کا نظام ڈیزائن میں مضبوط اور مؤثر طریقے سے نافذ و نگرانی کیا گیا۔

☆ کمپنی اور اس کی ذیلی کمپنیوں کی جاری کاروبار کے طور پر تسلسل کی صلاحیت پر کوئی بڑا شبہ نہیں ہے۔

کارپوریٹ گورننس کے بہترین طریقوں سے کوئی اہم انحراف نہیں ہوا جیسا کہ لسٹنگ کے قوانین میں تفصیل سے بیان کیا گیا ہے۔

بورڈ کی ترکیب

سی سی جی کی ضروریات کے مطابق، کمپنی بورڈ میں آزاد اور غیر ایگزیکٹو ڈائریکٹرز کی نمائندگی اور جنس کی تنوع کو فروغ دیتی ہے۔ بورڈ کی موجودہ ترکیب درج ذیل ہے:

کل ڈائریکٹرز کی تعداد

مرد: 5

خواتین: 2

ترکیب

(الف) آزاد ڈائریکٹرز: 4

جناب زبیر سومرو

محترمہ ماہین رحمان

محترمہ رومانہ عبداللہ

جناب عمر سعید

(ب) غیر ایگزیکٹو ڈائریکٹرز: 2

جناب اعزاز حسین - چیئرمین

جناب ارشد مسعود

(ج) ایگزیکٹو ڈائریکٹر: 1

جناب آصف پیر - سی ای او

بورڈ کمیٹیاں

بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی، ہیومن ریسورس اینڈ کمپنسیشن کمیٹی اور سسٹین ایبلٹی کمیٹی تشکیل دی ہے۔ بورڈ کمیٹی کے اراکین کے نام اور ہر رکن کی شرکت کی گئی میٹنگز کی تعداد درج ذیل ہے:

کمپنی کو درپیش بنیادی خطرات اور غیر یقینی صورتحال

خطرے کے عوامل

مندرجہ ذیل کچھ خطرے کے عوامل ہیں جو ہمارے کاروبار اور مالی نتائج پر اثر انداز ہو سکتے ہیں:

☆ **سیاسی خطرہ** - موجودہ مقامی اور عالمی سیاسی ماحول کاروبار پر اثر ڈال سکتا ہے اگر صورتحال غیر سازگار ہو جائے۔

☆ **میکرو اکنامک ماحول** - عالمی میکرو اکنامک ماحول غیر یقینی ہے، خاص طور پر اہم مارکیٹوں میں معاشی سست روی اور جغرافیائی سیاسی کشیدگی، بالخصوص مشرق وسطیٰ میں جاری ہیں۔

اس کے باوجود، انتظامیہ پر اعتماد رکھتی ہے کہ کمپنی اپنے اہداف حاصل کرتی رہے گی۔ وہ بنیادی خطرات جو علاقے پر اثر ڈال سکتے ہیں، ان میں کسٹمر کلیکشن میں سست روی، خرچ کے فیصلوں میں تاخیر، اور کھلے سیکٹرز میں مارجن پر دباؤ شامل ہیں؛ تاہم، انتظامیہ کا یقین ہے کہ بنیادی ٹیکنالوجی اور تبدیلی کی طلب جاری رہے گی۔ ان خطرات کو کم کرنے کیلئے، کمپنی نقد رقم کی وصولی کو ترجیح دے رہی ہے، آپریشنل نظم وضبط کو مضبوط کر رہی ہے، آف شور اور ہائبرڈ ڈیلیوری ماڈلز کو بڑھا رہی ہے، اور برطانیہ، یورپ، اپیک، امریکہ، پاکستان اور مصر میں مزید تنوع پیدا کر رہی ہے۔ انتظامیہ اس خلل کو مارکیٹ شیئر بڑھانے کا موقع بھی سمجھتی ہے کیونکہ کلائنٹس کم قیمت اور مستحکم ڈیلیوری پارٹنرز کی تلاش میں ہیں اور ٹیلنٹ وحصول کے مواقع زیادہ دستیاب ہو رہے ہیں۔ لہٰذا کمپنی موجودہ صورتحال کو خطرے کے انتظام کی ترجیح کے ساتھ ساتھ ممکنہ طور پر تیز رفتار ترقی کیلئے محرک کے طور پر بھی دیکھتی ہے۔

☆ **ملکی خطرہ** - سیاسی عدم استحکام، زیادہ مہنگائی اور سود کی شرحیں کاروبار پر اثر ڈال سکتی ہیں۔

☆ **زرمبادلہ کا خطرہ** - چونکہ کمپنی کی آمدنی کا ایک بڑا حصہ امریکی ڈالر میں ہے جبکہ زیادہ تر اخراجات پاکستانی روپے میں ہیں، کمپنی غیر ملکی کرنسی کے اتار چڑھاؤ کے سامنے معرضِ خطر ہے۔

پاکستانی روپے کی امریکی ڈالر کے مقابلے میں مضبوطی خاص طور پر مارجن پر دباؤ ڈال سکتی ہے، خاص طور پر اگر قیمتوں میں مطابق تبدیلی یا پیداواری بہتری نہ ہو۔ کمپنی اس خطرے کے انتظام کیلئے کرنسی کے رجحانات پر مسلسل نگاہ رکھتی ہے اور تخفیف کی حکمت عملی نافذ کر رہی ہے۔

مالی سال کے دوران کمپنی یا اس کی ذیلی کمپنیوں اور مشترکہ آپریشن کے کاروبار کی نوعیت میں تبدیلیاں

کمپنی یا اس کی ذیلی کمپنیوں کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں ہوئی ہے۔

کمپنی کے مستقبل کی ترقی، کارکردگی اور پوزیشن پر اثر انداز ہونے والے اہم رجحانات وعوامل

ٹیکنالوجی تیزی سے بدل رہی ہے اور خلل ڈالنے والی ٹیکنالوجیز کی طلب زیادہ ہے۔ تیز رفتار ترقی کیلئے، کمپنی کو ٹیلنٹ کو بڑھانا اور سنبھالنا ہوگا۔ متعلقہ ٹیکنالوجیز میں توسیع کمپنی کے مستقبل کی کارکردگی اور کاروباری پوزیشن پر نمایاں اثر ڈالے گی۔ کمپنی مکمل طور پر اے آئی سے چلنے والی ٹیکنالوجی کی ترقی میں حصہ لینے کیلئے تیار ہے۔

داخلی مالیاتی کنٹرول کی کفایت

سسٹمز لمیٹڈ کی گروپ کے طور پر انتظامیہ کمپنی اور گروپ کے داخلی کنٹرول کے نظام کے قیام اور دیکھ بھال کی ذمہ دار ہے تاکہ گروپ کے سامنا کئے جانے والے خطرات کی نشاندہی اور انتظام کیا جا سکے۔ یہ نظام معقول یقین دہانی فراہم کرتا ہے، حالانکہ مکمل نہیں:

☆ اثاثے غیر مجاز استعمال یا تصرف سے محفوظ ہیں۔

☆ کاروبار میں استعمال کیلئے درست اور قابل اعتماد اکاؤنٹنگ ریکارڈ موجود ہیں۔

☆ آپریشنل کاروبار میں مناسب کنٹرول کے طریقہ کار قائم کئے گئے ہیں۔

☆ کمپنی میں نافذ کردہ داخلی مالیاتی کنٹرول پورے سال کے دوران اطمینان بخش رہے۔

ترقیاتی حکمت عملی

کمپنی نئے مالی سال میں مضبوط بنیاد کے ساتھ داخل ہو رہی ہے، جس کے پاس صحت مند بیک لاگ اور واضح اسٹریٹجک سمت ہے، اور جسے مختلف مارکیٹس، صلاحیتوں اور ترقی کے عوامل کے ذریعے سپورٹ کیا جا رہا ہے۔ کمپنی متوازن ترقی کیلئے درج ذیل اقدامات جاری رکھے گی:

☆ موجودہ کلائنٹس کے ساتھ تعلقات کو مزید مضبوط اور مستحکم بنانا

☆ عالمی ٹیکنالوجی لیڈرز کے ساتھ مضبوط شراکت داری کے ذریعے نئے کلائنٹس میں اضافہ کرنا

☆ منتخب اہداف کے ذریعے بشمول مناسب جگہوں پر منظّم لین دین کے طریقہ کار کا اختیار کرتے ہوئے ترقی کرنا

جغرافیائی توسیع

کمپنی اپنی آمدنی کو مختلف اہم خطوں میں متنوع بنانے پر توجہ دے رہی ہے:

شمالی امریکہ: حال ہی میں حاصل شدہ پلیٹ فارمز کو بڑھانا اور کاروباری کلائنٹس کے تعلقات کو وسیع کرنا۔

برطانیہ اور یورپ: مکمل علاقائی آپریشن قائم کرنا اور یورپ میں توسیع کیلئے وہاں اپنی کمپنی قائم کرنا۔ لیڈرشپ کی بھرتی جاری ہے اور قریبی مستقبل میں مکمل آپریشنل صلاحیت کی توقع ہے۔ یو کے یورپی توسیع کیلئے مرکز کے طور پر کام کرے گا۔

اے پی اے سی: پچھلے سال کی سرمایہ کاری کے نتائج مل رہے ہیں، اور ویتنام، ملائیشیا، اور انڈونیشیا میں مضبوط رفتار موجود ہے، جسے بڑھتے بیک لاگ نے سپورٹ کیا ہے۔ مزید منصوبے سیلز صلاحیت مضبوط کرنے اور ملائیشیا میں ڈلیوری سینٹر کے قیام کا جائزہ لینے کے ہیں۔

مڈل ایسٹ:

- یو اے ای بنیادی مارکیٹ کے طور پر برقرار، بڑے کاروباری کلائنٹس کے متنوع بیس کے ساتھ موجود ہے۔
- سعودی عرب ایک تیز ترقی پذیر مارکیٹ کے طور پر ابھرتا ہوا، ابتدائی مارکیٹ ترقی کے بعد مضبوط پائپ لائن کے ساتھ موجود ہے۔

اندرون ملک: ملکی کاروبار نے مثبت تبدیلی دکھائی، منافع منفی سے مثبت سطح تک پہنچا۔ یہ مرکزیت اور عملی ڈسپلن کے اثرات کی عکاسی کرتا ہے۔ کمپنی توقع کرتی ہے کہ ملکی کاروبار میں بہتری جاری رہے گی، اور مارجن کو بین الاقوامی مارکیٹس کے قریب لانے پر توجہ دی جائے گی۔

مصنوعی ذہانت یعنی اے آئی اور ڈیٹا کی قیادت میں مواقع

عملی طور پر، کمپنی نے اے آئی کی سہولت کاری میں بھی نمایاں پیش رفت کی ہے، داخلی عمل اور کلائنٹ کی خدمات میں اے آئی کو شامل کیا ہے۔ افرادی قوت کی صلاحیت مضبوط ہوئی، اور اے آئی ٹولز کے وسیع استعمال سے پیداواری صلاحیت اور سروس ڈیلیوری بہتر ہوئی ہے۔

کمپنی اے آئی کے بڑھتے ہوئے شعبے میں اہم مواقع دیکھتی ہے۔ اگرچہ کاروباری دلچسپی بڑھ رہی ہے، مؤثر استعمال کیلئے مضبوط ڈیٹا بنیاد اور مربوط سسٹمز کی ضرورت ہے۔

اس کے علاوہ کمپنی کی توجہ درج ذیل پر ہے:

☆ ڈیٹا انجینئرنگ اور سسٹم انٹیگریشن کی صلاحیتوں کو بڑھانا

☆ تمام کلائنٹ پراجیکٹس میں اے آئی کو شامل کرنا، بشمول پروپوزلز اور ٹرانسفارمیشن پروگرامز

☆ دہرانے کے قابل اور قابلِ پیمائش حل تیار کرنا تاکہ کلائنٹس کیلئے قابلِ قدر نتائج پیدا ہوں

کمپنی عالمی ٹیکنالوجی اُصولوں (او ای ایم پارٹنرز) کے ساتھ ہم آہنگی بھی مضبوط کر رہی ہے، تاکہ نئے اے آئی پلیٹ فارمز اور خدمات کو تیزی سے اپنانا اور نافذ کرنا ممکن ہو، اور اس طرح کمپنی کاروباری اے آئی اپنانے میں اہم شراکت دار بن جائے۔

معاشی عوامل

کمپنی بیرونی عوامل، خاص طور پر کرنسی کی تبدیلیوں کے بارے میں محتاط ہے، کیونکہ آمدنی کا بڑا حصہ یو ایس ڈی میں ہے۔ حالیہ رجحانات نے مارجن پر اثر ڈالا ہے، لیکن اقتصادی بنیادوں کے مطابق استحکام کی توقع منافع کو سپورٹ کرے گی۔

سماجی بہبود

- ☆ سی ایس آر بجٹ مختص کرنا اور سی ایس آر اقدامات کی منصوبہ بندی
- ☆ آئی ٹی مستقبل پروگرام کے تحت ڈیجیٹل شمولیت کا آغاز
- ☆ سکولوں، ہسپتالوں اور دیگر خیراتی اداروں بشمول آغا خان یونیورسٹی، انڈس ہسپتال، شوکت خانم میموریل ٹرسٹ اور سٹیزن فاؤنڈیشن کو عطیات کی فراہمی میں اضافہ
- ☆ مشکل حالات میں ملازمین کے ساتھ تعاون
- ☆ سال 2025ء کے دوران پاکستانی روپوں میں 69.3 ملین روپے بطور عطیات فراہم کئے گئے

گورننس

- ☆ بورڈ اور اس کی کمیٹیاں گورننس رِسک اور کمپلائنس یعنی جی آر سی کو فروغ دیتی ہیں
- ☆ بورڈ میں مختلف شعبوں جیسا کہ ٹیکنالوجی، مالیات، گورننس اور انسانی وسائل کے ماہرین کی شمولیت
- ☆ کمپنی کی جانب سے ٹیکس معاملات میں ذمہ داری اور شفافیت
- ☆ تمام متعلقہ فریقوں کے ساتھ ہونے والے کاروباری لین دین کو شفاف بنایا جاتا ہے
- ☆ ایک منظّم گورننس فریم ورک جو ایمانداری، احتساب اور ذمہ دری کاروباری طریقوں کو فروغ دیتا ہے
- ☆ بین الاقوامی معیار اور ضابطہ کار کے مطابق مضبوط معلوماتی سیکورٹی اور ڈیٹا پروٹکشن کے اقدامات برقرار رکھنا
- ☆ مجموعی کارپورٹ گورننس کے ڈھانچے میں پائیدار گورننس کو شامل کرنا
- ☆ تمام داخلی پالیسیاں اور طریقہ کار بین الاقوامی معیار کے مطابق ذمہ دار کاروباری رویے کے اصولوں سے ہم آہنگ ہیں

پائیدار مالیاتی ترقی

- ☆ کمپنی کی آمدنی پچھلے پانچ سال میں مستقل طور پر 51 فیصد سے زائد کی شرح سے آگے بڑھی ہے
- ☆ کمپنی اپنے حصص یافتگان کو مستقل ڈیویڈنڈ دیتی ہے اور سرمایہ کاری سے منافع میں اضافہ برقرار ہے
- ☆ کمپنی نے عالمی سطح پر وسعت کے ذریعے مارکیٹ میں کسی ایک علاقے پر کلائنٹ پر انحصار کم کیا ہے
- ☆ کمپنی کی منظّم لاگت کنٹرول، عالمی سطح پر خدمات کی فراہمی کی صلاحیت اور مسلسل جدت نے مالیاتی کارکردگی کو پائیدار بنایا ہے
- ☆ مختلف شعبوں میں گہری مہارت کے ساتھ طویل مدتی تعلقات کمپنی کی پائیداری اور مضبوطی کی عکاسی کرتی ہیں

مزید تفصیلات کیلئے مالی استحکام پر مبنی رپورٹ کا خلاصہ سالانہ رپورٹ کے ساتھ منسلک کر دیا گیا ہے، اس کے علاوہ جامع اور تفصیلی رپورٹ الگ سے کمپنی کی ویب سائٹ پر دستیاب ہے۔

مستقبل کے لائحہ عمل اور ترقی کے امکانات

کمپنی نے مالی سال 2025ء کے دوران مضبوط لائحہ عمل پر مبنی ترقی حاصل کی جس میں ہدف شدہ حصولیات، نئی سروس لائنز میں توسیع اور جغرافیائی تنوع شامل ہے۔

حصول

اہم سنگ میل یہ تھا کہ کمپنی نے لائحہ عمل پر مبنی دو اہداف حاصل کئے ہیں جن میں کانفز (Confiz) اور بیٹ شیئرڈ سروسز (BAT-Shared Services) شامل ہیں۔ یہ لین دین کمپنی کی مارکیٹ پوزیشن کو مضبوط بناتے ہیں اور توقع ہے کہ یہ آمدنی میں اضافہ کریں گے، جس کا مکمل اثر اگلے مالی سال میں ظاہر ہوگا۔

کانفز (Confiz) کی حصولی کو جب عدالت کی منظوری حاصل ہو جائے گی تو یہ یکم جنوری 2026ء سے مؤثر ہوگی اور کمپنی کو شمالی امریکہ کے کاروباری کلائنٹس تک براہِ راست رسائی فراہم کرے گی۔ اس سے کراس سیل اور اَپ سیل کے مواقع پیدا ہوں گے، کمپنی کی سکیل، ڈلیوری صلاحیت اور شعبہ جاتی مہارت سے فائدہ اٹھایا جائے گا۔ منصوبے کے مطابق انضمام کے اقدامات جاری ہیں، اور ابتدائی اشارے سے سینرجی کا فائدہ ظاہر ہو رہا ہے۔

کمپنی نے اپنی عالمی کاروباری خدمات کے آپریشنز کو کامیابی سے بڑھایا، خاص طور پر بی اے ٹی کے تعلق سے، اور ایک نیا ترقیاتی شعبہ قائم کیا۔ ابتدائی پائپ لائن کی مضبوطی اور شراکت داریوں کے ساتھ تعاون نے اس شعبے میں اعتماد بڑھایا۔

ماحول، سماج اور گورننس

کمپنی کے پائیدار ترقی ویژن 2030ء کے مطابق کمپنی نے اقوام متحدہ کے پائیداری کے اُصولوں کے مطابق پانچ اہم ستون یا پہلو طے کئے ہیں۔ کمپنی وقتاً فوقتاً خود تشخیص کرتی ہے اور ہر ستون کے مطابق مقررہ اہداف میں پیش رفت کی رپورٹ فراہم کرتی ہے۔

ذیل میں مذکورہ بالا ستون یا پہلو ملاحظہ فرمائیں:

ماحول دوستی اپنائیں

- ☆ پانی کی بچت کیلئے آگاہی پروگرام
- ☆ صفائی ستھرائی یا دیگر گھریلو مقاصد کیلئے استعمال ہونے والا پانی بغیر کسی نقصان کے دوبارہ مقامی سیوریج نظام میں بھیجا جاتا ہے اور یہ عمل اس امر کی نشاندہی کرتا ہے کہ ہمارے دفاتر میں ہونے والی سرگرمیاں ماحول پر کم اثرات ڈالتی ہیں۔
- ☆ سال 2025ء میں فی ملازم پانی کی کھپت 23.7 فیصد تک بہتر ہوئی ہے۔
- ☆ مالی سال 2025ء کے دوران سولر توانائی میں اضافہ کی بدولت گرڈ کی کھپت 8.5 فیصد تک کمی ہوئی۔
- ☆ مالی سال 2025ء کے دوران 27,000 کلوواٹ اضافی بجلی قومی گرڈ کو فروخت کی گئی۔
- ☆ بجلی کی بچت کیلئے ایچ وی اے سی سسٹم اور ایل ای ڈی لائٹس کی تنصیب کو یقینی بنایا گیا۔
- ☆ ویسٹ کی مقدار کو کم از کم کرنے کیلئے دوبارہ استعمال اور ری سائیکلنگ کے عمل کو بروئے کار لایا گیا۔
- ☆ امسال ماحول پر منفی اثرات کم از کم کرنے اور ایک ذمہ دارانہ ریسورس مینجمنٹ کے فروغ کی خاطر کنٹرول ڈسپوزل طریقوں کو اپنایا گیا، وینڈرز کی سرگرمیوں کی نگرانی کی گئی اور ویسٹ کی مقدار کو مسلسل جانچا جاتا رہا۔
- ☆ سرٹیفائیڈ ری سائیکلنگ وینڈرز اور ایسٹ لائف سائیکل ٹریکنگ کے ذریعے ڈیجیٹل دستاویزات اور کاغذ کی بچت کو یقینی بنایا گیا
- ☆ امورِ کار میں صفحہ کے استعمال کو کم از کم کرنے کیلئے ڈیجیٹل دستاویزاتی نظام کو اپنایا گیا
- ☆ سائنس پر مبنی ماحولیاتی اہداف کی تشکیل اور ماحولیاتی گورننس فریم ورکس کی جانب پیش رفت جاری ہے
- ☆ کمپنی نے جی ایچ جی پروٹوکول کے تحت تین اہم پہلوں یعنی کہ دفاتر یا گاڑیوں سے نکلنے والی گیس کے اخراجات، کمپنی کی خریدی ہوئی بجلی یا توانائی سے پیدا ہونے والے اخراجات اور تیسرے نمبر پر وہ بالواسطہ اخراجات جو کمپنی کی سپلائی چین یا دیگر سرگرمیوں سے پیدا ہوتے ہیں کی مکمل پیمائش شروع کر دی ہے۔

ملازمین کی فلاح و بہبود

- ☆ سال 2025ء کے دوران خصوصی صلاحیتوں کی حامل افرادی قوت میں 67 فیصد اضافہ کیا گیا۔
- ☆ ٹاؤن ہالز اور مینجمنٹ میٹنگز کے ذریعے ملازمین کی رائے اور مشغولیت میں اضافہ ممکن بنایا گیا۔
- ☆ خواتین کیلئے مواقع اور ترقی پر خصوصی توجہ دی گئی۔
- ☆ ملازمین کی مہارت بڑھانے اور پیشہ ورانہ ترقی کیلئے مسلسل سرمایہ کاری جاری رہی۔
- ☆ ایسے اقدامات کا نفاذ جو ملازمین کو فعال رکھنے اور اُن کی پیداواری صلاحیت بڑھانے میں مددگار رہوں۔
- ☆ متعدد حفاظتی ڈرلز اور ورک پلیس میں آرام و صحت کے سیشنز کرائے گئے۔
- ☆ مقامی ٹیلنٹ کی ترقی کی حمایت کیلئے جاری شراکت داری۔
- ☆ ملازمین کیلئے ایک منظّم راستہ فراہم کیا گیا تاکہ وہ ورک پلیس کے مسائل رپورٹ کر سکیں، جس سے احتساب مضبوط ہوتا ہے۔
- ☆ باقاعدہ پروگرامز کے ذریعے ملازمین کو ان کے حقوق سے آگاہ کیا جاتا ہے۔
- ☆ ملازمین کو ہنگامی حالات میں بلاسود قرضہ جات کی فراہمی۔
- ☆ والدین کیلئے کام کی جگہ پر ڈے کیئر سنٹر کی فراہمی
- ☆ ملازمین کی صحت اور فلاح و بہبود کو فروغ دینے کیلئے جم کی دستیابی۔

مزید برآں، کمپنی کو آئی ٹی کے شعبہ میں سروسز اور ڈیجیٹل تبدیلی میں اس کی صلاحیتوں کیلئے معروف تجزیہ کار ادارے ایورسٹ گروپ نے تسلیم کیا۔ پاکستان میں P@SHA کی جانب سے اور ٹاپ آئی ٹی ایکسپورٹرز میں شناخت، ملک کی ٹیکنالوجی برآمدات میں کمپنی کے اہم کردار اور بڑھتی ہوئی عالمی موجودگی کو ظاہر کرتی ہے۔

مالی خدمات کے شعبے میں قیادت کو مزید مضبوط کرتے ہوئے، ٹیمونس نے 2025ء میں کمپنی کو ایک اہم علاقائی ڈیلیوری پارٹنر کے طور پر تسلیم کیا، جو بڑے پیمانے پر کور بینکنگ تبدیلیوں کی کامیاب تکمیل اور حکمت عملی کے تحت کاروباری ترقی میں شراکت کو ظاہر کرتا ہے۔

عملہ کی تازہ کاری

کمپنی اپنی ٹیلنٹ بیس کو مضبوط کرنے میں سرمایہ کاری جاری رکھے ہوئے ہے، تاکہ مستقبل کی ضروریات کے مطابق مہارت تیار کی جاسکے۔

گزشتہ دو سالوں میں اے آئی اور جدید ٹیکنالوجیز میں کارکنوں کی مہارت بڑھانے پر نمایاں پیش رفت ہوئی، جس سے پیداوار میں اضافہ اور کلائنٹ ڈیلیوری کی قدر بڑھ گئی ہے۔ یہ سرمایہ کاری جاری رہے گی، اور ٹیموں میں جدید ڈیجیٹل اور اے آئی صلاحیتوں کی ترقی پر مزید توجہ دی جائے گی۔

اسی دوران، کمپنی عالمی سطح پر مربوط ٹیلنٹ ماڈل کی طرف بڑھ رہی ہے، جس میں اے آئی کی مدد سے بھرتی اور ورک فورس کی تقسیم شامل ہے۔ اس سے مختلف جغرافیوں میں وسیع ٹیلنٹ تک رسائی ممکن ہوتی ہے اور معیاری سروس لوکیشن سے آزاد طریقے سے فراہم کی جاسکتی ہے۔

عالمی ٹیلنٹ اور ٹیکنالوجی کے امتزاج سے کمپنی متحرک اور بڑھتی ہوئی ڈیجیٹل کاروباری دنیا کی ضروریات کو پورا کرنے کیلئے تیار ہے۔

انفراسٹرکچر

کمپنی طویل مدتی ترقی اور ڈیلیوری کی ضروریات کے پیش نظر انفراسٹرکچر میں سرمایہ کاری جاری رکھے ہوئے ہے۔ منظوری کے جاری وساری مراحل کیساتھ لاہور میں نیا آفس منصوبہ بندی کے مرحلے میں ہے، منظوری کے عمل کے بعد 2026ء کے دوسرے نصف میں تعمیر شروع ہونے کی توقع ہے۔ یہ پراجیکٹ تقریباً دو سال میں مکمل ہوگا، اور 2,000 سے زائد ملازمین کیلئے جگہ فراہم کرے گا، جس میں پارکنگ کی سہولت بھی شامل ہوگی۔

یہ توسیع کمپنی کی حکمت عملی کے مطابق ہے تاکہ آپریشنز کو بڑھایا جاسکے، ڈیلیوری کی صلاحیت میں اضافہ ہو، اور عالمی کلائنٹ بیس کی مدد کی جاسکے۔

مزید برآں، لاہور آفس کو سپیشل ٹیکنالوجی زون کے تحت رجسٹر کروالیا گیا ہے، جو ٹیکس مراعات اور لاگت کے موثر انتظام میں مدد دیتا ہے۔ کمپنی کراچی میں بھی سپیشل ٹیکنالوجی زون رجسٹرڈ آفس حاصل کرنے کے عمل میں ہے۔

کارپوریٹ سوشل ریسپانسبلٹی (CSR)

کمپنی معاشرہ میں مثبت اور دیرپا اثرات مرتب کرنے کیلئے ہمہ وقت پُرعزم ہے۔ کمپنی نوجوانوں کو مستقبل کی قوت تسلیم کرتی ہے اور اُنہیں بالخصوص ٹیکنالوجی کے شعبہ میں تعلیم، مہارت کی ترقی، اور مواقعوں تک رسائی کے ذریعے بااختیار بنانے پر توجہ مرکوز کئے ہوئے ہے۔

کمپنی کی سی ایس آر حکمت عملی تین ستونوں پر مرکوز ہے جس میں تعلیم، صحت، اور نوجوانوں کی بااختیاری شامل ہے۔ ان اہداف کو آئی ٹی مستقبل پروگرام کے ذریعے افراد کو نئے ہنر سیکھنے اور اُن کی مہارتوں میں اضافے کے مواقع فراہم کرکے آگے بڑھایا جارہا ہے۔ آئی ٹی مستقبل ٹریننگ پروگرام پر مسلسل توجہ کے ذریعے نہ صرف مہارتوں میں بہتری اور اُنہیں بڑھانے میں مدد ملے گی بلکہ اس سے ڈیجیٹل معیشت میں شمولیت میں بھی اضافہ ہوگا۔

نوجوانوں کی خودمختاری تمام کوششوں میں سرفہرست ہے۔ کمپنی کا مقصد تعلیم کے مساوی مواقعوں کی فراہمی اور نوجوانوں کی شمولیت کے فروغ کے ذریعے کم مراعات یافتہ بچوں اور نوجوانوں کو پائیدار مستقبل فراہم کرنا ہے تاکہ وہ سماجی و معاشی محرومی سے محفوظ رہ سکیں۔

شعبہ صحت میں کمپنی سماجی فلاح و بہبود کیلئے معیاری طبی خدمات تک آسان رسائی کیلئے پُرعزم ہے۔ یہ مقاصد صحت سے منسلکہ اداروں کے ساتھ شراکت داری اور مقررہ عطیات کے ذریعے حاصل کیا جاتا ہے۔

مالی سال کے دوران کمپنی نے ایک صحت مند، زیادہ تعلیم یافتہ اور بااختیار معاشرہ کی تشکیل کیلئے تقریباً 69.3 ملین روپے نقد عطیات کے علاوہ مفت لیپ ٹاپ اور دیگر آلات بھی فراہم کئے ہیں۔

شمالی امریکہ اور یورپ

شمالی امریکہ کے مجموعی منافع کی شرح 32.75 فیصد اور آپریٹنگ منافع کی شرح 24.43 فیصد ہے۔ کمپنی توقع کر رہی ہے کہ کانفز (Confiz) کے حصول کے بعد اس شعبے میں ترقی کی شرح مزید بڑھ جائے گی۔ کانفز (Confiz) کے موجودہ کاروباری ماحول میں سسٹمز کی پیشکش کو کراس سیل اور اپ سیل کرنے کیلئے بہترین مواقع موجود ہیں۔ یورپ کا مجموعی منافع اور آپریٹنگ منافع بالترتیب 38.27 فیصد اور 29.89 فیصد ہیں۔

مشرقِ وسطیٰ اور افریقہ

مشرقِ وسطیٰ کے علاقے میں، متحدہ عرب امارات اور سعودی عرب میں ذیلی کمپنیاں ترقی کی رہنمائی کر رہی ہیں اور کل مشرقِ وسطیٰ اور افریقہ سے ہونے والی آمدنی میں تقریباً 59 فیصد حصہ ڈال رہی ہیں۔ قطر بھی ترقی کی رفتار حاصل کرنے کی توقع رکھتا ہے اور مستقبل قریب میں ایک نمایاں کاروبار بن جائے گا۔ اس خطے میں کمپنی کے پاس آمدنی کا بہت صحت مند بیک لاگ موجود ہے۔

اے پی اے سی

اے پی اے سی بھی ایک اہم شعبہ بن چکا ہے جہاں کمپنی خاص طور پر ٹیکنالوجی اور بی ایف ایس آئی سیکٹر میں مضبوط منافع کے ساتھ ترقی دیکھ رہی ہے۔

پاکستان

کمپنی پاکستان کے شعبے کو بہتر بنانے کیلئے آمدنی کے معیار کو بڑھا رہی ہے، کارکردگی کو بہتر کر رہی ہے، اور اخراجات کو بہتر طریقے سے منظّم کر رہی ہے۔ پاکستان کا شعبہ مثبت سمت میں بڑھ رہا ہے، اس سال 7.3 فیصد آپریٹنگ منافع دکھا رہا ہے، جبکہ گزشتہ سال یہ منفی 6 فیصد نقصان میں تھا۔ کمپنی پاکستان میں آمدنی اور منافع دونوں کو بہتر بنانے کی سمت میں گامزن ہے، جس کے پاس مضبوط بیک لاگ اور پائپ لائن موجود ہے۔

ڈیویڈنڈ اور مختص رقم

سال 2025 کیلئے، ڈائریکٹرز نے پچھلے سال 1:5 حصص کی تقسیم کے بعد (2024: فی حصص 6 روپے) پیرنٹ کمپنی کے غیر مختص منافع سے فی حصص 2 روپے نقد حتمی کیش ڈیویڈنڈ کی تجویز دی ہے۔

دورانِ سال منافع ڈیوڈنڈ کے حساب سے درج ذیل مختص کی گئی رقم کی تقسیم کی گئی:۔

	غیر مختص شدہ منافع
مورخہ 31 دسمبر 2024ء تک بیلنس	23,753,597,914
کل مجموعی آمدن برائے سال	8,019,013,845
منہا: مورخہ 31 دسمبر 2024ء کو ختم ہونے والے مالی سال کیلئے حتمی منافع منقسمہ پاکستانی روپوں میں فی حصص مبلغ 6 روپے ہے	(1,758,696,899)
مورخہ 31 دسمبر 2025ء تک بیلنس	30,013,914,860

فی شیئر آمدن

گروپ کی 31 دسمبر 2025ء کو ختم ہونے والے مالی سال میں فی شیئر بنیادی اور رقیق آمدن بالترتیب 7.52 روپے اور 7.44 روپے رہی (31 دسمبر 2024: فی شیئر مبلغ 5.11 روپے اور مبلغ 5.07 روپے)۔

اسی طرح، کمپنی کی فی شیئر بنیادی اور رقیق آمدن 5.46 روپے اور 5.41 روپے رہی (31 دسمبر 2024: فی شیئر مبلغ 4.19 روپے اور مبلغ 4.16 روپے)۔

ایوارڈز اور اعزازات

کمپنی یو اے ای اور وسیع جی سی سی منڈیوں میں عالمی سطح کی کمپنیوں کے ساتھ فعال مقابلہ کرتی ہے۔ سال 2025ء میں مسلسل پہچان نے کمپنی کی خطے میں ساکھ کو مزید مضبوط کیا، جس سے کاروباری ترقی اور اعلیٰ قیمت کے مواقع حاصل کرنے میں مدد ملی۔ کمپنی نے اپنی صنعتی ساکھ کو بڑھاتے ہوئے 2025ء کیلئے دوبارہ مائیکروسافٹ اِنر سرکل کا رکن ہونے کا اعزاز حاصل کیا۔ یہ اعزاز کمپنی کی مستقل مزاجی، جدت، اور مائیکروسافٹ پر مبنی حل فراہم کرنے میں مہارت کو ظاہر کرتا ہے اور اس کے مضبوط پارٹنرنیٹ ورک اور طویل مدتی عزم کو اُجاگر کرتا ہے۔

شعبہ کے لحاظ سے کارکردگی (منظّم)

عمودی (Vertical) شعبے

کمپنی کی حکمتِ عملی میں تبدیلی کے نتیجے میں چار بنیادی شعبے اب صنعت کے عمودی سیکٹرز کے گرد گھومتے ہیں :

☆ **بینکنگ، مالیاتی خدمات اور انشورنس:** یہ شعبہ بینکاری، مالیاتی خدمات اور انشورنس سے متعلق سرگرمیوں پر مشتمل ہے۔ یہ آمدنی کے لحاظ سے کمپنی کا سب سے بڑا شعبہ بن چکا ہے۔ ٹیونس کے علاقائی پارٹنر کے حصول کے بعد، کمپنی نے جارحانہ حکمتِ عملی اپناتے ہوئے بینکاری اور مالیاتی صارفین کو کراس سیلنگ اور اَپ سیلنگ کی پیشکش کی ہے۔ تاہم، اس شعبے کے اندر منافع کی شرح میں نمایاں طور پر بہتری تو آئی ہے لیکن یہ سیلز اور مارکیٹنگ میں سرمایہ کاری کے علاوہ کنٹری ماڈل بینک (سی ایم بی) کے لائسنس جو کہ پانچ سال یا اس سے زائد عرصہ کیلئے حاصل کیا جاتا ہے پر لاگو اخراجات کے باعث، ابھی بھی دیگر شعبوں کے مقابلہ میں کم ہے۔

☆ **ریٹیل اور سی پی جی (کنزیومر پیکیج گڈز):** یہ شعبہ ریٹیل آپریشنز اینڈ کنزیومر گڈز پر مشتمل ہے۔ اس کے زیادہ تر صارفین شمالی امریکا اور یورپ میں پائے جاتے ہیں۔

☆ **ٹیل کو (ٹیلی کمیونیکیشن):** یہ شعبہ ٹیلی کمیونیکیشن سروسز اور ٹیکنالوجیز پر مشتمل ہے۔ کمپنی نے نہ صرف ٹیلی کام کے شعبہ کیلئے اے آئی پر مبنی جدید اختراعاتی حل (سلوشن) فراہم کئے ہیں بلکہ اب کمپنی متعدد ڈیجیٹل خدمات کے حوالے سے مہارت یافتہ بھی ہو چکی ہے جو مستقبل بھی اس کی ترقی اور کاروباری وسعت میں اہم کردار ادا کریگی۔

☆ **ٹیکنالوجی:** اس شعبہ میں ٹیکنالوجی سے متعلقہ حال، منصوعات اور خدمات شامل ہیں۔ اس کے علاوہ اس میں دیگر اس آئی کی جانب سے کمپنی کو دیئے گئے ذیلی کنٹریکٹرز کا کام بھی شامل ہے۔

☆ **دیگر:** یہ ایک عمومی زمرہ ہے، جس میں وہ تمام شعبے شامل کئے جاتے ہیں جو مذکورہ بالا مخصوص عمودی شعبوں میں نہیں آتے۔ صحت کے شعبہ میں اے آئی کی مدد سے بہتری دیکھنے میں آرہی ہے۔

	بی ایف ایس آئی		رٹیل اور سی پی جی		ٹیکنالوجی		ٹیلیکو		دیگر		کل*	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees in Millions											
ریونیو نیٹ	23,905	20,507	7,762	7,676	9,520	8,057	20,308	15,489	18,897	15,744	80,392	67,473
ریونیو کی لاگت	(17,683)	(17,119)	(4,970)	(5,088)	(6,470)	(5,761)	(15,227)	(11,451)	(13,632)	(11,896)	(57,983)	(51,315)
مجموعی منافع	6,222	3,388	2,792	2,588	3,050	2,296	5,081	4,083	5,265	3,848	22,409	16,158
ترقی و تحقیق کے اخراجات	(102)	(44)	3	(8)	3	(9)	(7)	(17)	6	(15)	(82)	(92)
تقسیم کے اخراجات	(921)	(754)	(299)	(282)	(367)	(296)	(782)	(570)	(728)	(579)	(3,097)	(2,482)
انتظامی اخراجات	(1,852)	(1,465)	(601)	(548)	(737)	(576)	(1,573)	(1,107)	(1,464)	(1,125)	(6,228)	(4,820)
	(2,875)	(2,263)	(898)	(839)	(1,101)	(881)	(2,348)	(1,694)	(2,186)	(1,719)	(9,408)	(7,395)
ٹیکس سے پہلے منافع غیر مختص شدہ آمدن اور اخراجات	3,347	1,124	1,894	1,749	1,949	1,415	2,733	2,344	3,079	2,130	13,002	8,763

*اعداد کو ملین تک محدود کیا گیا ہے، اس لئے مالیاتی بیانات سے معمولی فرق ہے۔

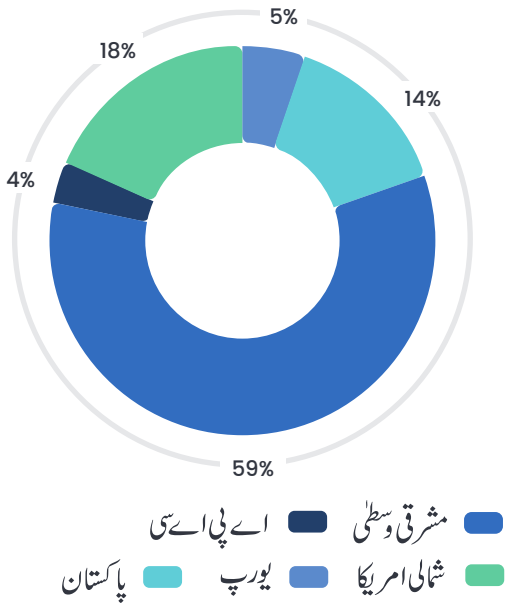
جغرافیائی شعبہ

کمپنی تمام شعبوں میں ترقی کر رہی ہے۔ مشرقِ وسطیٰ میں ترقی کی شرح زیادہ ہے جبکہ یورپ اور شمالی امریکا اس کے بعد آتے ہیں۔ کمپنی کی برآمدی فروخت اس کی کل فروخت کا تقریباً 86 فیصد ہے۔ علاقائی تازہ ترین معلومات کا تفصیلی جائزہ آئندہ کیا جائے گا۔

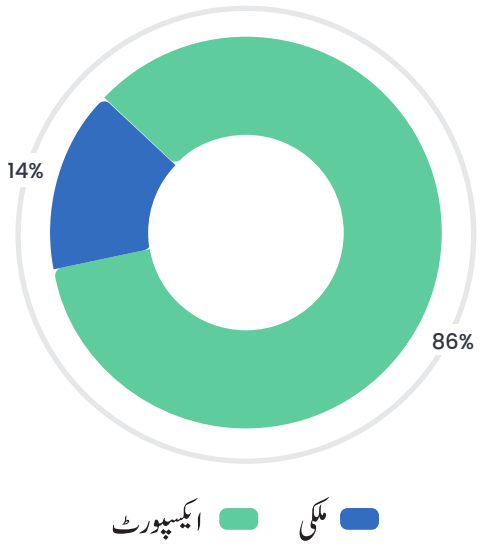
	شمالی امریکا		یورپ		مشرقِ وسطیٰ		اے پی اے سی		پاکستان		کل*	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees in Millions											
ریونیو نیٹ	14,771	13,890	4,239	3,021	47,110	39,553	2,771	2,300	11,500	8,709	80,392	67,473
ریونیو کی لاگت	(9,934)	(9,257)	(2,617)	(1,824)	(33,937)	(29,784)	(1,794)	(1,666)	(9,701)	(8,784)	(57,983)	(51,315)
مجموعی منافع	4,837	4,634	1,623	1,197	13,173	9,769	978	633	1,799	(75)	22,409	16,158
ترقی و تحقیق کے اخراجات	2	(36)	(29)	(8)	(33)	(31)	2	(3)	(25)	(14)	(82)	(92)
تقسیم کے اخراجات	(196)	(290)	(91)	(63)	(2,160)	(1,805)	(286)	(202)	(364)	(121)	(3,097)	(2,482)
انتظامی اخراجات	(1,035)	(1,222)	(235)	(267)	(4,173)	(2,948)	(212)	(80)	(573)	(303)	(6,228)	(4,820)
	(1,228)	(1,548)	(355)	(339)	(6,366)	(4,785)	(496)	(286)	(962)	(439)	(9,408)	(7,395)
ٹیکس سے پہلے منافع/(نقصان) غیر مختص شدہ آمدن اور اخراجات	3,609	3,086	1,267	858	6,807	4,984	482	348	837	(513)	13,002	8,763

*اعداد کو ملین تک محدود کیا گیا ہے، اس لئے مالیاتی بیانات سے معمولی فرق ہے۔

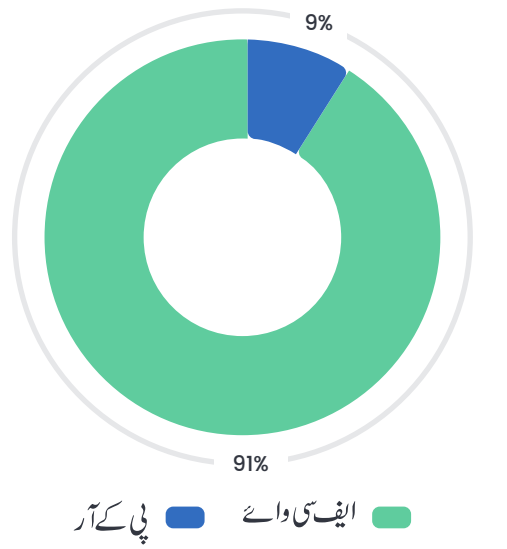
جغرافیائی خطوں کی آمدنی



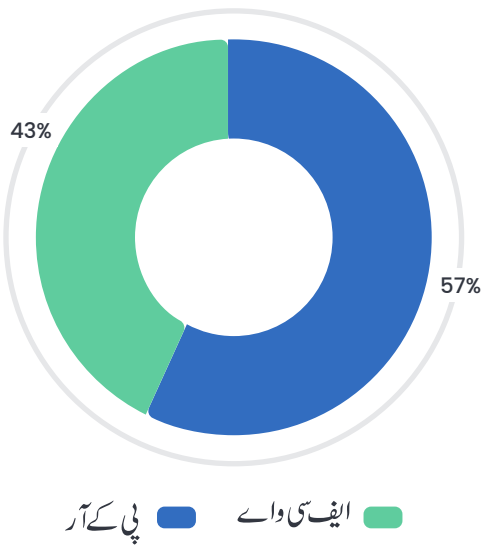
برآمدی شراکت



کرنسی کے حساب سے ریونیو



جغرافیائی خطوں کی لاگت



غیر منظّم

غیر منظّم مالی حسابات سے ظاہر ہوتا ہے کہ سال 2025ء کے دوران کمپنی کی آمدنی میں مستحکم اور مسلسل اضافہ برقرار رہا۔ امسال آمدن 44,230.61 ملین روپے رہی جو کہ گزشتہ سال کے مقابلہ میں 14.8 فیصد اضافہ کو ظاہر کرتی ہے۔ سال کیلئے ٹیکس کے بعد منافع 8,019.01 ملین روپے رہا جو 31.1 فیصد اضافے کو ظاہر کرتا ہے۔ مجموعی منافع اور آپریٹنگ منافع میں بالترتیب 22.3 فیصد اور 33.7 فیصد اضافہ دیکھنے میں آیا ہے۔

غیر منظّم			
تفصیلات	سال بہ سال	مالی سال 2024ء	مالی سال 2025ء
ریونیو	14.8%	38,526,983,552	44,230,607,495
مجموعی منافع	22.3%	9,683,308,262	11,840,004,032
آپریٹنگ منافع	33.7%	5,720,375,428	7,650,778,999
ٹیکس سے پہلے منافع	33.5%	6,401,673,584	8,543,259,959
ٹیکس کے بعد منافع	31.1%	6,115,297,176	8,019,013,845
فی شیئر آمدن (بنیادی)	30.3%	4.19	5.46
فی شیئر آمدن (رقیق)	30.0%	4.16	5.41

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز مورخہ 31 دسمبر 2025ء

کمپنی کے ڈائریکٹرز کو مورخہ 31st دسمبر 2025ء کو ختم ہوئے سال کے منظّم اور غیر منظّم مالیتی گوشواروں کیساتھ آپ کی کمپنی کی سالانہ رپورٹ پیش کرنے پر خوشی ہے۔

گروپ کا جائزہ

کمپنیز ایکٹ 2017ء کے تحت یہ کمپنی پاکستان کی ایک پبلک لمیٹڈ اور پاکستان اسٹاک ایکسچینج کی لسٹڈ کمپنی ہے۔ کمپنی 1977ء میں قائم کی گئی اور بنیادی طور پر سافٹ ویئر ڈویلپمنٹ ،سافٹ ویئر ٹریڈنگ کے علاوہ ہارڈ ویئر اور بزنس پراسیس آؤٹ سورسنگ سروسز کا کاروبار کرتی ہے۔

سرگرمیاں

کمپنی کو بنیادی طور پر ڈیجیٹل/ ڈیٹا/ کلاؤڈ سروسز، مینیجڈ سروسز، کنسلٹنگ سروسز، آئی ٹی آؤٹ سورسنگ اور بزنس پراسیس آؤٹ سورسنگ/ کانٹیکٹ سنٹر سے آمدن ہوتی ہے۔ کمپنی کو پاکستانی روپوں کے علاوہ تقریباً 91 فیصد آمدنی مختلف جغرافیائی خطوں میں جیسے شمالی امریکا، یورپ، مشرقِ وسطیٰ اور ایشیاء پیسیفک میں اپنی خدمات کی برآمد سے حاصل ہوتی ہے، جبکہ پاکستان میں امریکی ڈالر میں کئے گئے معاہدوں سے حاصل ہوتی ہے۔ کمپنی کا دائرہ کار مختلف کاروباری شعبوں جیسے ٹیلکو، ریٹیل، سی پی جی، فارما، بینکاری اور پبلک سیکٹر تک پھیلا ہوا ہے۔

کمپنی اور گروپ کی 2025ء کے دوران مالیاتی کارکردگی

منظّم

مورخہ 31 دسمبر 2025ء کو ختم ہونے والے مالی سال کے دوران، کمپنی کا ریونیو 2025ء میں 80,391.88 ملین روپے رہا، جبکہ سال 2024ء میں یہ 67,473.02 ملین روپے رہا۔ کاروبار کے معمول کے عمل سے حاصل ہونے والا آپریٹنگ منافع 12,006.34 ملین روپے رہا، جو 45.1 فیصد نمو کو ظاہر کرتا ہے۔ ترقی اور افرادی قوت میں جارحانہ سرمایہ کاری کے باوجود، کمپنی نے اس سال اپنے آپریٹنگ منافع کی شرح کو 12.3 فیصد سے بڑھا کر 14.9 فیصد کر لیا ہے۔ خالص منافع کی شرح بھی 11.1 فیصد سے بڑھ کر 13.7 فیصد ہوگئی ہے، جبکہ خالص منافع 11,040.58 ملین روپے رہا، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 48 فیصد اضافہ ظاہر کرتا ہے۔ یہ بہتری بنیادی طور پر کاروباری ترقی، آپریشنل کارکردگی میں اضافہ، پیداواری صلاحیت میں بہتری، اور اخراجات، خصوصاً مستقل اخراجات کو بہتر انداز میں منظّم کرنے کے باعث ممکن ہوئی ہے۔

مالی سال 2021ء سے اب تک، کمپنی نے اپنی آمدنی میں 51 فیصد کی مرکب یعنی کمپاؤنڈ سالانہ شرحِ نمو حاصل کی ہے۔ اس ترقی میں کمپنی کے ساتھ ساتھ اس کی ذیلی کمپنیوں کا بھی اہم کردار رہا ہے۔

منظّم

تفصیلات	مالی سال 2025ء	مالی سال 2024ء	سال بہ سال
ریونیو	80,391,884,594	67,473,021,160	19.1%
مجموعی منافع	22,409,264,889	16,157,701,305	38.7%
آپریٹنگ منافع	12,006,337,696	8,271,972,779	45.1%
ٹیکس سے پہلے منافع	12,448,252,207	8,291,296,483	50.1%
ٹیکس کے بعد منافع	11,040,583,934	7,460,012,773	48.0%
فی شیئر آمدن (بنیادی)	7.52	5.11	47.2%
فی شیئر آمدن (رقیق)	7.44	5.07	46.8%

Vision

As an AI-first organization, we combine business acumen, delivery excellence, and a customer-obsessive approach with strong strategic partnerships. Through continuous innovation and empowered talent, we harness AI-driven capabilities to deliver meaningful value to our clients and stakeholders.

Mission

Systems Limited is committed to delivering future-ready, technology-enabled AI-driven services across the globe to transform businesses and communities. We aim to utilize proven methodologies, streamline processes and innovative frameworks, and nurture a customer-centric workforce.

About us

As a global AI-first systems integrator, Systems Limited continues to advance the frontier of innovation, creating long-term value for our enterprise clients, stakeholders, employees, and the communities we serve. In fiscal year 2025, we delivered strong performance while expanding our market share, strengthening strategic partnerships and channel alliances, and extending our global footprint across UK, US, and APAC while deepening our presence in MEA and KSA. Today, we operate across 16+ countries, supported by a global talent base of 8,271 professionals, enabling us to deliver scalable digital, cloud, and AI-driven solutions to enterprises worldwide.

As part of our continued focus on market expansion and strengthening global capabilities, in 2025 we acquired BAT SAA Services (Private) Limited through a strategic partnership with Accenture. This milestone marks a defining step in our journey to build the next generation of AI-powered global services.

Further expanding our global portfolio, we also acquired Confiz, a global IT services company with a strong presence in North America and Europe and deep expertise in retail and CPG digital and AI transformation. This acquisition strengthens our strategic focus on these key markets, enabling us to scale delivery, deepen client proximity, and expand our capabilities across data, cloud, and AI-driven modernization.

As a homegrown organization built on organic growth, we continue to scale our global ambitions through a balanced strategy of strategic acquisitions and enduring partnerships. Anchored in a customer-obsessed culture and guided by an AI-first mindset, we operate as one team with a shared goal of driving meaningful change and delivering measurable outcomes for our clients and stakeholders. With innovation embedded in everything we do, we navigate complex market dynamics with agility, meet enterprises where they are in their transformation journeys, and create sustainable value across the global enterprises we serve.

Strategic Acquisitions

BAT PK GBS & Confiz

Guided by a

AI-first mindset

Expanding footprint across

UK and US

Driven by a

customer-obsessed culture

Transforming industries with **AI-driven innovation**

At Systems Limited, AI is the driving force behind everything we do; transforming industries, rethinking processes, and delivering innovative, first-of-its-kind solutions. Our AI-driven approach is deeply integrated into every aspect of our operations, from strategy and governance to solution delivery and talent development. With a relentless focus on Generative AI, AI copilots, and proprietary AI accelerators, we empower enterprises to unlock scalable, measurable impact that drives sustainable growth.

Our AI transformation journey is structured around the following pillars that reinforce our commitment to creating long-term value for clients:

AI Solutions & Delivery

AI permeates every aspect of our solution delivery, from Generative AI-powered contact centers to predictive models for churn forecasting, billing optimization, and autonomous agents. By leveraging AI copilots and decision intelligence, we enhance process automation, streamline workflows, and empower data-driven decision-making across industries. Our AI governance framework ensures these solutions are deployed responsibly, maintaining transparency, compliance, and oversight throughout every phase. This extensive application of AI not only optimizes operations but also accelerates value realization for businesses worldwide.

Innovation and Partnerships

As leaders in AI-driven innovation, we focus on creating proprietary accelerators and fostering global partnerships to develop cutting-edge solutions. Our collaborative efforts are aimed at addressing the most pressing challenges across industries, from healthcare delivery to supply chain optimization. Through AI partnerships, we continue to push the boundaries of what's possible, driving digital transformation at scale.

People & Capability Enablement

Empowering our people is key to AI integration. We ensure our workforce is AI-ready through role-based training, AI hackathons, and structured upskilling programs under the AI.Now initiative. This focus on continuous learning and capability building ensures that our employees are equipped to meet the growing demands of AI adoption and are ready to drive innovation at every level of the organization.

Our success stories in **Generative AI**

- Pharmacovigilance-Adverse Event Reporting Automation
- Ask Enterprise Solution
- Transforming HR Operations with GenAI
- AI Fashion Stylist
- Reteta – Medical Coding & Scribing Solution
- AI For Meta Data Discovery
- Competitive Delivery Optimization
- Beautician Consultant Bot
- Hami – By Boston Health AI
- Product Positioning in Customer Perception Maps
- Email Marketing Personalization
- Intelligent Sensor Data Platform

Our partner **ecosystem**

Our strategic edge is not just built on disciplined execution and agile processes, but also on a strong ecosystem of global technology partners. Collaborating with industry leaders strengthens our capabilities in AI, cloud, and digital transformation. These long-standing relationships provide us with the tools and technologies necessary to drive scalable, impactful solutions that deliver long-term value. By seamlessly integrating our partner network into our processes, we are able to offer enhanced innovation, foster deeper collaboration, and continuously exceed the expectations of our clients, investors, and stakeholders alike.

Microsoft 13+ Years of Partnership

SAP 4+ Years of Partnership

temenos 15+ Years of Partnership

Red Hat 7+ Years of Partnership

IBM 12+ Years of Partnership

aws 3+ Years of Partnership

salesforce 6+ Years of Partnership

servicenow 2+ Years of Partnership

McKinsey & Company 2+ Years of Partnership

accenture 3+ Years of Partnership

- 3250+ resources certified in Microsoft, Temenos, IBM, SAP, and AWS products and services
- Credible representation as technology partner in 5+ continents

Performance anchored in **principles**

Our commitment to excellence is guided by the core values of courage, integrity, and empathy. These principles drive us to lead with decisiveness, uphold the highest ethical standards, and foster collaborative relationships that deliver sustained, impactful results.

Courage

Leading with decisiveness, taking calculated risks for impactful outcomes

Integrity

Maintaining the highest ethical standards in all interactions, building trust and loyalty

Empathy

Respond to needs and challenges with empathy and genuineness, fostering stronger relationships and collaboration

Trust that drives recurring growth

93%
recurring revenue contribution

500
Fortune client portfolio

50%+
employee-owned enterprise

Multi-year
Client retention

2025 global recognition and awards

Corporate Recognition

Top Exporter 5x & Runner-Up in Inclusion & Community Services

Most Compliant Employer Award

Global & Technology Partnership

Microsoft Inner Circle Recognition – Systems Limited Middle East and Africa - Techvista

IBM Top Revenue Partner Award – EZY Group

Temenos Sales Partner of the Year - Systems Limited Middle East and Africa – Techvista

Etisalat partner recognition award – 2025

Huawei Cloud Middle East outstanding systems integrator partner award

Industry & Analyst Accolades

Aspirant in Banking & Financial IT Services Specialists PEAK Matrix® 2025

Best Core Banking implementation award

Winner in Infrastructure Technology IT Services for OHB

Recognized with Outstanding Financial Technology Implementation by a Team award

Finalist in Top Tech Team

Our **offerings**

Our global strategy is anchored on key pillars of AI, digital, data, and cloud, and it has been steering the wheel of our work across different industry sectors.

AI Transformation

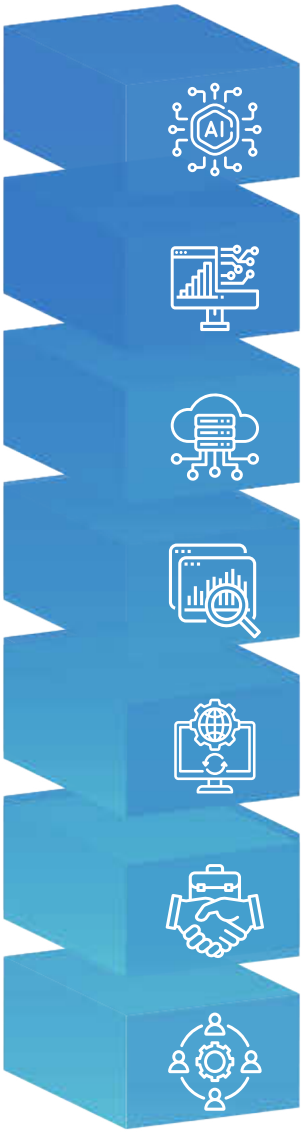
- Predictable AI
- Generative AI
- Machine Learning
- ML Ops
- AI Assessment Services

Data & Analytics

- Data Analytics
- Data Modernization
- Connected Intelligence
- Data Management

Enterprise Services

- Business Applications (CRM, ERP)
- Enterprise Integration & API Management
- Robotics Process Automation
- Content Management
- Rules Management



Digital Transformation

- Digital Experiences (Portals, Mobility)
- Digital Consulting
- Digital Commerce

Cloud

- Consulting
- Migration
- App Modernization
- Cyber Security
- Managed Services

Digital IT Operations

- Managed Services
- Security Ops
- Data Ops
- DevSec Ops
- Service Desk

Global Business Services

- Value-Added Finance & Marketing Capabilities
- Centralized enterprise-wide operations
- Cross-function service integration
- Standardized processes & governance
- Digital + automation–enabled delivery

A tale of **courage & success**

1977

- Founded as the first software Company of Pakistan

1997

- Launched operation in the US. Worked with high profile clients from Fortune 500

2003

- Diversified in mortgage, apparel & soft goods industry. Grew customer base in the US

2005

- Public Limited
- (unlisted) from Private

2007

- Added BPO

2021

- Strategic investment in Salesflo (formerly Retailistan)
- Forbes Asia's Best Under A Billion 2021
- Won Microsoft InnerCircle award
- Expanded operations in KSA
- ICCI President IT Award
- Won P@SHA Top Exporter award
- Two wins in Asia Money 2021

2022

- Strategic acquisition of NdcTech
- Strategic acquisition of Treehouse Consulting
- Expanded and launched business operations in KSA, Egypt, Australia, South Africa, and Singapore
- Forbes Best Under A Billion 2022
- 2022/2023 Inner Circle Microsoft Business Applications award
- SAP Top New Partner and Service Excellence Awards for EMEA
- Most Outstanding Company at Asiamoney 2022
- 3 wins at P@SHA ICT Awards 2022
- Best IT Services Company at 21st ITCN Asia 2022
- Among top 3 companies on PSX 25 companies list

2023

- Microsoft 2023 Country/Region Partner of the Year for Pakistan & UAE
- 2023/2024 Inner Circle Microsoft Business Applications award
- Forbes Asia's Best Under A Billion and Fastest Growing Company in Asia
- Best Core Banking Implementation award 2023 – IBS Intelligence
- Asian Technology Excellence Award for Digital IT Services in Banking -2023
- Temenos Best Delivery Partner 2023 – MEA
- e& Value Creation Award 2023
- Most Outstanding Company at ASIAMONEY 2023
- P@SHA ICT Top Exporter Award 2023
- Among top 3 companies on PSX

2013

- Launched operations in the UAE

2015

- Listed on PSX
- Launched OneLoad
- Diversified in digital services for financial inclusion

2018

- Won the Microsoft Partner of the Year
- Recorded Rs. 1bn in profitability

2019

- IFC investment in EP Systems
- E-Money License secured by EP
- Launched Systems Ventures

2020

- PSEB Top IT exporter award
- Forbes Asia's Best Under A Billion 2020
- Top 3 best performing companies on PSX

2024

- 2024/2025 Inner Circle Microsoft Business Applications Award
- Forbes Asia's Best Under a Billion and Fastest Growing Company in Asia 2024
- PSEB - Top IT & ITeS Exporter, Top IT Consultancy Services Provider & Top BPO Services Provider 2024
- P@SHA ICT Top IT Services Exporter Awards 2024
- FBR Leading Exporter Award
- e& UAE Partner Recognition Award
- Cloudera Best Emerging Partner
- Runner up of American Business Council ESG Award
- Temenos Regional Delivery Partner of the Year 2024
- Recognized as Best Digital Banking Implementation award from IBS Intelligence
- Infrastructure Technology - IT Services award at MiddleEast Technology Excellence Awards
- Among top 25 companies on PSX
- Recognized as outstanding Financial Technology Implementation by a Team at Global Bank Tech Awards
- Temenos Partner Impact Award
- Finalist Amazon Web Services (AWS) Partner of the Year Award.
- Recognized as Outstanding Collaboration Partner at the Huawei Cloud Partner Awards Pakistan

2025

- Strategic acquisition of BAT – GBS (PK)
- Strategic acquisition of Confiz
- Expanded business operation in UK & US
- Top Exporter in the IT Services award
- 2025/2026 Microsoft Inner Circle Award for AI Business Solutions
- Temenos Sales Partner of the Year for the Middle East and Africa
- Aspirant in Banking & Financial IT Services Specialists PEAK Matrix® 2025 Everest Group
- Recognized as Winner in Infrastructure Technology (IT Services) at the Middle East Technology Excellence Awards 2025 for OHB
- Won best core banking implementation award by IBSi Digital
- Banking Tech Awards Finalist for Tech Team of the Year category
- P@SHA ICT Top IT Services Exporter Award 2025 and Runner-up in Inclusion & Community Services
- Recognized by Etisalat with a Partner Recognition Award for 2025
- IBM Top Revenue Partner Award through EZY Group
- Most Compliant Employer of the Year by the Employees Old-Age Benefits Institution (EOBI)

Shaping the future of business across **global industries**

Banking and Financial Services

Systems Limited leverages deep domain expertise and technology leadership to execute large-scale digital transformation programs for leading banks and financial institutions worldwide. With over **25 years** of sector experience and **1200+ banking consultants** dedicated to financial services, we have transformed 150+ banks and FIs in the last 10 years powering core modernization, cloud native banking platforms, risk & compliance solutions, and AI enabled data integration. Systems Limited has been recognized as an **"Aspirant" in the Everest Group's BFSI IT Services PEAK Matrix® Assessment 2025** and has earned multiple industry awards for delivery excellence. Its strategic partnerships with Temenos and leading technology providers drive seamless deployments of next generation core and digital banking systems that enhance operational resilience, regulatory compliance, and customer experience for 150+ million end customers worldwide.

Telecommunications

Systems Limited empowers telecom providers to transform customer engagement, optimize operations, and unify multi-channel experiences. Through advanced analytics, cloud solutions, and CRM automation, we enhance service quality and operational efficiency. Our partnerships with 10+ major telecom operators have driven 93% customer retention improvement and 30+ channels unified, enabling seamless, data-driven experiences. Systems Limited's digital solutions modernize core applications and accelerate time-to-market for telecom services, positioning providers to meet evolving consumer demands at scale.

Public Sector

Systems Limited partners with government and public institutions to accelerate digital transformation, modernize operations, and enhance citizen centric services. We deliver end-to-end modernization through cloud-based platforms and intelligent automation, improving productivity, data management, and operational efficiency. Our solutions have led to significant workforce efficiency gains, productivity improvements in digital service programs, and reductions in service lead times for public agencies. By focusing on cloud-first and secure digital solutions, we ensure resilient, scalable service delivery and improved citizen engagement across jurisdictions. We deliver end-to-end modernization through cloud-based platforms and intelligent automation, improving productivity, data management, and operational efficiency.

Health & Pharma

At the intersection of technology and care delivery, Systems Limited is transforming healthcare with AI and digital platforms that enhance clinical outcomes and operational efficiency. By cofounding and powering Hami, the world's first AI-powered physician assistant, with Boston Health AI we are enabling scalable, evidence-based care delivery that reduces administrative burden on providers and expands access to quality care globally. Our solutions improve supply chain visibility for pharmaceutical manufacturers, strengthen compliance across regulatory processes, and centralize operations for health systems to increase analytical intelligence and reduce inefficiencies. This integration of digital solutions with clinical and operational processes accelerates time-to-value in healthcare and supports systemwide improvements in patient experience and service delivery.

Retail

Systems Limited drives digital transformation for top retailers by modernizing commerce ecosystems, enhancing supply chains, and delivering data-driven customer experiences. We tackle challenges in omnichannel integration, real-time supply chain resilience, and personalized engagement with advanced analytics, AI, and cloud ERP. Serving 40+ major retail clients, we've delivered 50+ successful projects that boost operational agility, customer loyalty, and profitability. Our investments in retail technology strengthen our capacity to drive sustained digital growth in the retail sector.

Transformative **case studies**

Delivering a cloud-native core transformation with near-zero downtime

A top-tier Southeast Asian commercial bank modernized its core banking platform to eliminate legacy bottlenecks, scalability limits, and operational inefficiencies that constrained business agility.

By upgrading to Temenos Transact R23 on a cloud-native Red Hat OpenShift architecture, the institution executed one of the region's largest core migrations transitioning 18M+ accounts within a single cutover window while maintaining near-zero customer disruption.

The outcome: 40% faster Close of Business, significant performance uplift, 150% load readiness, and a containerized foundation engineered for rapid product launches, higher transaction volumes, and long-term digital scale.

Modernizing customer engagement through AI-powered contact center transformation

A regional telecommunications provider operating across multiple customer service channels faced fragmented platforms, limited system integration, low automation, absence of conversational AI, and siloed knowledge management resulting in constrained reporting visibility and operational inefficiencies.

To address this, the organization deployed a unified contact center platform built on Microsoft Dynamics 365 Customer Service and Customer Voice, integrated with Azure Bot Framework, Azure AI Services, and Copilot Studio. The solution consolidated voice and digital channels, centralized knowledge management, and introduced AI-powered automation and real-time reporting dashboards.

The transformation improved operational efficiency, unified channel governance under a single platform, and positioned AI to automate up to 50% of text-based customer interactions.

Establishing a single source of truth for enterprise operations

An Asia-based pharmaceutical manufacturer modernized its legacy ECC environment to eliminate batch reporting inefficiencies, fragmented financial structures, and limited profitability visibility that constrained operational precision and pricing accuracy.

Through a brownfield migration to SAP S/4HANA and FIORI-enabled analytics, the organization restructured profit and cost centers, realigned its chart of accounts, and embedded real-time insights across finance and operational processes.

The transformation accelerated financial close cycles, strengthened cost transparency, reduced manual intervention across procurement and finance workflows, and established a centralized, analytics-driven digital core delivering a single source of truth for operations, tracking, and reporting.

Unifying customer engagement with an AI-powered contact center

A leading public parking operator in the UAE, managing 197,000 spaces, sought to streamline customer engagement across fragmented channels. The solution implemented Microsoft Dynamics 365, Omni Channel Hub, Copilot, Power BI, and Azure Services, integrating Generative AI chatbots and omnichannel support via WhatsApp, SMS, web chat, and social media. The transformation introduced automated workflows, IVR integration, and 360-degree customer profiling, improving data analytics, reporting, and service efficiency. The result was a unified CRM-contact center ecosystem that enhanced 24/7 availability, optimized workflows, and elevated customer engagement at scale.

The next frontier: **AI, Supercomputing, and Commerce**

The Rise of Domain-Specific AI

DSLMs (Domain-Specific Language Models) are reshaping industries by delivering higher accuracy and cost reduction for critical workflows like finance, healthcare, and HR. Over 60% of enterprise GenAI models will be domain-specific by 2028.

Source: Gartner

Preemptive Cybersecurity (PCS): The Next Frontline

PCS uses AI to disrupt and neutralize cyber threats before they strike, shifting from reactive to proactive defense. With AI-driven attacks escalating, 50% of security spending will go towards preemptive solutions by 2030.

Source: Gartner

Agentic Commerce: The Future of Retail

The US B2C retail market could generate $1 trillion in orchestrated revenue through agentic commerce, with global projections reaching $3 trillion to $5 trillion, by 2030.

Source: McKinsey

AI Triumph: Govern, Transform, Personalize

By 2028, 60% of brands will harness agentic AI to deliver personalized, seamless one-to-one customer interactions.

Source: Gartner

AI Supercomputing: Driving Next-Gen AI

AI supercomputing platforms combine HPC, specialized processors, and scalable architectures to handle data-intensive AI models. Demand is surging as models grow more complex, with 40% of enterprises adopting hybrid computing by 2028.

Source: Gartner

Q1 – January to March

Kicking off the year with global tech impact

Welcomed Ambassador of Pakistan to KSA

Shaping regional tech ties

Our Group CEO & MD welcomed the Ambassador of Pakistan to KSA to discuss strategic collaboration, digital infrastructure, and tech-driven services, positioning Pakistan as a Gulf technology leader.

MWC 2025

Shaping the global tech frontier

At the epicenter of innovation in Barcelona, we translated global dialogue into strategic momentum, reinforcing Systems Limited's ability to drive enterprise-scale transformation worldwide.

HBL Zarai Services

Planting the seeds of digital agriculture in Pakistan

With HBL Zarai Services Limited, we are transforming Pakistan's agriculture by integrating Microsoft Dynamics 365 to drive data-led insights, agronomist engagement, and supply chain efficiency.

Arab Health 2025

Revolutionizing healthcare operations with New Hasana

Unveiled New Hasana at Arab Health 2025, Dubai Health Authority's next-gen platform that uses advanced analytics, real-time insights, and automated workflows to enhance patient care and streamline healthcare collaboration across the region.

Temenos Kickoff 2025 – Dubai

Unlocking the banks of tomorrow

Systems Limited joined Temenos Kickoff 2025 to shape the future of banking to forge strategic alliances and explore AI-driven solutions that enhance efficiency, agility, and customer experience in banking.

Web Summit Qatar

Powering the future of technology

Systems Limited made its mark at Web Summit Qatar, sparking conversations on next-gen technologies and AI-driven transformation, reinforcing our role as a catalyst for innovation and smarter solutions.

Leap 2025

Driving AI-led transformation at the heart of KSA

We led the AI narrative at LEAP 2025, translating innovation into action, and reinforcing our role in shaping the Kingdom's next chapter of digital growth through strategic partnerships, AI-led solutions, and enterprise-scale transformation.

Partnering with Edge Financing Company

Partnered with AJIL Financial Services and Temenos to deploy a next-gen Core Lending platform

Transforming energy finance for Arab Energy Fund

Driving agile finance with Tamweel Aloula

Q2 – April to June

Expanding digital transformation and global engagement

Wafi Energy Pakistan SAP S/4HANA Conversion Journey

Redefining energy excellence with intelligent ERP

With SAP S/4HANA, Wafi Energy Pakistan – Shell Licensee now operates with unmatched agility, real-time insights, and streamlined processes, driving a new era of operational innovation.

SAP NOW AI Tour UAE 2025

Accelerating AI-driven enterprise transformation

Systems Limited took the lead at SAP NOW AI Tour UAE, showcasing how SAP-powered solutions accelerate enterprise transformation, enhance efficiency, unlock growth, and future-proof operations.

WFIS Vietnam 2025

Empowering financial institutions with future-ready solutions

Systems Limited took center stage at WFIS Vietnam 2025 as Platinum Sponsor, showcasing AI-powered, cloud-enabled banking solutions that streamline operations and redefine customer experience.

Temenos Regional Forum APAC

Powering the banks of tomorrow

In Manila, Systems Limited ignited a new era for ASEAN banks, highlighting customer experience, operational efficiency, and responsible AI to drive core modernization and digital transformation.

Roundtable cohosted with Microsoft

Turning possibilities into impact

A strong exchange of ideas marked our "AI-Powered Possibilities" roundtable in Bahrain, cohosted with Microsoft. Together with industry leaders, we explored how Microsoft Copilot and AI are enabling simpler, smarter ways of working and shaping the future of enterprise transformation.

Microsoft Inner Circle annual event

Leading the next in AI

As a proud Inner Circle partner, Systems Limited, Middle East & Africa joined Microsoft in California to align on AI-powered, next-generation enterprise strategies. Engaging directly with Microsoft's product teams and partners, we are charting the next chapter of impactful, scalable solutions.

Temenos Community Forum (TCF)

Igniting the future of digital banking

We participated as a Silver Sponsor at TCF 2025, Madrid, engaging global banking leaders on AI-driven core modernization. The forum facilitated strategic discussions, partnerships, and insights to accelerate digital transformation across markets.

Leaders in Islamabad Business Summit

Shaping Pakistan's digital future

Our Group MD & CEO had the privilege of contributing to a high-level discussion on Pakistan's digital future. The conversation focused on building holistic policies, tech-ready legislation, and cross-sector collaboration to unlock talent, infrastructure, and digital ecosystems.

Q3 – July to September

AI innovation, excellence delivery, and thought leadership

Mashreq Advance Digital Banking

Driving digital banking excellence

Our expanded partnership with Mashreq Pakistan reinforces a shared vision to accelerate digital banking transformation, enhance execution agility, and foster top-tier engineering talent across the region.

Pak-Kuwait Tech Conference

Accelerating strategic growth with AI and digital excellence

Systems Limited led discussions at the Pak-Kuwait Tech Conference 2025, focusing on AI-driven digital transformation to modernize operations and deliver sustainable growth.

Systems' Country Model Bank Goes Live on Temenos Exchange

Advancing compliance and efficiency for banks

We brought our Country Model Bank to the Temenos Exchange, joining an elite ecosystem of solution providers and making our preconfigured compliance solution readily available to banks running on the Temenos platform. This milestone enables financial institutions to accelerate time to market, simplify regulatory compliance, and boost operational efficiency.

SAP Innovation Day

Shaping intelligent enterprises

At SAP Innovation Day in Lahore, we showcased how AI, cloud, and data-driven strategies are enabling enterprises to move from experimentation to tangible results. By guiding organizations in adopting SAP technologies, Systems Limited reinforced its role as a catalyst for growth and intelligent transformation.

Cloudera Partner Day 2025 – Dubai

Designing the data-driven enterprise

Engaging with Cloudera's ecosystem at Partner Day 2025, Systems Limited deepened its perspective on next-generation data and AI capabilities. The experience sharpened our approach to delivering insight-led transformation for our customers.

IFN Asia Forum

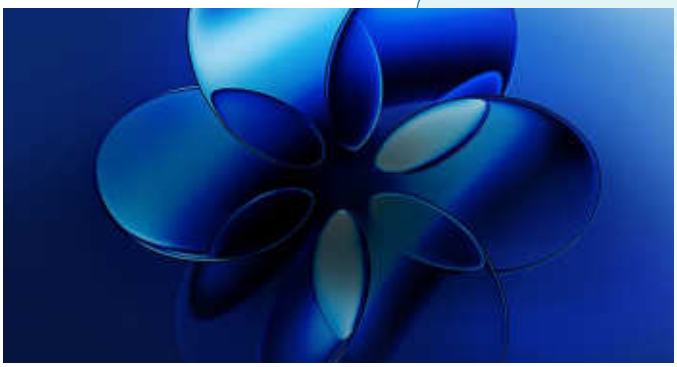
Shaping the future of Islamic finance

We're a Platinum Sponsor at IFN Asia Forum 2025, alongside partners Temenos and Red Hat. Our leadership contributed to a panel on "A Changing Landscape: Islamic Financial Services," highlighting how market trends, evolving demographics, and digital innovation are shaping the future of Islamic banking.

Microsoft FY26 CEMA AI Business Process Partner Summit

Advancing AI-driven enterprise transformation

We joined industry leaders at Microsoft FY26 CEMA Summit in Belgrade to discuss how AI is transforming business processes. Drawing on recent Agentic AI and Digital Contact Center successes, the discussion reinforced Systems Limited's leadership in driving intelligent business solutions.



SAP 'Vision to Value' Event

Turning vision into value

We brought together industry leaders to showcase how SAP LeanIX, SAP Signavio, and SAP Cloud ALM empower enterprises to transform strategy into measurable business outcomes. Through this collaboration, we highlighted Systems Limited's ability to drive agility, innovation, and real impact across sectors.

Q4 – October to December

Where the year's biggest moments came together

GITEX 2025

A stronger presence. A sharper impact.

Through AI-led enterprise transformation and high-impact partnerships, we strengthened our role as a catalyst for large-scale digital transformation across MEA's digital landscape. Our presence reflected not just where technology is headed, but how the region is actively building its digital future.

AI-Driven Transformation with Comarch

Shaping Intelligent, Customer Centric Banking with Finshape

Hosted PSEB and P@SHA Leadership

Strategic Dialogue with ADIB & Ajman Bank Leadership

Hosted Leadership from Dubai Islamic Bank

Hosted e& Leadership

Temenos Connect Vietnam 2025

Connecting insights, innovation, and inclusive banking

Systems Limited took the lead in redefining Vietnam's banking landscape at Temenos Connect Vietnam 2025. Partnering with Temenos and Red Hat, we showcased how AI and digital transformation are not just shaping the future, they are delivering tangible impact today.

Temenos Connect Indonesia

Exploring core banking innovation and intelligent solutions

In Jakarta, we ignited discussions on the future of intelligent banking, demonstrating how Systems Limited is helping banks across Southeast Asia unlock innovation, agility, and customer-centric growth.

Zone Developer Agreement with STZA

Advancing Pakistan's technology future

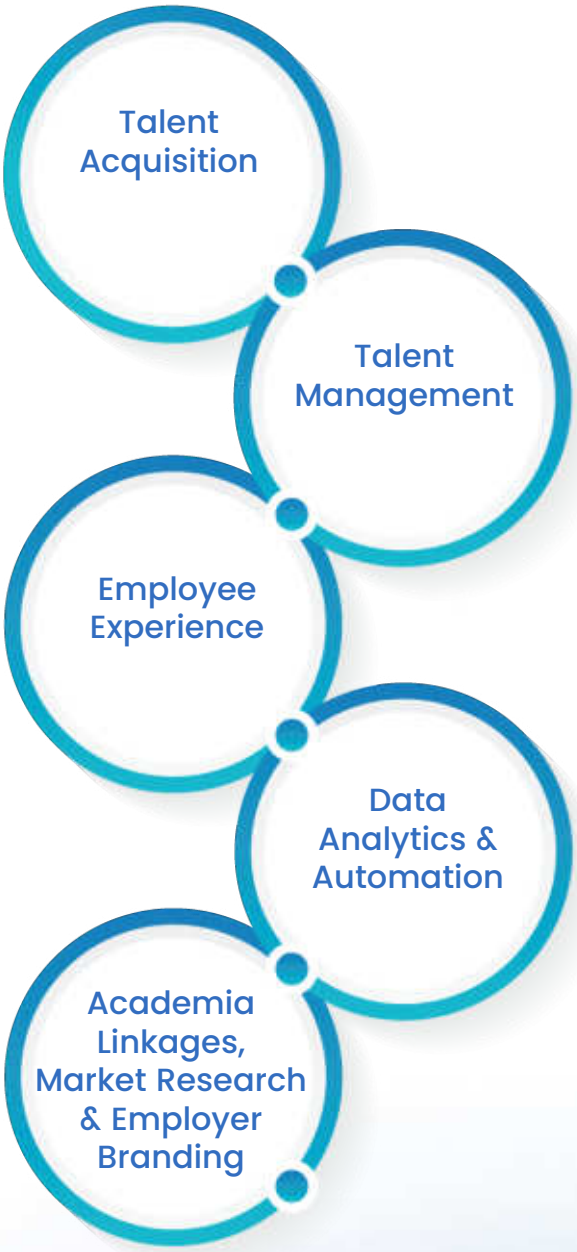
Through a landmark agreement with STZA, Systems Limited took on the role of Zone Developer. The collaboration is set to catalyze investment, generate high-value employment, and position the country as a regional hub for tech-driven growth.

Bank of the Future Forum 2025

Defining the future of AI-driven banking

We hosted the 14th Bank of the Future Forum in Karachi, convening 500+ banking and technology leaders to shape the next era of AI-powered financial services. Discussions spanned core modernization, intelligent automation, digital payments, & Islamic finance, focused on building future-ready ecosystems.

Human Capital **Strategic Pillars**



Group CHRO **Message**

As we conclude 2025, I look back with deep appreciation for the resilience, collaboration, and forward momentum we have demonstrated together. This year, the Systems Group once again embodied the spirit of innovation, discipline, and purposeful growth.

Our steadfast commitment to a people-centric philosophy, combined with a sharper focus on operational excellence, has enabled us to remain agile while strengthening our foundations. Through continued investment in capability building, strategic adoption of AI-driven solutions, and digital advancement, our teams have successfully navigated evolving technological landscapes and complex market dynamics, ensuring we remain competitive and future-ready.

At the same time, our Corporate Social Responsibility initiatives gained further traction across education, healthcare, environmental sustainability, and skill development. These efforts reinforce our belief that long-term success is built not only on business performance but also on meaningful societal contribution.

I extend my sincere gratitude to the people of Systems Group. Your dedication, creativity, and collaborative spirit have driven our progress and positioned us strongly for the opportunities ahead.

Talent Acquisition

Recruited **1,898** personnel in 2025, with a strong hiring pipeline of **257** resources lined up for 2026. Strengthened our leadership bench by onboarding around **40** senior professionals in strategic and key roles.

Additionally, **207** mid-tier professionals were hired, further reinforcing organizational depth and expertise with a focus towards developing succession and leaders for tomorrow.

Expanded our global footprint with around **100** international hires led by the offshore team, supporting our continued growth and cross-border capabilities.

Initiatives

In 2025, we enhanced Talent Acquisition by expanding SAP SuccessFactors with AI-powered resume screening and leveraging cognitive and psychometric assessments for targeted hiring.

Market research on skillsets and competitive trends informed data-driven strategic decisions, while early talent programs and fresh graduate inductions were strengthened through technical and coding assessments.

Recruiter capabilities were boosted with domain training, and BAT expansion and BAU hiring ensured smooth knowledge transfer, optimizing recruitment processes, and aligning talent with current and future needs.

Talent Management & OD

347	1645	5,765+	653	18,924
Total Trainings	Total Session	Total Participants	Total Certification	Training Hours

Tech Hub – Technical Capability Building

Tech Hub continued to strengthen Systems' technical depth to meet evolving business and client demands, delivering domain-focused programs across QA, BFS, Data & Analytics, Agile & Project Management, Digital Consulting, Business Automation, and CRM platforms.

To accelerate AI readiness, the GENAI 401 & 402 series equipped teams with a strong understanding of the AI landscape, responsible AI adoption, and Systems SDLC GenAI accelerators. Building on this, Project Onion 301 advanced applied GenAI skills through multi-location sessions, successfully upskilling around 80 resources.

Learning Rally – Soft Skills Development

Learning Rally focused on building key human capabilities for high performance in a fast-paced tech environment. Programs included Smart Communication for professional effectiveness, Time & Task Management for productivity, and Stress Management to sustain performance under pressure.

A Cultural Awareness Program further promoted inclusive collaboration by fostering understanding of diverse perspectives and work styles.

Talent Pool

In 2025, Talent Pool trainings focused on reskilling and upskilling employees to build future-ready capabilities and support sustainable career growth. Targeted programs covered modern technology stacks like React.js, Flutter, Spring Boot, and .NET Web APIs, as well as cloud and DevOps platforms including AWS and Azure.

LUMS-Advance Leadership Program

As part of its investment in leadership excellence, Systems Group partnered with REDC LUMS to launch the SysVisTech Leadership University, featuring a five-day residency program for high-potential executives. This collaboration reinforces Systems' commitment to building a strong internal leadership pipeline aligned with long-term organizational strategy.

LUMS-Future Leaders Program

In collaboration with LUMS, Systems Group delivered a three-day Future Leaders Program to strengthen leadership and managerial capabilities. The program focused on driving team performance, enhancing collaboration, and improving decision-making, equipping participants with practical tools to accelerate growth and prepare for expanded responsibilities.

Let's L-earn

Let's Learn Technical Training Series upskills and reskills teams through interactive sessions, quizzes, projects, and self-learning resources. In 2025, around 270 team members were trained on VSI Business Solutions MS ERP by 68 internal trainers, promoting cross-functional exposure.

Language & Communication Program

This year, around 110 participants benefited from the English Language and Communication Program, with a focused emphasis on Speaking and Business Communication. The revised approach prioritizes real-world business interactions and confidence-building, enabling participants to communicate more effectively and confidently with clients.

Employee Engagement

128
Practice/Department Events

10
Corporate Events

Employee Engagement & Well-being Initiatives

At Systems Limited, creating a healthy, inclusive, and engaging workplace remains central to our employee experience. This year, we conducted a range of initiatives focused on wellness, meaningful engagement, and recognition, ensuring employees feel valued, motivated, and empowered.

Wellness Program

The Wellness Program promoted a balanced, healthy workforce through fitness, yoga, and mindfulness initiatives. These structured sessions encouraged healthier habits, reduced stress, and enhanced overall well-being, supporting sustained productivity and resilience.

Positive Pulse Values Program

The Positive Pulse Values Program reinforced a values-driven culture through engaging, gamified experiences. Interactive challenges and team activities allowed employees to actively practice core values, fostering collaboration, accountability, and a strong sense of shared purpose.

Honoring Achievements & Special Moments

We strengthened our culture of appreciation by recognizing accomplishments, celebrating milestones, and marking meaningful moments. These initiatives boosted employee motivation and reinforced their emotional connection with the organization.

Connect with Leaders

Asif Peer, CEO & MD – Systems Limited, highlighted key milestones and performance achievements of 2025. He reinforced the importance of agility, collaboration, and a strong performance culture as critical drivers of success. He concluded with an inspiring message encouraging teams to remain aligned, forward-looking, and committed to excellence.

The Connect with Leaders' Series also featured Shahid Masood, Head of MEA Region at Systems Limited, who shared valuable insights on regional priorities, evolving market dynamics, and his forward-looking vision for the business. The session provided employees with enhanced clarity on strategic direction while creating a meaningful platform to engage with leadership at a broader level, fostering alignment and strengthening organizational cohesion.

The HR Connect session was led by Anushe Khalid, VP HR – Karachi, providing an open platform for employees to share their perspectives and experiences. The session also highlighted upcoming HR initiatives, reinforcing HR's commitment to listening, transparency, and creating a more people-centric workplace.

Celebration of Significant Days

Significant days were celebrated through thoughtfully curated experiences that enhanced engagement and team spirit. These occasions fostered camaraderie and created vibrant workplace moments, reflecting our inclusive and people-centric culture.

Independence Day Celebration

Breast Cancer Awareness (Pinktober)

Celebrations of Festivities

International Women's Day Celebration

Father's Day Celebration

Mother's Day Celebration

Blood Donation Drive

People Branding

5,398 New Followers on LinkedIn	**6,896** New Followers on Facebook	**300+** New Followers on Instagram
981.1K Content Views	**6,395** Unique Visitors	**1.1 M+** Post Impressions

This year, Systems Limited elevated its employer brand through forward-looking people initiatives driven by Team EBU under HCD Systems. By harnessing employee advocacy, creative campaigns, and high-impact digital engagement, we strengthened our talent positioning and authentically reflected the energy, inclusivity, and innovation that define our workplace.

Industrial & Academia Linkages

IT Mustakbil Training Program

This year, we conducted two batches of the IT Mustakbil Training Program, graduating 111 participants. Several graduates have been inducted into the company, while others are progressing through the hiring pipeline. The remaining participants are exploring opportunities across the industry, including freelancing and independent careers. The program continues to strengthen our talent pipeline and expand professional opportunities for all participants.

Collaborations with Universities for Training & Development of Students

Systems Limited signed a MoU with Salim Habib University (SHU) in September to strengthen industry–academia collaboration.

Guest Speaker Sessions, FYP Evaluations and Panel Discussion

Systems Limited organized a capacity-building training program for KIRAN Foundation aimed at 10th grade students, held in Lyari, Karachi, an underprivileged yet developing area.

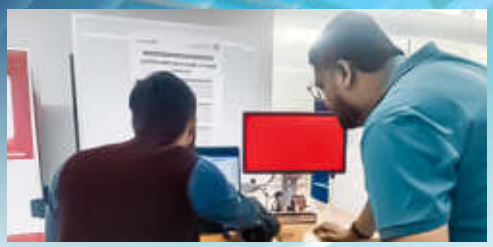
Students of FAST-NUCES, Karachi Campus visited Systems Limited and Ms. Naureen SVP Special Projects presented the project delivery modules; she also guided them on the learning path.

To strengthen academia–industry linkages, the Career Development Center (CDC), IBA Karachi, visited the Systems Limited Karachi Office.

Systems Limited participated in the SCIT Projects Showcase 2025, hosted by School of Computer and Information Technology (SCIT), Beaconhouse National University. Representing Systems Limited, Zunair Haseeb Khan – VP QA, Usman Ahmed Zia – VP CADM, joined the panel of judges to evaluate final-year projects on AI, computer vision, cybersecurity, and web/mobile technologies. Badar Khushnood co-founder of Fishry and Bramerz Digital presented the awards to the honourable judges.

Students of SMCS, IBA Karachi visited Systems Limited Karachi office Mr. Asif Bilgrami and Ms. Naureen Anwar talked about banking platforms and the evolving world of agentic AI.

Mr. Ahsan Zahid, Principal Consultant – Technical at Systems Limited, was recently invited by the School of Computer & IT at Beaconhouse National University to deliver a guest lecture on Microsoft Power Platform.



Team Systems Limited visited Habib University to strengthen industry–academia collaboration and support student innovation.

Safi Raza, Principal Consultant – Product Management, represented Systems Limited as a Jury Member at the ICE Business Challenge.

Systems' recruitment team visited Habib University for industry-led mock interviews on 19th December to prepare students for real-world hiring.

Shahrukh Shafique, Senior Managing Consultant CDIS provided mentorship to FAST NUCES students on DevOps practices Cloud Infrastructure, and inspiring lessons about career growth and life in the tech industry.

Muhammad Asim Anis from Systems Limited shared the creative process and explored cutting-edge design tools with Aawaz Institute of Media and Management Sciences (AIMS).

Corporate Social Responsibility

Education

The Citizens Foundation
ITM IT MUSTAKBIL
million Smiles FOUNDATION
TEESQUARE
GREEN CRESCENT TRUST
HUF
AKHUWAT
RISING SUN EDUCATION
MOAWIN
WAF DEAF WELFARE
Pen

Health

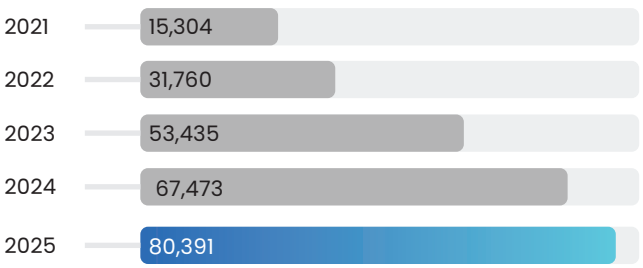
Shaukat Khanum Memorial Cancer Hospital and Research Centre
CHILDLIFE FOUNDATION
INDUS HOSPITAL & HEALTH NETWORK
GHURKI TRUST & TEACHING HOSPITAL
AL-EHSAN Welfare Eye Hospital
آغا خان یونیورسٹی ہسپتال
The Aga Khan University Hospital
Cancer Care Hospital & Research Centre
PCHF Pakistan Children's Heart Foundation
Child Care Foundation

General

nowpdp
Saylani

Key Financial & **Business Highlights**

Revenue Trajectory (PKR Million)
CAGR 51%



Number of employees

Group Financials at a Glance

PKR 80.39 BN
FY'25 Revenue

51%
CAGR Revenue Growth

19%
YOY Revenue Growth

48%
YOY PAT Growth

8,271
Total Employees As At December 31st, 2025

28%
FY'25 Gross Profit Margin

14%
FY'25 Net Profit Margin

15%
FY'25 Operating Profit Margin

18%
FY'25 EBITDA Margin

272
FY'25 Total Active Customers Served

57
Customers With Over $1M Revenue

133
Days Sales Outstanding
(Trade debts + Contract assets)

7.52
FY'25 Earnings Per Share

23.5%
FY'25 Return On Captial Employed

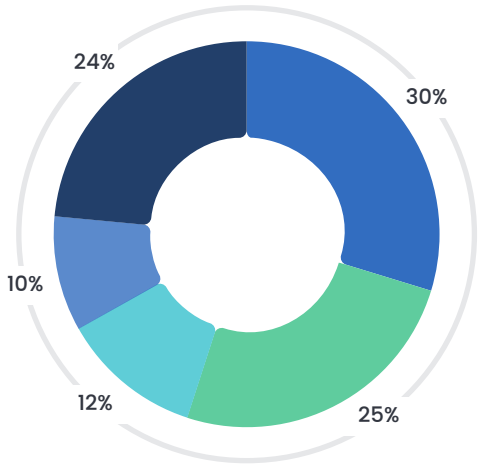
23%
FY'25 Return On Equity

PKR 18.95 BN
Cash & Bank + short term investements

PKR 10.88 BN
FY'25 Cashflows From Operations

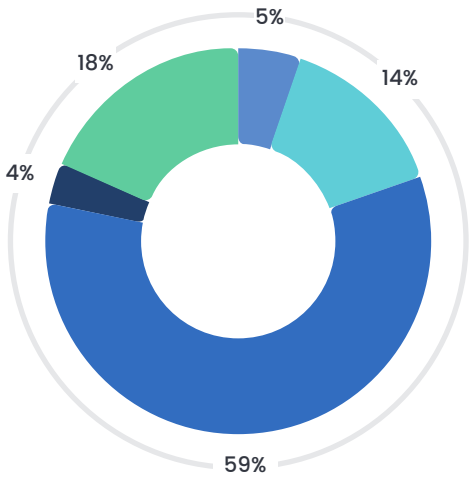
PKR 8.96 BN
FY'25 Free Cashflows
(Cash flows from operating activities - Purchase of property and equipment - Purchase / Development of intangibles)

Revenue by Sectors



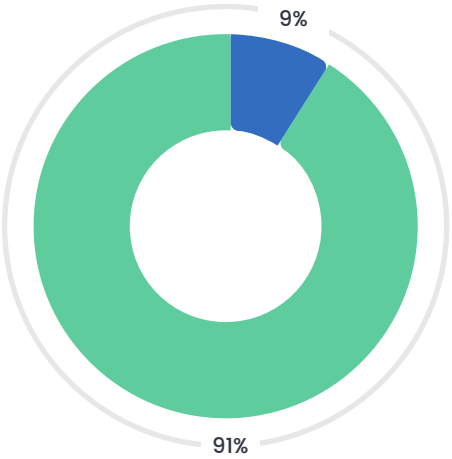
BFS services
Telco
Technology
Retail & CPG
Others

Revenue by Geography



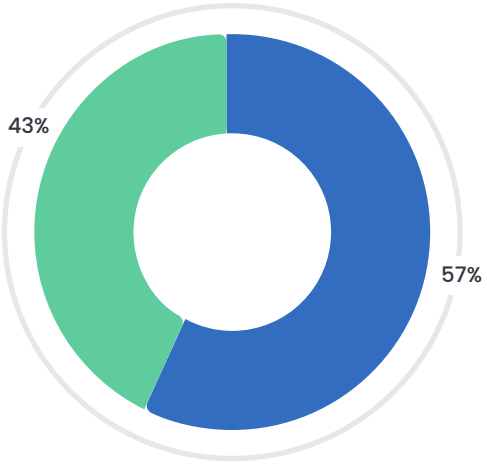
Middle East, Africa & Others
APAC
North America
Europe
Pakistan

Revenue by Currency



FCY
PKR

Cost by Currency



FCY
PKR

Key Financial Highlights

Profit and loss summary for the last six years (amounts in PKR)

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2025	2024	2023 (Restated)	2022 (Restated)	2021 (Restated)	2020 (Restated)
	Rupees					
Revenue	**44,230,607,495**	38,526,983,552	32,037,995,164	20,644,764,716	11,903,583,911	7,513,766,845
Cost of revenue	**(32,390,603,463)**	(28,843,675,290)	(22,311,383,854)	(13,828,362,821)	(7,875,213,597)	(4,703,369,847)
Gross profit	**11,840,004,032**	9,683,308,262	9,726,611,310	6,816,401,895	4,028,370,314	2,810,396,998
Distribution expenses	**(1,003,190,476)**	(748,429,704)	(392,255,261)	(270,588,626)	(188,926,692)	(118,654,595)
Administrative expenses	**(2,734,730,817)**	(2,511,514,952)	(2,085,697,629)	(1,520,716,072)	(981,346,043)	(499,987,819)
Research and development expenditure	**(79,605,720)**	(97,792,250)	(109,917,778)	(61,223,458)	(37,229,031)	(12,416,180)
Reversals of impairment losses / (Impairment losses) on financial assets	**(371,698,020)**	(605,195,928)	(33,473,891)	(2,497,969)	(12,563,431)	(128,851,408)
Other operating expenses			(8,561,586)	(89,326,377)	(16,919,184)	(5,889,010)
	(4,189,225,033)	(3,962,932,834)	(2,629,906,145)	(1,944,352,502)	(1,211,857,519)	(765,799,012)
Operating profit	**7,650,778,999**	5,720,375,428	7,096,705,165	4,872,049,393	2,816,512,795	2,044,597,986
Other income	**1,024,420,307**	916,478,125	2,645,199,791	1,977,050,375	620,344,533	272,645,254
Impairment loss on long term investments	**-**	-	(68,953,239)	-	-	-
Finance costs	**(131,939,347)**	(235,179,969)	(664,179,989)	(224,538,852)	(84,291,698)	(49,914,195)
Profit before taxation and levy	**8,543,259,959**	6,401,673,584	9,008,771,728	6,624,487,917	3,327,438,768	2,267,329,045
Levy	**(410,733,911)**	(187,366,105)	(459,605,255)	-	-	-
Profit before taxation	**8,132,526,048**	6,214,307,479	8,549,166,473	6,624,487,917	3,352,565,630	2,267,329,045
Taxation	**(113,512,203)**	(99,010,303)	9,994,018	(324,650,972)	(31,874,154)	(73,414,103)
Profit for the year	**8,019,013,845**	6,115,297,176	8,559,160,491	6,299,836,945	3,320,691,476	2,193,914,942

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2025	2024	2023 (Restated)	2022 (Restated)	2021 (Restated)	2020 (Restated)
	Rupees					
Revenue	**80,391,884,594**	67,473,021,160	53,435,483,177	31,759,927,263	15,304,037,567	9,876,827,710
Cost of revenue	**(57,982,619,705)**	(51,315,319,855)	(39,589,963,289)	(23,062,424,438)	(10,277,136,819)	(6,607,224,023)
Gross profit	**22,409,264,889**	16,157,701,305	13,845,519,888	8,697,502,825	5,026,900,748	3,269,603,687
Distribution expenses	**(3,097,396,064)**	(2,482,298,867)	(1,569,563,845)	(740,518,496)	(385,600,533)	(201,024,729)
Administrative expenses	**(6,227,820,256)**	(4,820,394,646)	(3,982,646,207)	(2,483,965,304)	(1,426,803,958)	(722,310,556)
Research & development expenses	**(82,316,961)**	(92,264,918)	(109,917,778)	(61,223,458)	(37,229,031)	(12,416,180)
(Impairment losses) / Reversal of impairment losses on financial assets	**(971,487,668)**	(485,686,404)	(205,137,109)	40,359,108	(8,131,032)	(214,246,515)
Other operating expenses	**(23,906,244)**	(5,083,691)	(166,791,530)	(89,326,377)	-	(5,889,010)
	(10,402,927,193)	(7,885,728,526)	(6,034,056,469)	(3,334,674,527)	(1,857,764,554)	(1,155,886,990)
Operating profit	**12,006,337,696**	8,271,972,779	7,811,463,419	5,362,828,298	3,169,136,194	2,113,716,697
Other income	**852,223,165**	603,556,045	3,193,598,145	2,230,060,151	653,030,134	235,201,038
Gain on disposal of investment	**-**	-	-	-	816,226,748	-
Finance costs	**(337,450,216)**	(118,973,681)	(868,990,456)	(287,819,752)	(121,404,658)	(66,659,676)
Share of loss of Associate	**(72,858,438)**	(465,258,660)	(48,069,294)	(323,899,362)	(83,384,503)	-
Impairment loss on investment in associates	**-**	-	(729,463,249)	-	-	-
Profit before taxation and levy	**12,448,252,207**	8,291,296,483	9,358,538,565	6,981,169,335	4,433,603,915	2,282,258,059
Levy	**(821,342,898)**	(474,934,619)	(574,977,711)	-	-	-
Profit before taxation	**11,626,909,309**	7,816,361,864	8,783,560,854	6,981,169,335	4,433,603,915	2,282,258,059
Taxation	**(586,325,375)**	(356,349,091)	(94,670,961)	(351,508,026)	(53,944,635)	(117,960,376)
Profit for the year	**11,040,583,934**	7,460,012,773	8,688,889,893	6,629,661,309	4,379,659,280	2,164,297,683

Dupont Analysis

2025

Profit	**11,040,583,934**	Revenue	**80,391,884,594**	Total assets	**75,488,572,268**
Revenue	**80,391,884,594**	Total assets	**75,488,572,268**	Equity	**48,577,124,164**
Profit margin	**14%**	Assets turnover	**106%**	Equity multiplier	**155%**

ROE 23%

2024

Profit	7,460,012,773	Revenue	67,473,021,160	Total assets	57,450,772,421
Revenue	67,473,021,160	Total assets	57,450,772,421	Equity	38,728,473,276
Profit margin	11%	Assets turnover	117%	Equity multiplier	148%

ROE 19%

Key **Ratios**

Standalone

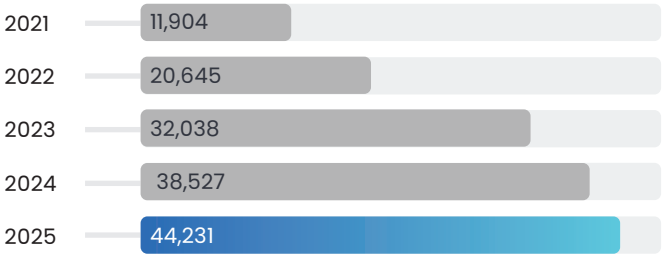
	2025	2024	2023	2022	2021	2020
Profitability Ratios						
Gross Profit Ratio	27%	25%	30%	33%	34%	37%
Net Profit Ratio	18%	16%	27%	31%	28%	29%
Return on Equity	20%	19%	31%	31%	32%	30%
Return on Capital Employed	21%	20%	34%	33%	32%	30%
Return on Assets	16%	14%	22%	23%	22%	25%
Captial Structure						
Debt to Equity	0.06	0.04	0.08	0.15	0.26	0.17
Interest Coverage	57.99	24.32	10.68	21.70	33.41	40.96
Liquidity Ratios						
Current Ratio	3.04	2.97	2.87	2.64	2.55	3.49
Quick Ratio	2.54	2.46	2.35	2.29	2.30	3.07
Cash to Current Liabilities	0.24	0.15	0.18	0.27	0.35	0.49
Investment						
EPS Basic	5.46	4.19	5.88	4.49	2.41	1.61
EPS Diluted	5.41	4.16	5.84	4.46	2.40	1.59
Dividend Payout	37%	29%	20%	22%	20%	20%

Consolidated

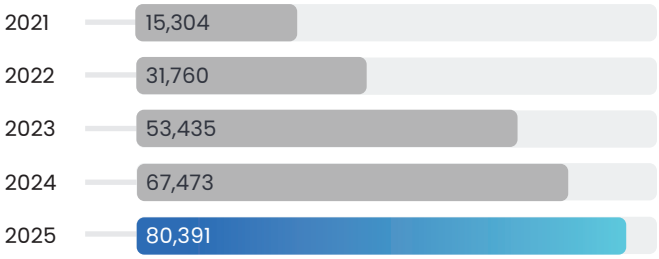
	2025	2024	2023	2022	2021	2020
Profitability Ratios						
Gross Profit Ratio	28%	24%	26%	27%	33%	33%
Net Profit Ratio	14%	11%	16%	21%	29%	22%
Return on Equity	23%	19%	27%	29%	36%	27%
Return on Capital Employed	23%	21%	29%	29%	36%	28%
Captial Structure						
Debt to Equity	0.12	0.07	0.07	0.14	0.23	0.19
Interest Coverage	35.6	17.8	9.0	18.6	26.1	31.71
Liquidity Ratios						
Current Ratio	2.68	2.51	2.18	1.81	2.52	3.06
Quick Ratio	1.85	1.80	1.52	1.48	2.21	2.58
Cash to Current Liabilities	0.64	0.47	0.52	0.43	0.54	0.96
Investment						
EPS Basic	7.52	5.11	5.97	4.72	3.24	1.62
EPS Diluted	7.44	5.07	5.93	4.69	3.22	1.60

Financial **Analysis**

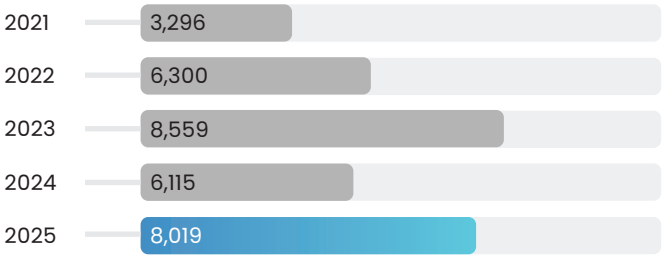
Unconsolidated Revenue (PKR Million) CAGR 39%



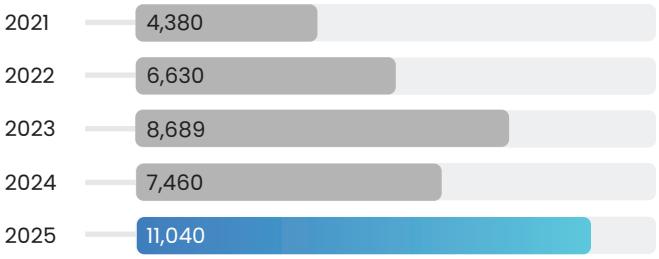
Consolidated Revenue (PKR Million) CAGR 51%



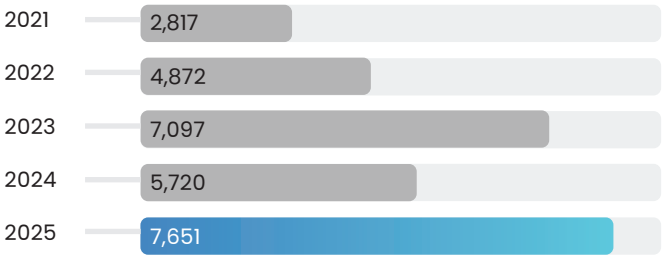
Unconsolidated Net Profit (PKR Million) CAGR 25%



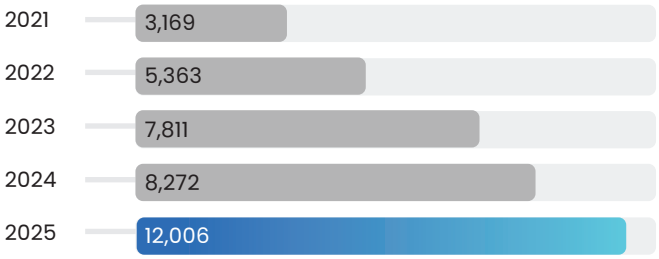
Consolidated Net Profit (PKR Million) CAGR 26%



Unconsolidated Operating Profit (PKR Million) CAGR 29%

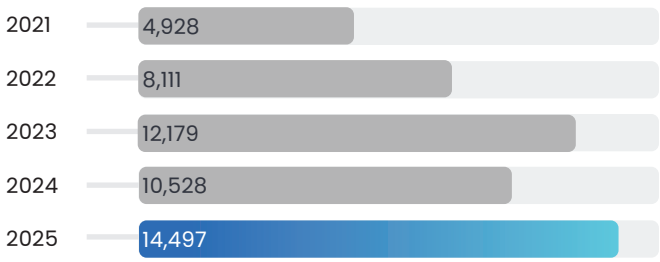


Consolidated Operating Profit (PKR Million) CAGR 40%

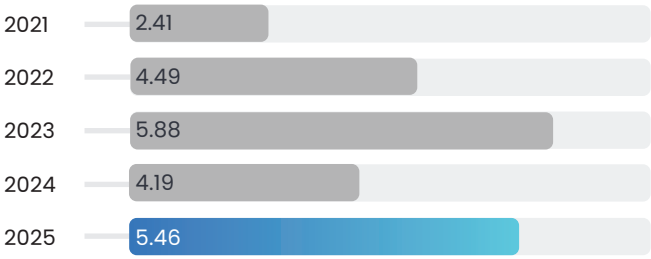


Unconsolidated EBITDA (PKR Million.) CAGR - 26%

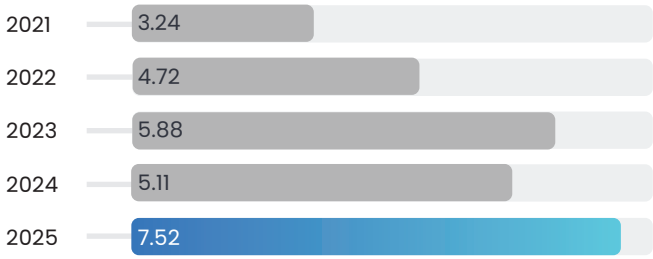
Consolidated EBITDA (PKR Million) CAGR 31%



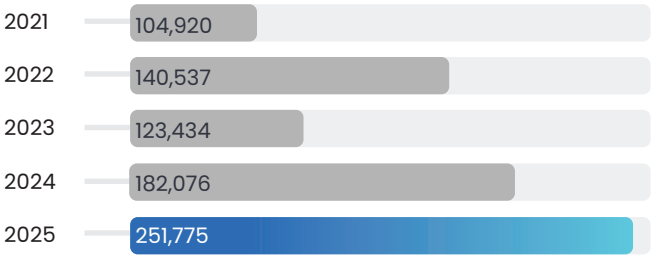
Unconsolidated EPS Basic (Rupee) CAGR 23%



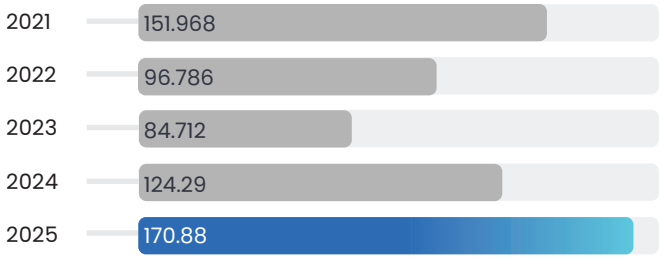
Consolidated EPS Basic (Rupee) CAGR 23%

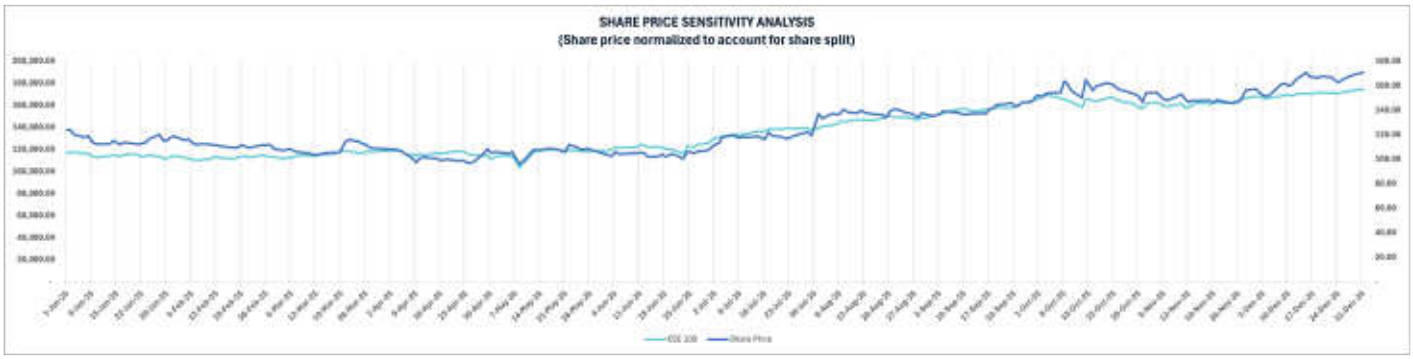


Market Capitalization (PKR million)



Closing Share Price (PKR)





SUSTAINABILITY AT A GLANCE

Overview

As Systems Limited continues to expand its global digital transformation capabilities, sustainability has become an integral dimension of how the Company evaluates long-term value creation, operational resilience, and responsible growth. In a rapidly evolving technological and regulatory environment, the Company recognizes that sustainable business practices are closely linked to its ability to manage emerging risks, support innovation, strengthen stakeholder trust, and sustain long-term financial performance.

Reflecting this perspective, Systems Limited has further advanced the integration of sustainability considerations into its governance structures, strategic priorities, and operational decision-making processes. To support sustainable value creation, Systems Limited has established a sustainability strategy centered on strengthening climate and business resilience, developing a skilled and diverse workforce, promoting responsible practices across its value chain, and safeguarding trust in its digital systems and services.

This section provides a condensed overview of Systems Limited's sustainability disclosures for the financial year ended 31 December 2025, presenting selected highlights from the Company's sustainability disclosures, including its governance framework, sustainability strategy, key environmental and social metrics, and principal sustainability-related risks and opportunities. For detailed disclosures, see Sustainability Report 2025, available on the Company website.

https://www.systemsltd.com/sustainability

This summary is derived from the Company's Sustainability Report 2025, which is prepared in accordance with the Global Reporting Initiative (GRI) Standards and in compliance with the IFRS Sustainability Disclosure Standards, including IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures. The Report also considers the SASB Software and IT Services industry standard, SECP ESG discloure guidelines and aligns selected disclosures with the United Nations Sustainable Development Goals (SDGs).

The reporting boundary is consistent with the Company's consolidated financial reporting framework and covers Systems Limited and its subsidiaries, unless otherwise stated. Sustainability disclosures consider material sustainability-related risks and opportunities arising across relevant upstream suppliers, technology partners, and downstream service delivery activities. Sustainability-related financial information is presented in Pakistani Rupees (PKR), consistent with the presentation currency of the Company's consolidated financial statements.

Our **Performance Highlights**

Climate and Operations

Scope 2 Emissions Reduction 8.4%

Renewable Energy 5.4%

Solar Capacity 375 KW

Energy Intensity 0.264 GJ per Million PKR Revenue

99% Waste Diverted

Emission Intensity 0.262 tCO_2e per PKR Million Revenue

People and Culture

Training Hours per Employee 18 Hrs

CSR Investments 69 Million PKR

Male to Female Ratio 83:17

Increase in Specially-abled Employees 67%

Employee Engagement Rate 80.6%

Governance and resilience

Board Diversity 5:2

4 Independent Directors

Women in senior management position 38

0 corruption cases identified

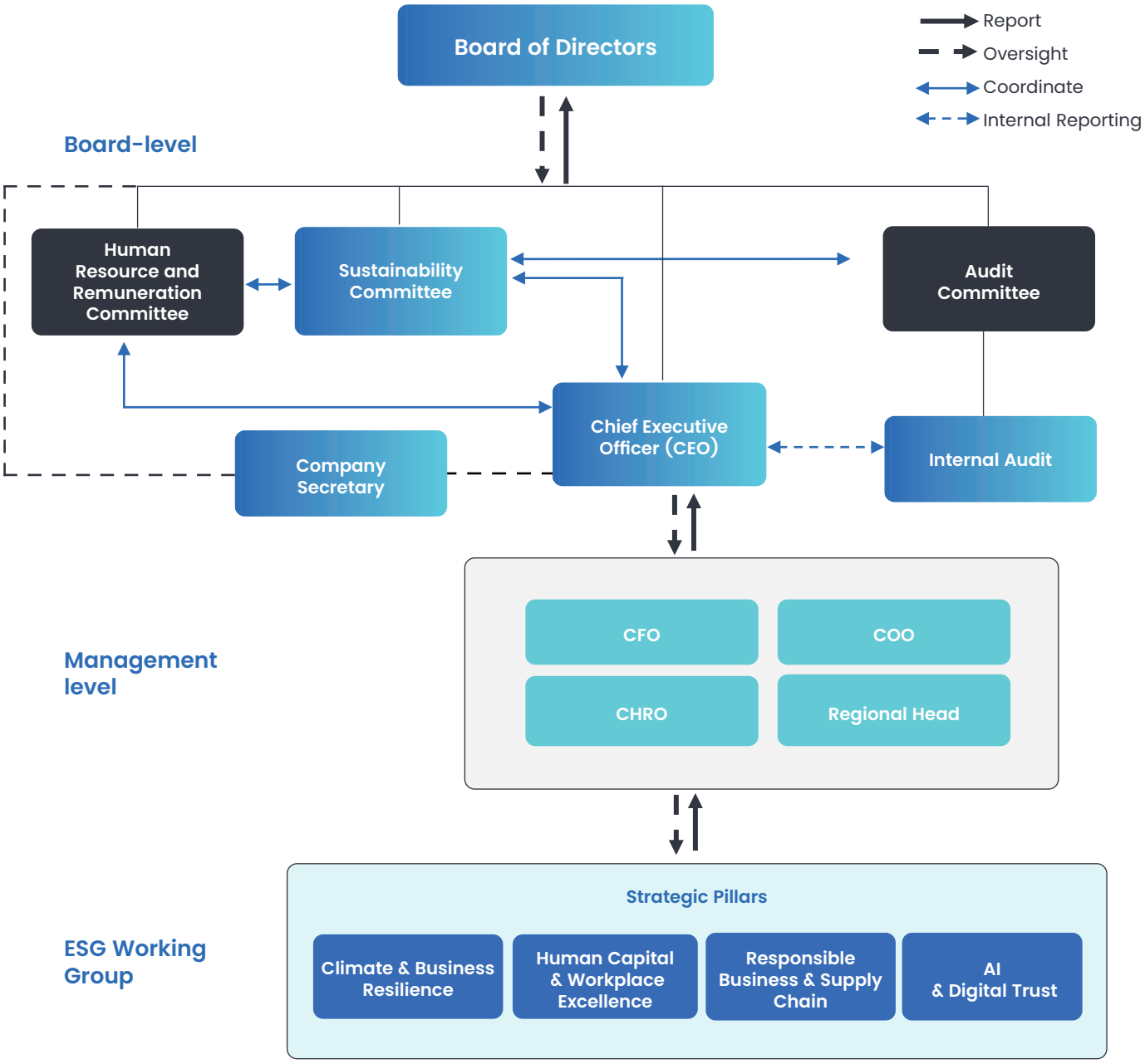
Delivering on Our **Sustainability Commitments**

Area	SDG Alignment	Targets	Progress in FY2025
GHG Emissions	1, 12, 13	• Reduce Scope 1 and Scope 2 emissions by 32% by 2030. • Achieve 70% reduction in Scope 3 emissions by 2050. • Transition to 80% renewable energy by 2035.	• Initiated comprehensive GHG emissions quantification across Scope 1, 2 and 3 aligned with the GHG Protocol.
Energy	12, 6, 13	• Reduce operational energy consumption through efficiency improvements. • Improve water efficiency across operations.	• Installed 250 kW solar capacity across facilities, contributing to renewable energy adoption. • Implementation of energy efficient HVAC systems and LED lighting upgrades across offices to improve energy efficiency.
Waste Management	12, 13	• Achieve 90% paperless operations by 2035 through digital documentation initiatives. • Manage 80% e-waste through responsible asset lifecycle management and certified end of life treatment by 2035	• Strengthened e-waste management through certified recycling vendors and asset lifecycle tracking. • Expanded digital documentation policies and paper reduction initiatives across operations.
DEI	10, 5, 4	• Achieve 40% workforce diversity by 2030. • Achieve 20% diversity representation in leadership by 2030.	• Continued investment in employee learning and professional development programs to enhance workforce capabilities. • Implementation of initiatives promoting inclusive workplace practices and equal opportunities.
Engagement and Employment	8, 11, 4	• Increase community engagement • Strengthen employee capability through continuous skills development and training. • Position the Company among the leading employers in the technology and IT services sector.	• Strengthened employee engagement and well-being initiatives, supporting retention and workforce productivity. • Ongoing collaboration with academic institutions and recruitment channels to support local talent development.
Sustainability Integration	13, 16	• Integrate sustainability-related risks into Enterprise Risk Management by 2028. • Submit Science Based Targets initiative (SBTi) targets by 2026 to validate the Company's emissions reduction pathway.	• Strengthened corporate governance practices including compliance, ethics, and risk management oversight. • Progress underway towards formalizing science-based climate targets and strengthening climate governance frameworks.
Ethical Business Conduct	16	• Integrate sustainability considerations in procurement practices by 2028 • Maintain leadership in information security and data privacy practices. • Strengthen governance frameworks supporting responsible technology and ethical business conduct.	• Formulated our supplier code of conduct • Maintained strong information security and data protection controls aligned with international standards and regulatory requirements.

GOVERNANCE

Sustainability **Governance**

Sustainability oversight is anchored in the Company's corporate governance framework, ensuring that sustainability considerations are integrated into strategic decision-making and risk management. The Board of Directors holds overall accountability for sustainability strategy, related risks and opportunities, and associated disclosures. To strengthen focused oversight, the Board has delegated responsibility for sustainability matters to the Sustainability Committee, which provides strategic guidance, reviews sustainability-related risks and opportunities, and monitors ESG performance and disclosures. The Committee operates alongside the Audit Committee and the Human Resource & Compensation Committee to support comprehensive governance across sustainability matters. Implementation is led by executive management under the direction of the Chief Executive Officer, with the ESG Working Group coordinating sustainability initiatives and integrating sustainability considerations into risk management, operational decision-making, and performance monitoring across the organization.



Sustainability **Oversight Framework**

Key focus areas

Risk management

Covers the approach to risk management and internal controls

Commitment to cybersecurity and data protection

Process of identifying, assessing and mitigating risks

Oversight and Compliance

Internal oversight bodies

External oversight bodies

Regulatory or legal requirements that the company adheres to

Transparency and Disclosure

Annual Report

Sustainability Report

Stakeholder Engagement

Board of Directors

Oversees and provides direction for the company's ESG strategy

Committees within the Board

Support the Board of Directors and Executive Management in addressing sustainability matters

Committees	Roles
Sustainability Committee	Reviews ESG objectives, tracks performance, and oversees sustainability initiatives
Audit Committee	Oversee the internal control environment and integration of ESG into risk management
Human Resource & Compensation Committee	Align leadership selection, succession and executive incentives with ESG performance goals

Executive Management

Plays a key role in driving the organization's ESG agenda, decision-making, and strategic planning

ESG Working Group

Supports the implementation and coordination of the organization's ESG initiatives

Environment

Aspects	Function
Climate Change	ESG Working Group
Energy Management	Electrical
Waste Management	Procurement
Emissions	ESG Working Group
Water Management	Civil

Social

Aspects	Function
Human capital	HR
DEI	HR
Talent attraction & retention	HR
Work environment	HR, Admin
Local Communities	CSR
Training & Development	OD

Governance

Aspects	Function
Cybersecurity & Data Privacy	Information Security
Sustainable Procurement	Procurement
Governance & Ethics	GRC
Supply Chain Due Diligence	Procurement

Board **Skills and Expertise**

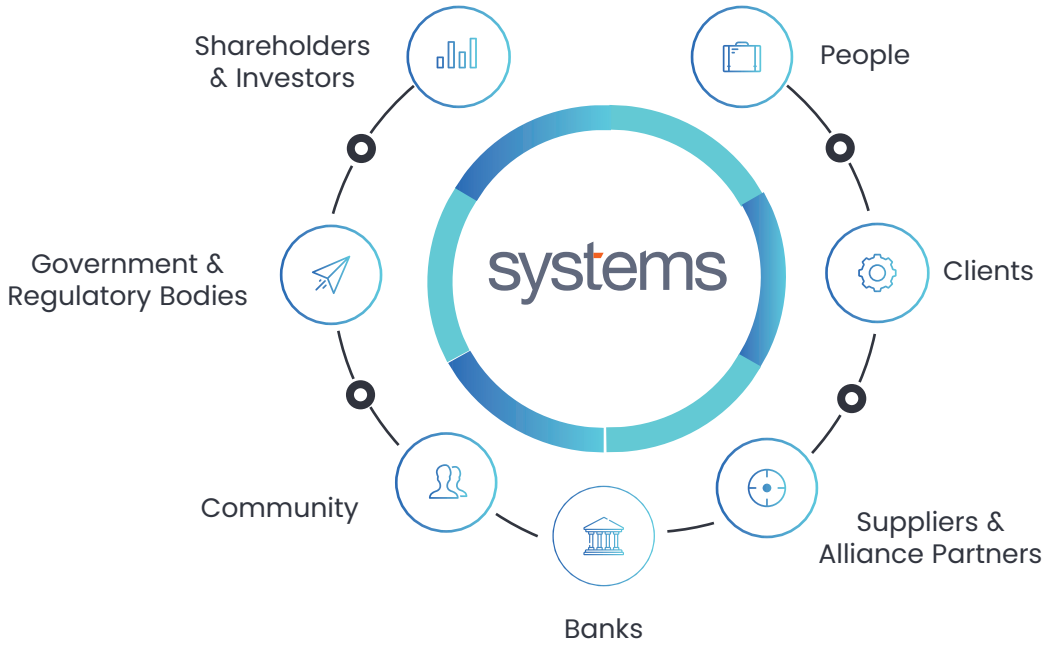
The Board of Directors of Systems Limited collectively brings a diverse range of professional expertise and experience that supports effective governance and strategic oversight. This diverse combination of skills enables the Board to effectively oversee the Company's strategy, evaluate emerging risks and opportunities, and support effective decision-making, and guide the Company's long-term strategic direction.

	Aezaz Hussain	Asif Peer	Arshad Masood	Maheen Rehman	Romana Abdullah	Omar Saeed	Zubyr Soomro
Innovation, Tech & Cybersecurity	●	●	●			●	
Corporate Management & Reporting	●	●	●	●	●	●	●
Risk Management		●		●	●		●
Legal/Government Affairs	●	●					●
Finance / Accounting & Investment	●	●		●	●	●	●
Human Capital Management	●		●	●	●	●	●
Sustainability & Decarbonization			●	●	●	●	●
Leadership & Governance	●	●	●	●	●	●	●
Stakeholder / Investor Relations	●	●			●		●
Strategic Oversight & Decision-Making	●	●	●	●	●	●	●
International Perspective	●	●	●	●	●	●	●

STAKEHOLDER ENGAGEMENT & MATERIALITY

Engagement with **Purpose**

Systems Limited maintains a structured stakeholder engagement approach to ensure that the perspectives of key stakeholders are considered in shaping its sustainability strategy, risk management, and decision-making processes. The Company periodically assesses its business model and value chain to identify and prioritize stakeholders based on their influence, level of interest, and potential impact on long-term value creation. Through ongoing and structured engagement channels, Systems Limited gathers insights on stakeholder expectations, emerging risks, and opportunities, enabling the Company to respond proactively and incorporate these considerations into its strategic planning, operational practices, and sustainability initiatives.



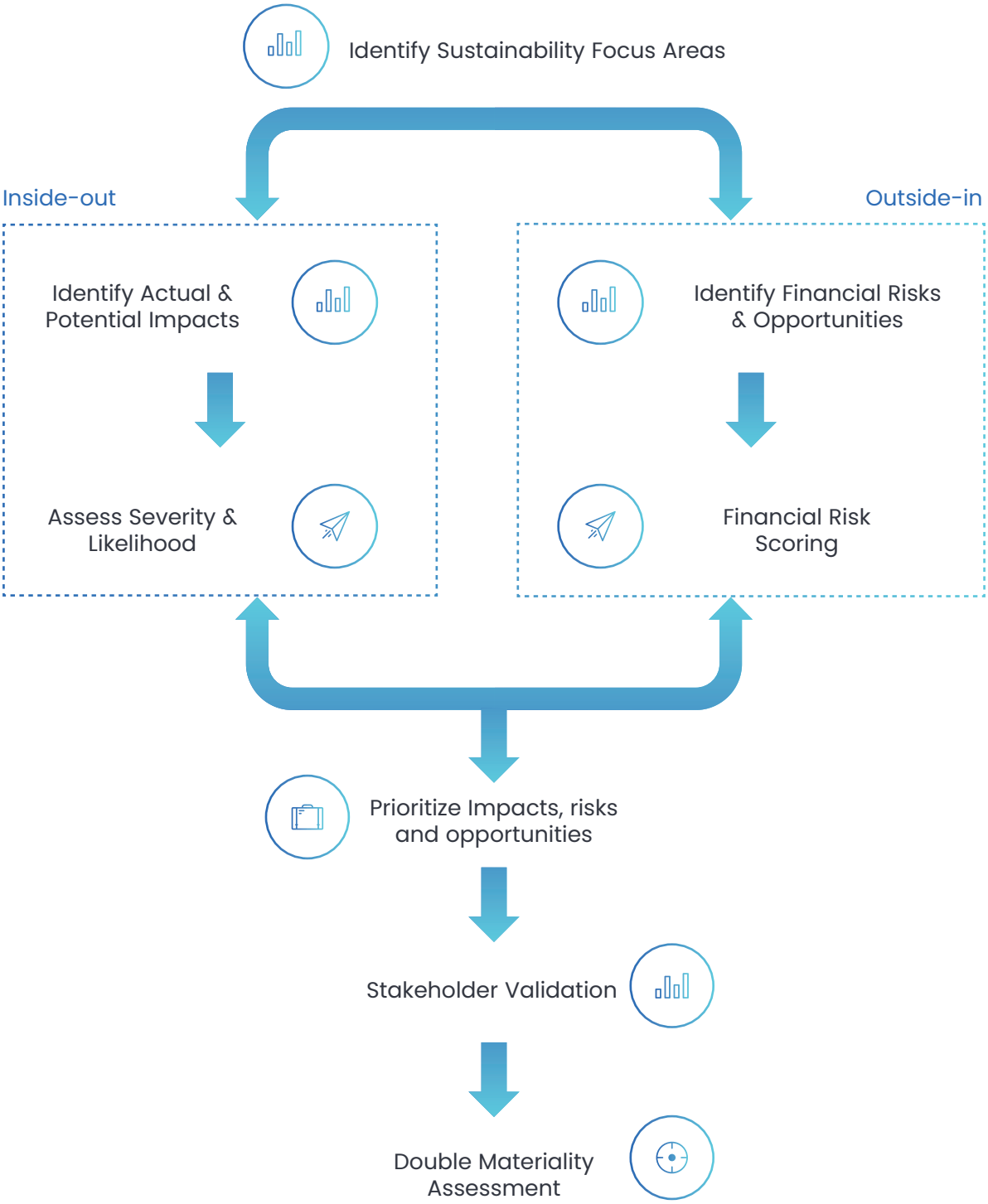
Material **Topics**

- Energy
- Waste Management
- Supplier Environmental Assessment
- Emissions
- Employment
- Training and Education
- Diversity and Equal Opportunity
- Occupational Health & Safety

- Customer Privacy
- Non-Discrimination
- Supplier Social Assessment
- Local Communities
- Anti-corruption Policy
- Economic Performance
- Procurement Practices
- Anti-Competitive Behaviour

Double **Materiality**

Our materiality assessment considers both the significance of Systems impacts and the potential effects of sustainability-related risks and opportunities on financial performance, operations, client expectations and long-term value creation. The Company's double materiality assessment begins with identifying a longlist of sustainability focus areas across its operations and value chain, focusing on evaluating impacts, risks, and opportunities (IRO). Focus areas are identified using internal data, operational insights, subject-matter expertise, and external references. Stakeholder engagement through surveys and consultations helps validate and prioritize material IRO's. Impacts are assessed based on scale, scope and likelihood, while financial risks and opportunities are evaluated for their potential operational, financial implications and time horizons. The resulting IRO's are regularly reviewed to ensure alignment with the Company's sustainability strategy, evolving stakeholder expectations, and changes in the operating environment.



System's **Sustainability Architecture**

Sustainability Focus Areas	Risks & Opportunities	Strategic Response	Key KPIs
Climate & Energy Management	• Extreme weather events, Heatwaves, Carbon tax, Inability to meet climate commitments	• Renewable energy expansion, Energy efficiency upgrades (LED, HVAC improvements), Climate scenario analysis and emissions monitoring	• Energy intensity; Renewable energy share, Total GHG emission
Climate Transition	• Carbon transition risk, Stakeholders pressure for decarbonization, Client expectations on climate performance, • Opportunity to support client decarbonization	• GHG emissions inventory aligned with GHG Protocol, Decarbonization planning, Monitoring carbon policy developments	• Emissions intensity, Total GHG emissions, emissions reduction percentage
Air Quality & Workplace Environment	• Deteriorating air quality affecting employee health and productivity	• Installation of treated fresh air units (TFUs), Remote working arrangements during smog events	• Employee absenteeism. Employee health claims
Sustainable Procurement	• Supplier ESG risk, Supply chain disruption	• Supplier Code of Conduct, Phased ESG integration into procurement, Supplier screening and engagement	• Supplier ESG screening
Workforce & Human Capital	• Workforce resilience risk, Talent shortages, Skills demand for emerging technologies, Workforce imbalance	• Talent development program, Continuous learning initiatives, Workforce capability development, Inclusive hiring practices	• Employee turnover, Training hours per employee, Gender diversity ratio
Cybersecurity & Data Privacy	• Cybersecurity threats, Data protection risks, Client data security expectations	• Information Security Risk Management Framework, ISO certifications, Continuous monitoring and incident response	• Number of security incidents, Data breaches
Ethical Business Conduct & Compliance	• Regulatory non-compliance risk, Corruption risk, ESG disclosure requirements	• Governance policies, Compliance monitoring, Whistleblowing mechanisms and employee awareness programs	• Non-Compliance incidents, Ethics training coverage
Digital Innovation & Emerging Technologies (AI)	• Technology disruption, Generative AI opportunities	• AI-enabled services, Cloud and digital transformation capabilities	• Revenue generated from AI services

RISK & STRATEGIC LANDSCAPE

Risks & Opportunities **Profile**

The table below outlines sustainability and climate-related risks and opportunities that have been identified through the Company's double materiality assessment and may impact the Company's prospects, including upstream supply chain (U), own operations (O), downstream operations (D) and Business Model i.e. Financial Capital (F), Human Capital(H), Social Capital (S), Intellectual Capital (I), Manufactured Capital (M), Natural Capital (N).

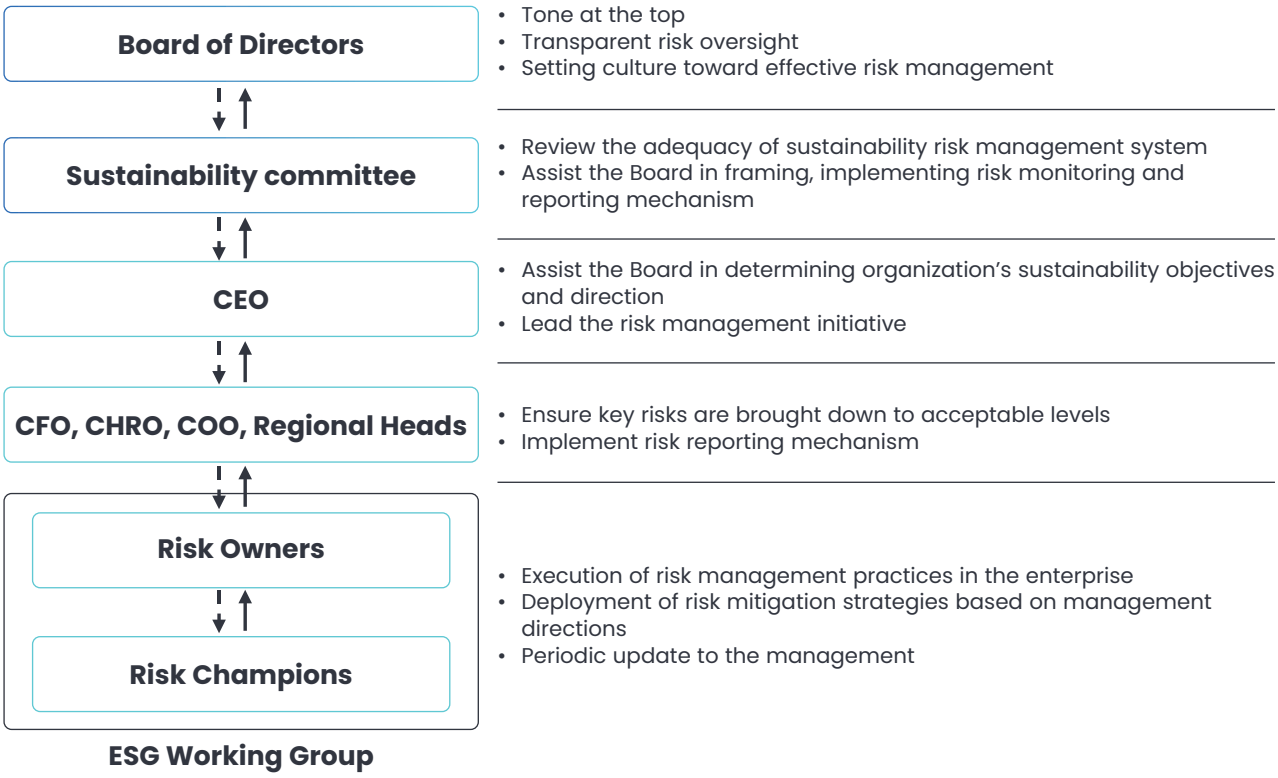
Risk	Opportunity	Value Chain	Business Model	Time Horizon
Extreme weather events due to rise in temperature		O	F M H	
Air Quality		O	H M	
Carbon Tax		U/O/D	F M	
Heatwaves		O	F H M	
Sustainable Procurement		U	F S	
Non-Compliance with Regulations		O/D	F S	
Workforce Resilience		O	H F I	
Cybersecurity and Data Privacy		O/D	I F S	
Technology Disruption and Continuity		U/O/D	I F M	
Inability to meet climate commitments		O	N F S	
Support client decarbonization and ESG expectations		D	N F S	
Emerging Technologies (AI)		O/D	I H F	

Time Horizon

- Short term (0 to 3 years)
- Medium term (4 to 7 years)
- Long term (7 years & Beyond)

Risk Management **Blueprint**

Sustainability-related risks and opportunities (SRROs) are identified through a structured and repeatable process incorporating internal operational reviews, value chain dependency assessments (upstream and downstream), regulatory monitoring, stakeholder engagement, industry benchmarking and , and the external operating environment and are assessed based on likelihood, magnitude, financial relevance and time horizon.



Climate Scenario **Analysis**

The Company conducted a climate-related scenario analysis to assess the resilience of its business model and strategy under different climate pathways. The analysis evaluates potential transition and physical climate risks across a range of plausible future scenarios derived from Network for Greening the Financial System (NGFS) and IPCC's Shared Socioeconomic Pathways (SSP), insights from this assessment informs strategic planning and approach to managing climate-related risks and opportunities.

Scenario	Source	Temperature Pathway
High Climate Response	Network for Greening the Financial System (NGFS)	~1.5°C
Net-zero 2050	Network for Greening the Financial System (NGFS)	~2.5–3.0°C
Taking the green road	IPCC Shared Socioeconomic Pathways (SSP1-1.9)	~1.5–2.0°C
Middle of the road	IPCC Shared Socioeconomic Pathways (SSP2-4.5)	~2.5–3.0°C
Fossil-Fueled Development – Taking the Highway	IPCC Shared Socioeconomic Pathways (SSP5-6)	>3.0°C

Strategic **Pillars**

Sustainability priorities are operationalized through four strategic pillars that guide decision-making, risk management, and operational practices across the organization. As the we expand our capabilities in artificial intelligence, cloud transformation, and advanced digital services, sustainability considerations are incorporated into strategic planning, operational management, and technology deployment. This integration enables us to proactively strengthen business resilience while supporting responsible digital transformation for clients.

Sustainability is positioned as a driver of opportunity and long-term value creation. Our digital solutions enables us to support clients in improving operational efficiency, strengthening digital resilience, and advancing broader sustainability objectives. Internally, investments in energy efficiency, operational optimization, and workforce capability enhance productivity and operational stability. By integrating sustainability considerations across both our internal operations and client-facing solutions, we addresses our own operational impacts while enabling broader environmental and economic outcomes, supporting sustainable growth and long-term operational stability.

Climate & Business Resilience

- Energy Efficiency
- Renewable Energy Integration
- Emissions Management
- Climate Risk Management
- Infrastructure Resilience
- Resource Efficiency

Human Capital & Workforce Excellence

- Talent Development
- Digital Skills & Upskilling
- Workforce Capability
- Diversity & Inclusion
- Employee Well-being
- Workplace Safety

Responsible Business & Supply Chain

- Ethical Business Conduct
- Responsible Procurement
- Supplier Engagement
- Supply Chain Due Diligence
- Regulatory Compliance
- Governance & Transparency

AI and Digital Trust

- Cybersecurity
- Responsible AI
- Data Governance
- Digital Infrastructure Security
- Privacy Protection
- Technology Resilience

Transition **Approach**

Systems Limited plans to adopt a climate transition plan to support its shift towards a low-carbon economy. The approach outlined below will guide our prioritisation and implementation of key sustainability initiatives.

1

Prioritzation Criteria

- Ability to directly influence emissions
- Energy intensity of facilities and infrastructure
- Cost efficiency and operational resilience potential
- Availability of methodologies and data

3

...and beyond our operations

Transition-Enabling Activities

- Submit SBTi Net Zero Targets
- Strengthen climate governance and oversight
- Invest in workforce capabilities to support clean technology deployment
- Participate in industry and policy dialogues supporting renewable expansion

Within our Value Chain...

2

Decarbonization Strategy

Transform Our Electricity Mix

- Transition of electricity consumption to renewable energy
- Scale solar energy adoption across operations
- Reduce dependence on carbon-intensive grid electricity

Optimize Workplace Footprint

- Transition company energy efficient technologies and equipment
- Leverage hybrid work to reduce physical office space and associated energy demand

Align and Engage the Value Chain

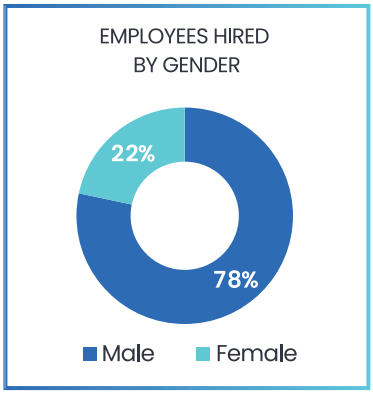
- Encourage key suppliers to adopt science-based targets
- Integrate sustainability criteria into procurement decisions

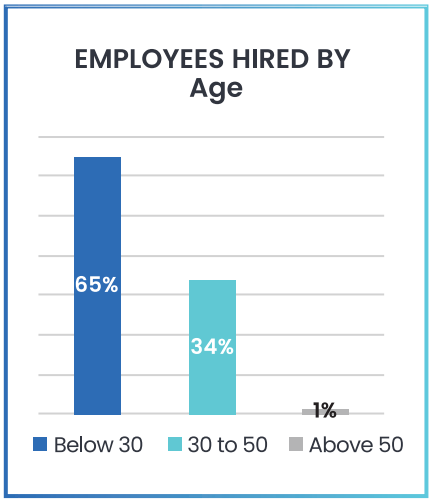
PEOPLE AT THE CORE OF INNOVATION

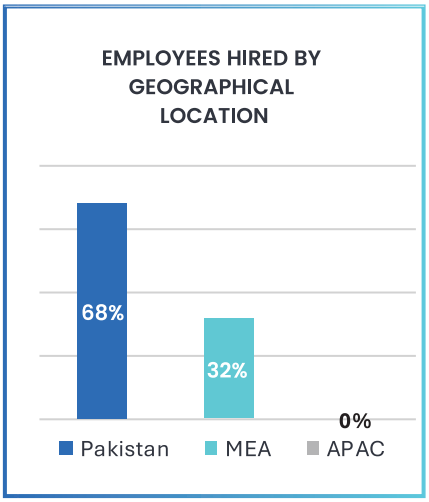
Talent **Attraction**

Systems Limited's ability to deliver digital transformation services depends on attracting and retaining highly skilled professionals across global markets. We recognize that our employees are our greatest asset, and their expertise, integrity, and creativity enable us to deliver transformative solutions while supporting responsible long-term growth. To sustain this strength, we maintain an inclusive hiring approach focused on attracting diverse, high-caliber talent aligned with our values and strategic vision.

Employees hired during the year 2436



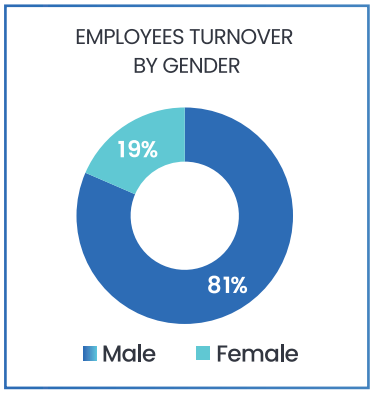


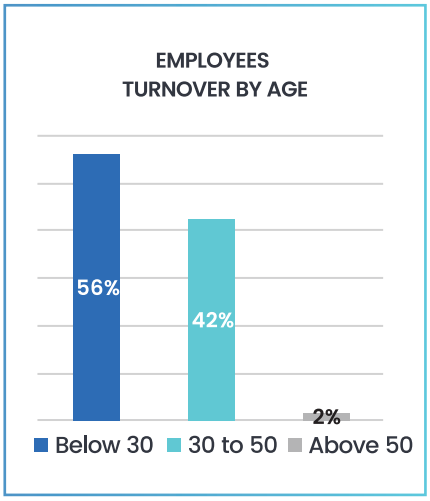


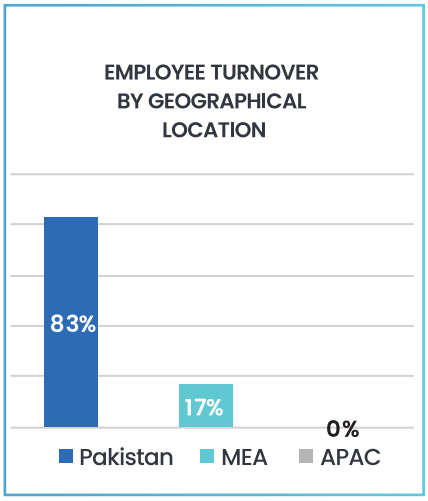
Talent **Retention**

Workforce retention remains a priority as the Company continues to expand its global delivery capabilities. We continuously monitor workforce trends and leverage employee feedback and data-driven insights to strengthen retention, enhance engagement, and ensure our talent strategies remain aligned with evolving business and employee needs.

Employees left during the year 2378

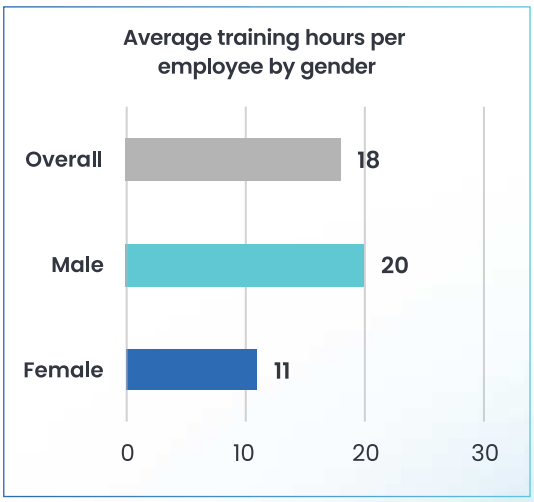


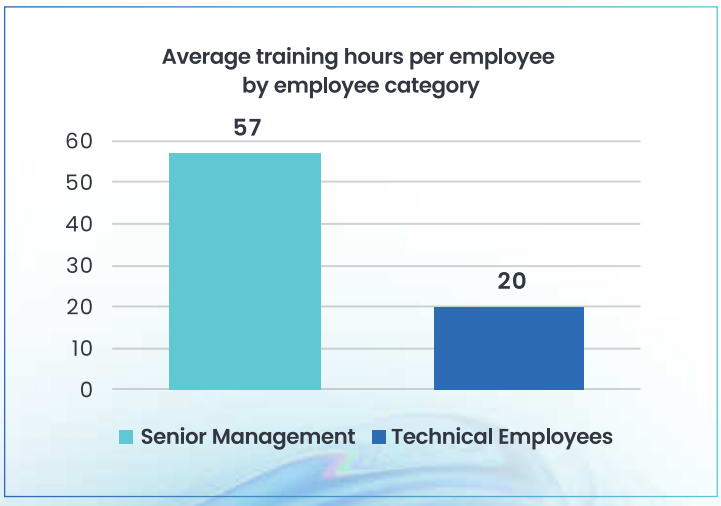




Workforce **Capability** and **Development**

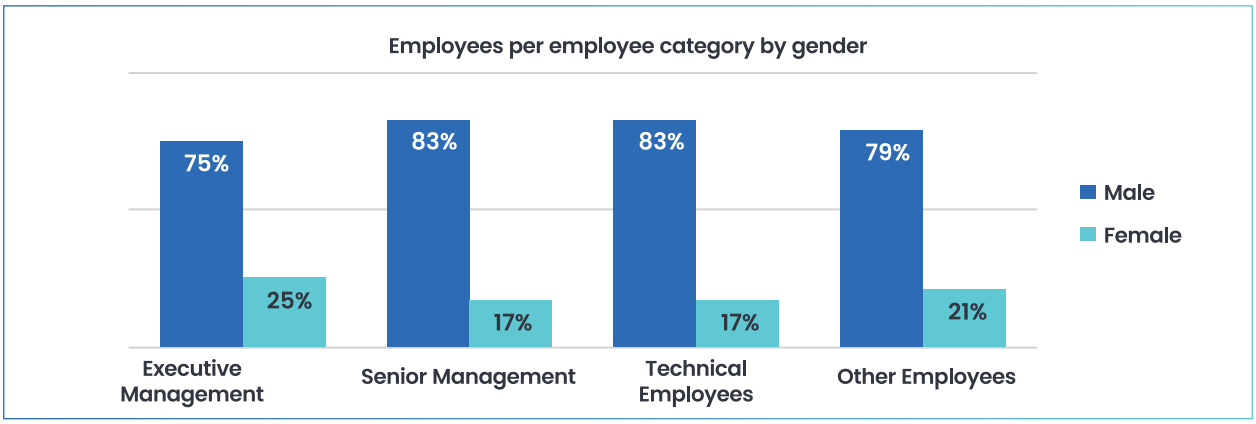
Our focus is to develop a future-ready talent base through continuous learning, clear career pathways, and a supportive environment that empowers our people to supercharge progress. We emphasize skill-based learning, offering specialized training, mentorship, and access to cutting-edge resources across digital, engineering, cloud, data, and AI domains. These initiatives support continuous professional development and strengthen workforce capability across technical and leadership roles.





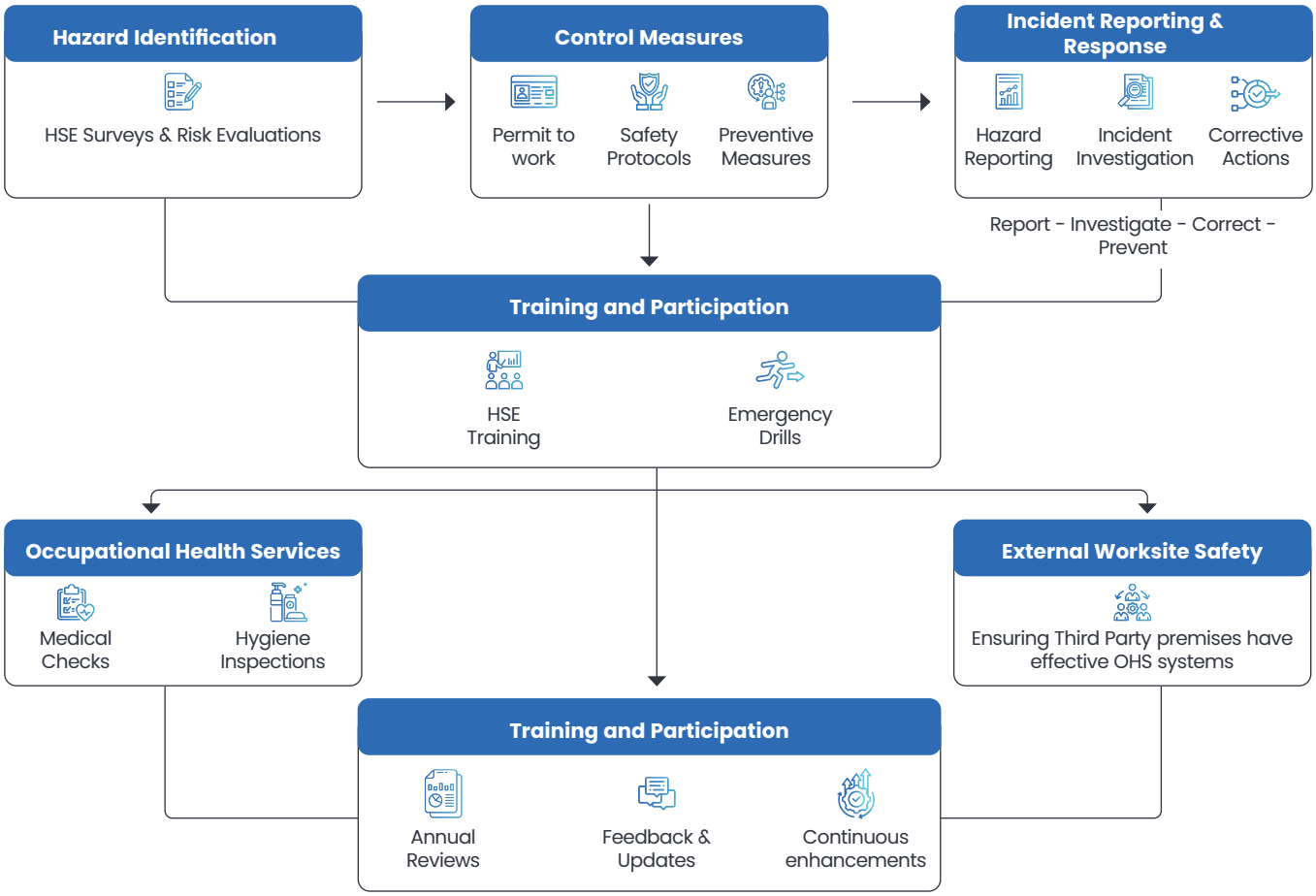
Diversity, Equity, and Inclusion

We foster a workplace culture that values individual uniqueness and leverages diversity to drive innovation. Through leadership initiatives, community engagement, and cultural competency training, the Company promotes equality, inclusion, and a strong sense of belonging. Systems Limited maintains a Gender Diversity and Inclusion Policy that ensures equal employment opportunities, respectful treatment, and a workplace free from unlawful discrimination across all aspects of employment.



Occupational **Health** and **Safety**

Systems Limited maintains occupational health and safety management practices designed to protect employees and contractors across its operations. Safety procedures include hazard identification, preventive controls, incident reporting mechanisms and ongoing training to promote a safe and healthy workplace.



Gender Pay **Gap Statement**

Systems Limited is firmly committed to fostering a workplace where innovation is powered by diversity, and where all employees are respected, supported, and rewarded fairly. As a people-driven technology organization, the Company strives to cultivate an inclusive and equitable environment that enables talent to thrive irrespective of gender.

In line with this commitment, the gender pay gap calculation for the year ended 31 December 2025, for Systems Limited only, has been prepared and presented in accordance with the requirements of the circular issued by the Securities and Exchange Commission of Pakistan (SECP).

Our gender pay gap reflects workforce composition rather than pay inequity.

	Management	Junior Management
Mean Gap	10%	9%
Median Gap	14%	7%

Asif Peer
Chief Executive Officer
Date: 6th April 2026

COMMITMENT TO **PLANET**

Energy **Optimization**

Energy efficiency remains a fundamental principle of the Company's commitment to climate and business resilience. We recognize the importance of proactively managing energy consumption through system optimization, efficiency enhancements, and sustainable operational practices across its facilities. The Company's approach prioritizes reducing reliance on non-renewable energy sources, strengthening operational efficiency, and progressively increasing the share of renewable energy in its overall energy mix, wherever feasible.

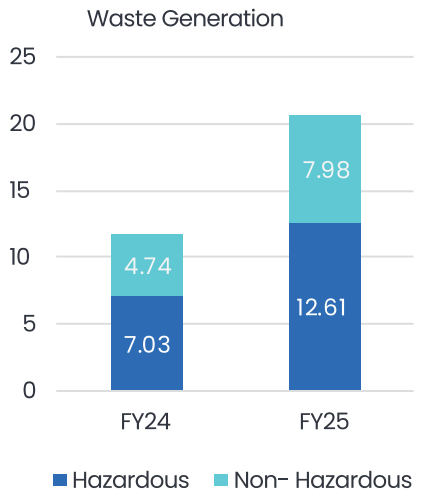
During FY2025, total energy consumption declined compared to the previous year, driven largely by improved efficiency measures and the expansion of on-site solar capacity to 375 kW. This expansion more than doubled our solar generation, rising from 484 GJ in FY 2024 to 1,158 GJ in FY 2025.

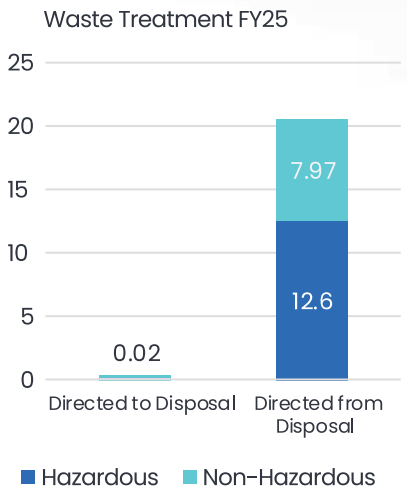
Energy Intensity

Metrics	FY 24	FY 25	YoY Change
Per Employee (GJ/employee)	2.814	2.569	▼ 8.7%
Per PKR Million Revenue (GJ/PKR Mn)	0.317	0.264	▼ 16.5%

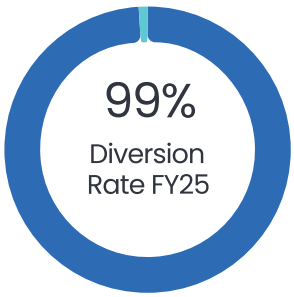
Waste **Management**

As a technology service-based organization, Systems Limited does not generate significant volumes of industrial waste. However, in line with our strategic pillar, responsible business and supply chain, we consider waste management an important environmental consideration, particularly in relation to electronic waste generated from IT equipment and hardware.





The increase in waste generated during FY25 primarily reflects replacement of IT equipment and expansion of digital infrastructure.



Interaction with **Water**

Given the Company's service-oriented business model, Systems Limited does not engage in water-intensive industrial processes. Nevertheless, the Company recognizes the importance of responsible water management in the context of increasing global water stress and potential location-specific risks, including local water availability constraints and varying levels of water stress. Accordingly, conservation measures are implemented to minimize consumption and promote responsible water stewardship across its facilities.

Metric	Unit	FY 24	FY 25	YoY Change
Total water withdrawal	Megaliters (ML)	56.99	46.05	▼ 19.22%
Total water discharge	Megaliters (ML)	56.99	46.05	▼ 19.22%
Water withdrawal per employee	Liters (L) / employee	7,154	5,567	▼ 22.18%
Water withdrawal per PKR million revenue	Liters (L) / PKR million	805.09	572.77	▼ 28.86%

Emissions

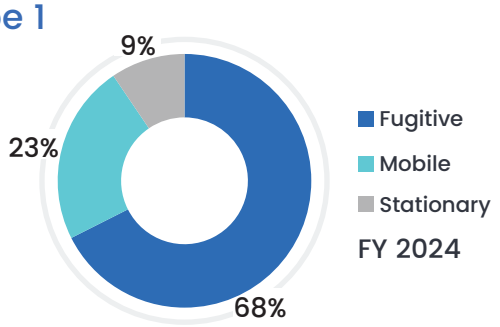
The Company has established a structured framework for measuring and monitoring greenhouse gas emissions across operational and value chain activities. We are strengthening our approach to climate management by enhancing transparency around greenhouse gas (GHG) emissions and establishing a structured foundation for emissions monitoring and reduction. The publication of this inaugural Sustainability Report marks an important step in this journey, with FY2024 established as the baseline year for measuring emissions and tracking progress toward future decarbonization efforts.

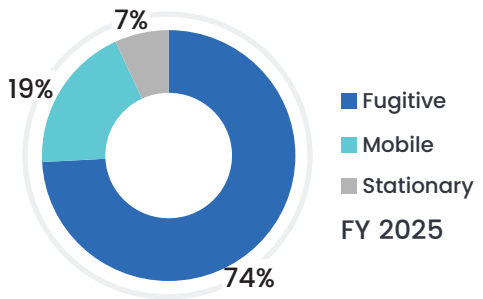
Operational Emissions

Particular	FY 24	FY 25	YoY Chan
Scope 1	1,314	1,547	▲ 17.80 %
Scope 2	1,779	1,629	▼ 8.40 %
Total	3,092	3,177	▲ 2.70 %

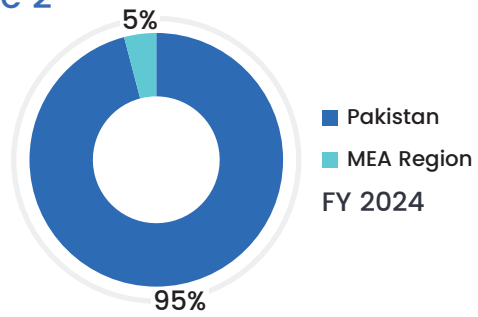
The increase in scope 1 was primarily related to higher refrigerant leakages from cooling systems, reflecting the impact of elevated temperature conditions and increased operational demand on HVAC infrastructure at certain office locations. Scope 2 emissions declined reflecting improved energy efficiency and increased renewable electricity generation.

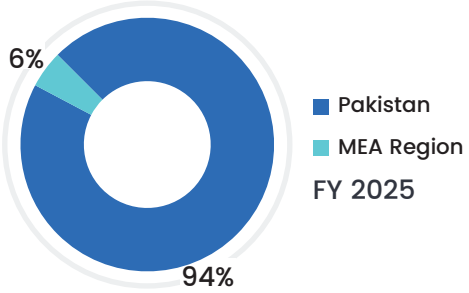
Scope 1





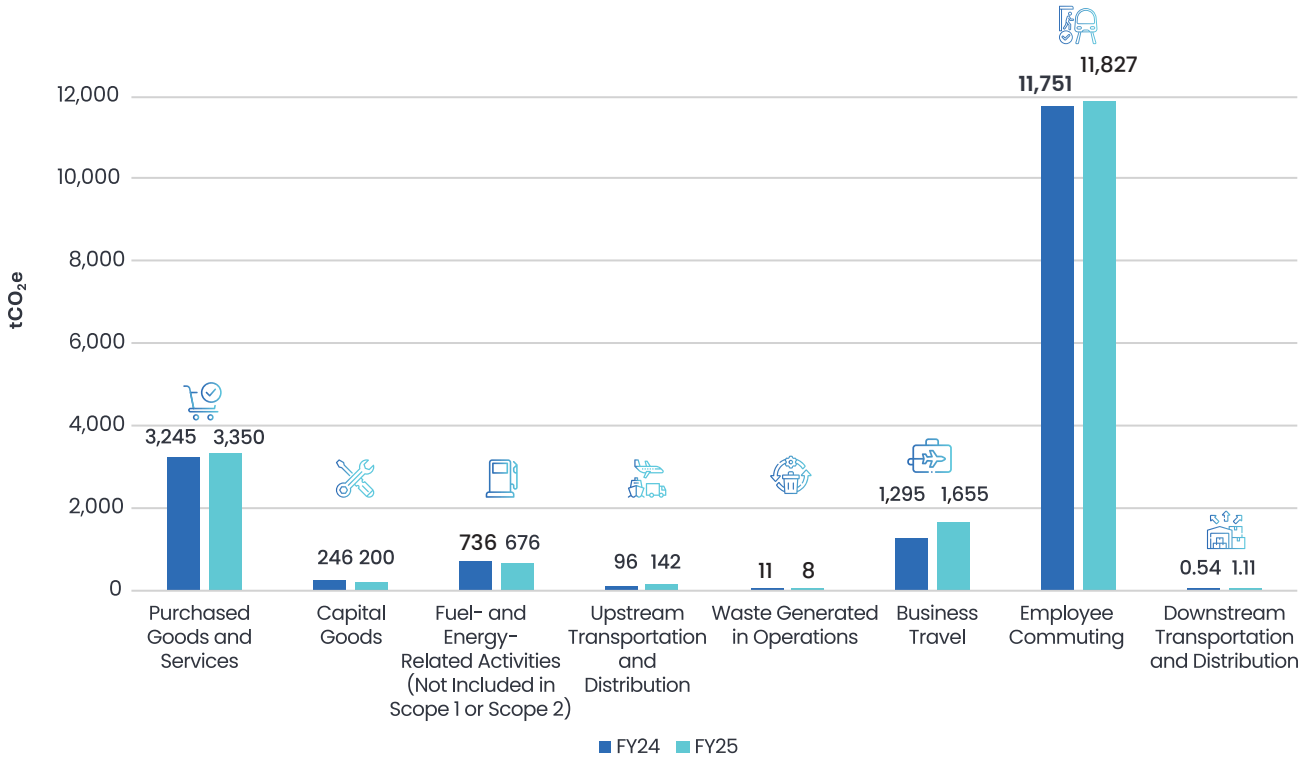
Scope 2

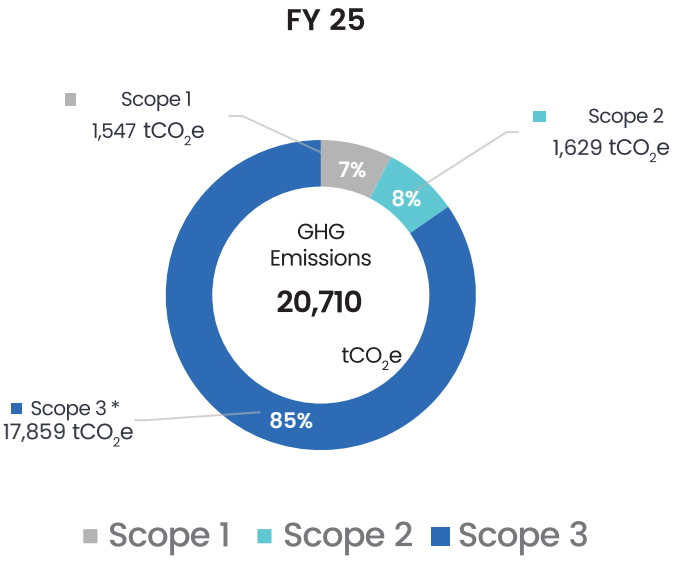


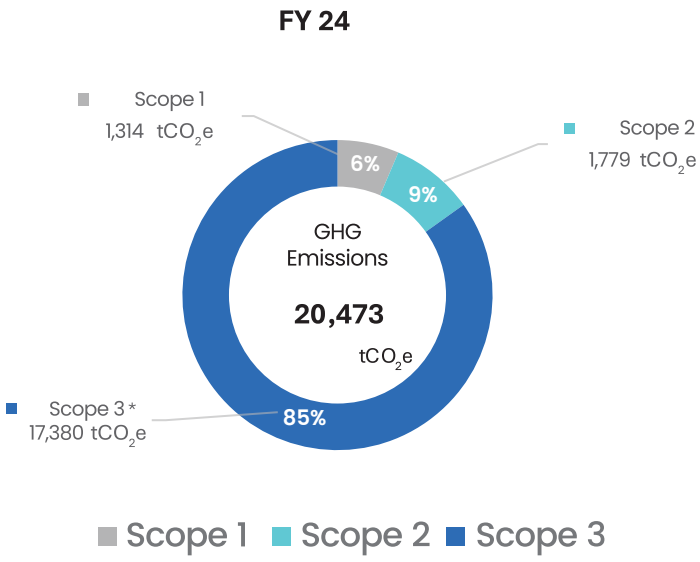


Value Chain **Emissions**

Scope 3 emissions represent a significant component of Systems Limited's overall greenhouse gas footprint and are distributed across multiple value chain categories. The category-wise breakdown highlights the relative contribution of key indirect emission sources, with employee commuting representing the largest source of Scope 3 emissions during the reporting year. Systems Limited remains committed to progressively strengthening its monitoring of value chain emissions and identifying opportunities to reduce its indirect carbon footprint through improved data visibility and targeted emission reduction initiatives over time.







*Scope 3 emissions inventory currently excludes BAT due to its acquisition toward the end of the reporting period, which limited the availability of reliable data. The Company intends to progressively incorporate BAT-related emissions into its Scope 3 disclosures in future reporting cycles.

TOMORROW BEGINS **TODAY**

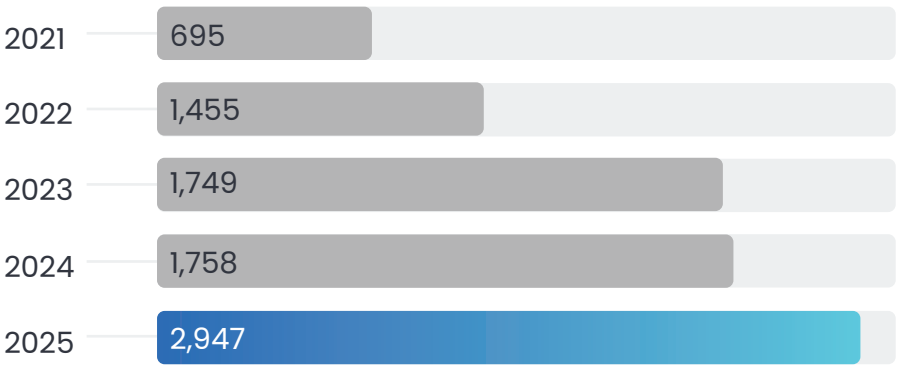
CODE. COMMIT. SUSTAIN.

Shareholders' **Key Information**

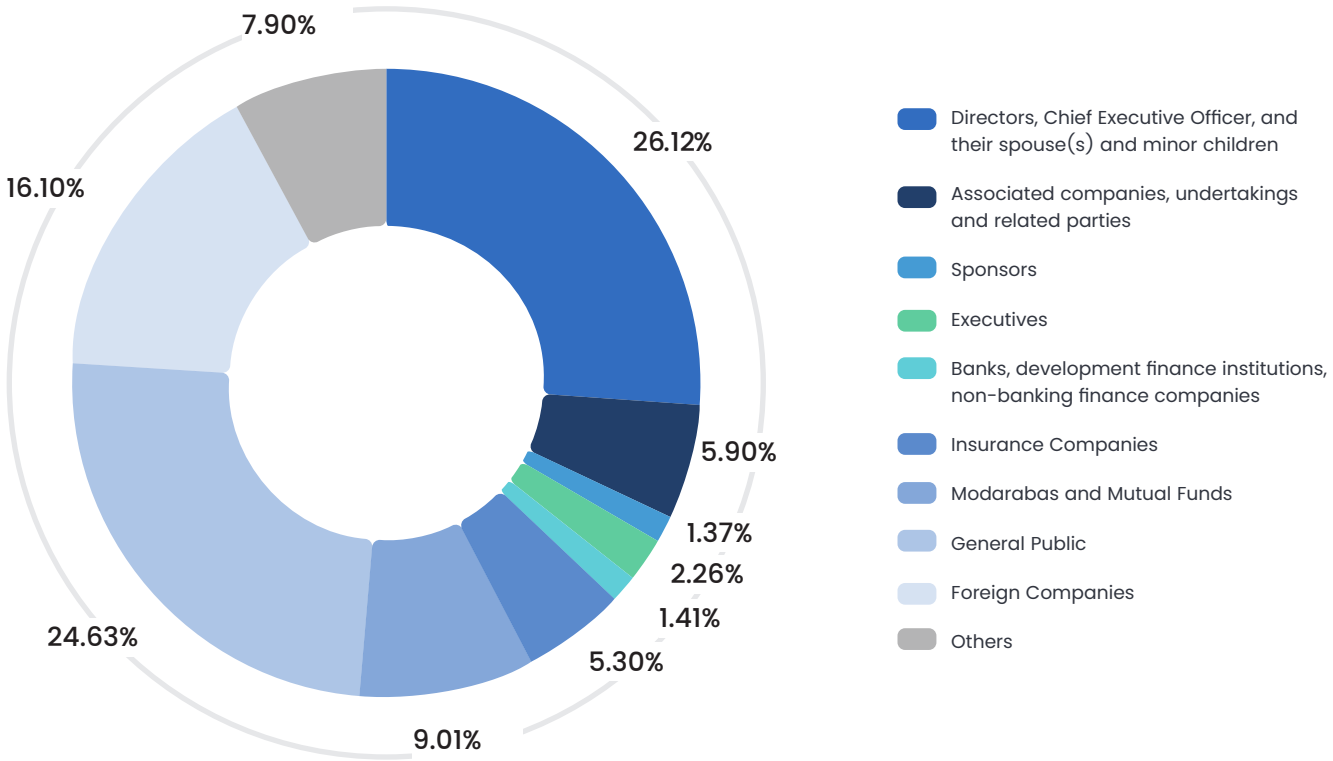
Equity & shareholding information

Equity & Stock Information	
Authorized Capital	4,000,000,000
Number Of Shares	2,000,000,000
Par Value	PKR 2
Type Of Shares	COMMON

Dividend payout (PKR MILLION)



Shareholding Breakup



Pattern of **shareholding** - Systems Limited

The Shareholding in the Company as at 31 December 2025 is as follows:

Shareholder Category	Number of Shareholders	Shareholding Breakup	Number of Shares
Directors, Chief Executive Officer, and their spouse(s) and minor children	13	**26.12%**	384,786,780
Associated companies, undertakings and related parties	1	**5.90%**	86,880,930
Sponsors	9	**1.37%**	20,239,900
Executives	17	**2.26%**	33,325,350
Banks, development finance institutions, non-banking finance companies	9	**1.41%**	20,802,422
Insurance Companies	21	**5.30%**	78,065,579
Modarabas and Mutual Funds	88	**9.01%**	132,750,214
General Public	31,839	**24.63%**	362,921,560
Foreign Companies	41	**16.10%**	237,234,108
Others	334	**7.90%**	116,397,592
Total	32,372	**100%**	1,473,404,435

Pattern of Shareholding as at December 31, 2025

Number of Shareholders	Shareholdings'Slab			Total Shares Held
12732	1	to	100	494,383
8746	101	to	500	2,436,474
3748	501	to	1000	2,917,869
4438	1001	to	5000	10,519,124
1169	5001	to	10000	8,523,769
359	10001	to	15000	4,595,476
163	15001	to	20000	2,935,976
136	20001	to	25000	3,187,191
105	25001	to	30000	2,958,149
65	30001	to	35000	2,132,815
39	35001	to	40000	1,500,289
31	40001	to	45000	1,325,576
65	45001	to	50000	3,173,269
26	50001	to	55000	1,382,825
24	55001	to	60000	1,394,845
20	60001	to	65000	1,254,012
21	65001	to	70000	1,431,701
18	70001	to	75000	1,324,823
11	75001	to	80000	862,808
12	80001	to	85000	984,893
12	85001	to	90000	1,057,568
9	90001	to	95000	842,120
26	95001	to	100000	2,579,435
10	100001	to	105000	1,025,924
11	105001	to	110000	1,197,695
5	110001	to	115000	569,220
3	115001	to	120000	350,870
17	120001	to	125000	2,084,863
5	125001	to	130000	647,040
11	130001	to	135000	1,471,087
5	135001	to	140000	693,000
3	140001	to	145000	427,920
14	145001	to	150000	2,096,500
4	150001	to	155000	616,126
2	155001	to	160000	316,868
3	160001	to	165000	491,815
4	165001	to	170000	667,113
5	170001	to	175000	870,440

Number of Shareholders	Shareholdings'Slab			Total Shares Held
1	175001	to	180000	176,865
3	180001	to	185000	546,206
2	185001	to	190000	375,000
3	190001	to	195000	577,570
8	195001	to	200000	1,596,545
1	200001	to	205000	204,000
4	205001	to	210000	829,627
2	210001	to	215000	423,145
2	215001	to	220000	440,000
2	220001	to	225000	444,366
1	225001	to	230000	230,000
6	230001	to	235000	1,392,950
4	235001	to	240000	951,289
1	240001	to	245000	240,715
9	245001	to	250000	2,240,399
1	250001	to	255000	251,100
3	255001	to	260000	779,350
1	265001	to	270000	266,200
1	270001	to	275000	274,775
3	275001	to	280000	834,300
2	280001	to	285000	570,000
1	285001	to	290000	289,072
1	290001	to	295000	294,270
4	295001	to	300000	1,195,910
4	305001	to	310000	1,235,930
2	320001	to	325000	642,111
2	325001	to	330000	651,210
2	330001	to	335000	664,984
3	340001	to	345000	1,030,408
4	345001	to	350000	1,393,450
2	350001	to	355000	705,845
1	355001	to	360000	358,000
5	360001	to	365000	1,813,132
1	365001	to	370000	367,200
2	370001	to	375000	749,500
1	375001	to	380000	377,346
2	380001	to	385000	766,504
1	385001	to	390000	387,465
2	395001	to	400000	800,000
4	405001	to	410000	1,631,037
3	410001	to	415000	1,232,140
1	415001	to	420000	417,500
2	425001	to	430000	853,945
2	440001	to	445000	886,284
2	455001	to	460000	912,900
2	465001	to	470000	936,530
3	475001	to	480000	1,428,470
2	485001	to	490000	972,038
6	495001	to	500000	2,996,480
1	505001	to	510000	506,000
1	510001	to	515000	510,500
1	515001	to	520000	519,000
2	525001	to	530000	1,055,595
3	530001	to	535000	1,602,114
2	560001	to	565000	1,125,500
2	600001	to	605000	1,210,000
1	620001	to	625000	625,000
1	625001		630000	628,960

Number of Shareholders	Shareholdings'Slab			Total Shares Held
1	630001	to	635000	634,350
1	635001	to	640000	637,321
1	660001	to	665000	660,444
2	665001	to	670000	1,330,870
1	675001	to	680000	675,300
2	680001	to	685000	1,367,175
1	700001	to	705000	700,375
1	705001	to	710000	709,500
1	715001	to	720000	717,000
1	720001	to	725000	724,270
1	745001	to	750000	750,000
1	755001	to	760000	755,750
2	760001	to	765000	1,525,851
1	785001	to	790000	787,500
2	800001	to	805000	1,606,508
1	815001	to	820000	819,602
1	830001	to	835000	833,140
1	840001	to	845000	844,840
1	870001	to	875000	874,000
1	895001	to	900000	896,000
1	900001	to	905000	900,910
1	910001	to	915000	912,175
1	930001	to	935000	934,000
1	945001	to	950000	949,025
3	955001	to	960000	2,876,380
1	965001	to	970000	965,975
1	970001	to	975000	975,000
1	995001	to	1000000	1,000,000
1	1025001	to	1030000	1,025,070
1	1040001	to	1045000	1,044,379
1	1055001	to	1060000	1,059,362
1	1095001	to	1100000	1,100,000
1	1135001	to	1140000	1,135,835
1	1150001	to	1155000	1,150,830
2	1175001	to	1180000	2,357,850
1	1290001	to	1295000	1,291,500
1	1325001	to	1330000	1,328,860
1	1330001	to	1335000	1,331,000
1	1340001	to	1345000	1,343,445
2	1360001	to	1365000	2,725,415
1	1385001	to	1390000	1,386,555
2	1435001	to	1440000	2,875,580
1	1450001	to	1455000	1,454,654
1	1495001	to	1500000	1,500,000
1	1500001	to	1505000	1,503,935
2	1505001	to	1510000	3,016,736
1	1555001	to	1560000	1,557,500
1	1585001	to	1590000	1,589,055
1	1640001	to	1645000	1,642,000
1	1665001	to	1670000	1,670,000
1	1690001	to	1695000	1,690,609
1	1715001	to	1720000	1,716,814
1	1740001	to	1745000	1,741,515
1	1750001	to	1755000	1,750,017
1	1805001	to	1810000	1,806,260
1	1830001	to	1835000	1,830,500
1	1845001	to	1850000	1,850,000
1	1910001	to	1915000	1,911,000

Number of Shareholders	Shareholdings'Slab			Total Shares Held
1	1965001	to	1970000	1,965,206
1	1995001	to	2000000	1,996,967
1	2005001	to	2010000	2,009,220
1	2025001	to	2030000	2,028,540
1	2175001	to	2180000	2,177,220
1	2265001	to	2270000	2,266,454
1	2275001	to	2280000	2,275,015
1	2495001	to	2500000	2,500,000
1	2525001	to	2530000	2,526,220
1	2545001	to	2550000	2,547,235
1	2655001	to	2660000	2,660,000
1	2800001	to	2805000	2,802,935
1	2870001	to	2875000	2,871,815
2	2885001	to	2890000	5,776,832
1	2925001	to	2930000	2,925,510
2	2935001	to	2940000	5,874,813
1	2970001	to	2975000	2,970,556
1	3070001	to	3075000	3,071,290
1	3085001	to	3090000	3,086,050
1	3200001	to	3205000	3,200,260
1	3225001	to	3230000	3,225,705
1	3305001	to	3310000	3,309,265
1	3380001	to	3385000	3,382,685
2	3395001	to	3400000	6,799,100
1	3405001	to	3410000	3,407,495
1	3610001	to	3615000	3,613,950
1	3620001	to	3625000	3,622,130
1	3680001	to	3685000	3,684,495
1	4015001	to	4020000	4,017,400
1	4090001	to	4095000	4,094,605
1	4235001	to	4240000	4,237,285
1	4380001	to	4385000	4,384,580
1	4435001	to	4440000	4,437,881
1	4550001	to	4555000	4,554,380
1	4745001	to	4750000	4,749,503
1	4960001	to	4965000	4,964,085
1	5040001	to	5045000	5,044,810
1	5140001	to	5145000	5,142,560
1	5260001	to	5265000	5,260,232
1	5430001	to	5435000	5,434,500
1	5705001	to	5710000	5,708,678
1	5845001	to	5850000	5,845,355
1	6775001	to	6780000	6,775,837
1	6800001	to	6805000	6,802,490
1	6965001	to	6970000	6,967,129
1	7080001	to	7085000	7,081,440
1	7885001	to	7890000	7,885,795
1	7915001	to	7920000	7,918,230
1	8295001	to	8300000	8,295,850
1	8680001	to	8685000	8,682,360
1	9310001	to	9315000	9,311,880
1	9650001	to	9655000	9,654,115
1	10215001	to	10220000	10,219,965
1	10680001	to	10685000	10,684,400
1	11010001	to	11015000	11,010,850
1	11425001	to	11430000	11,426,770
1	11685001	to	11690000	11,689,610
1	11985001	to	11990000	11,987,000

Number of Shareholders	Shareholdings'Slab			Total Shares Held
1	12625001	to	12630000	12,625,950
1	13880001	to	13885000	13,883,590
2	15900001	to	15905000	31,803,370
1	16335001	to	16340000	16,337,927
1	16520001	to	16525000	16,521,000
1	17135001	to	17140000	17,138,400
1	18430001	to	18435000	18,432,855
1	18735001	to	18740000	18,736,020
1	18985001	to	18990000	18,987,490
1	20440001	to	20445000	20,444,820
1	21260001	to	21265000	21,260,745
1	21340001	to	21345000	21,343,240
1	22290001	to	22295000	22,292,758
1	33120001	to	33125000	33,124,470
1	38045001	to	38050000	38,048,270
1	42965001	to	42970000	42,967,045
1	43060001	to	43065000	43,060,360
1	43530001	to	43535000	43,531,795
1	47975001	to	47980000	47,976,427
1	50675001	to	50680000	50,675,190
1	62820001	to	62825000	62,821,860
1	82385001	to	82390000	82,389,845
1	86880001	to	86885000	86,880,930
1	191765001	to	191770000	191,765,400
32,372				**1,473,404,435**

Modarabas and Mutual Funds

Information of shareholding as at 31 December 2025 as required under the Code of Corporate Governance is as follows:

Name	Number of Shares Held	Percentage%
M/S. B.R.R. GUARDIAN LIMITED	13,883,590	0.94
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	5,434,500	0.37
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	141,250	0.01
CDC - TRUSTEE HBL INVESTMENT FUND	346,000	0.02
CDC - TRUSTEE HBL GROWTH FUND	896,000	0.06
CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	2,660,000	0.18
CDC - TRUSTEE ATLAS STOCK MARKET FUND	6,967,129	0.47
CDC - TRUSTEE MEEZAN BALANCED FUND	765,000	0.05
CDC - TRUSTEE JS ISLAMIC FUND	152,257	0.01
CDC - TRUSTEE ALFALAH GHP VALUE FUND	91,000	0.01
CDC - TRUSTEE AKD INDEX TRACKER FUND	325,720	0.02
CDC-TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	900,910	0.06
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	6,802,490	0.46
CDC - TRUSTEE MEEZAN ISLAMIC FUND	22,292,758	1.51
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	2,266,454	0.15
B.R.R. GUARDIAN LIMITED	11,426,770	0.78
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	4,749,503	0.32
CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	4,094,605	0.28
CDC - TRUSTEE NBP STOCK FUND	5,142,560	0.35
CDC - TRUSTEE NBP BALANCED FUND	176,865	0.01
CDC - TRUSTEE ALFALAH GHP INCOME MULTIPLIER FUND	30,500	0.00
CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND	3,309,265	0.22
CDC - TRUSTEE APF-EQUITY SUB FUND	407,860	0.03
CDC - TRUSTEE JS PENSION SAVINGS FUND - EQUITY ACCOUNT	52,700	0.00
CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	2,937,313	0.20
CDC - TRUSTEE HBL - STOCK FUND	874,000	0.06
CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFA FUND	351,455	0.02
CDC - TRUSTEE APIF - EQUITY SUB FUND	724,270	0.05
CDC - TRUSTEE HBL MULTI - ASSET FUND	26,000	0.00
CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	506,000	0.03
CDC-TRUSTEE JS ISLAMIC PENSION SAVINGS FUND-EQUITY SUB FUND	26,130	0.00
CDC - TRUSTEE ALFALAH GHP STOCK FUND	2,970,556	0.20
CDC - TRUSTEE ALFALAH GHP ALPHA FUND	844,840	0.06
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1,557,500	0.11
CDC - TRUSTEE ABL STOCK FUND	1,741,515	0.12
CDC - TRUSTEE AL HABIB STOCK FUND	1,100,000	0.07
CDC - TRUSTEE LAKSON EQUITY FUND	1,363,155	0.09
CDC - TRUSTEE NBP SARMAYA IZAFA FUND	109,795	0.01
CDC - TRUSTEE NBP MAHANA AMDANI FUND - MT	71,977	0.00
CDC-TRUSTEE HBL ISLAMIC STOCK FUND	427,720	0.03
CDC - TRUSTEE HBL EQUITY FUND	475,076	0.03
CDC - TRUSTEE HBL IPF EQUITY SUB FUND	120,500	0.01
CDC - TRUSTEE HBL PF EQUITY SUB FUND	58,500	0.00
CDC - TRUSTEE KSE MEEZAN INDEX FUND	2,177,220	0.15
MCBFSL - TRUSTEE PAK OMAN ADVANTAGE ASSET ALLOCATION FUND	66,573	0.00
MCBFSL - TRUSTEE PAK OMAN ISLAMIC ASSET ALLOCATION FUND	60,095	0.00
CDC - TRUSTEE AL HABIB ISLAMIC STOCK FUND	1,850,000	0.13
MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	1,454,654	0.10
CDC - TRUSTEE AL-AMEEN ISLAMIC ASSET ALLOCATION FUND	128,150	0.01
CDC - TRUSTEE AWT ISLAMIC STOCK FUND	912,175	0.06
CDC-TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND	965,975	0.07
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	760,851	0.05
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1,362,260	0.09
CDC - TRUSTEE HBL ISLAMIC EQUITY FUND	309,000	0.02
CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	86,045	0.01

Name	Number of Shares Held	Percentage%
CDC - TRUSTEE ABL PENSION FUND - EQUITY SUB FUND	64,640	0.00
CDC - TRUSTEE NBP ISLAMIC STOCK FUND	1,503,935	0.10
CDC - TRUSTEE AWT ISLAMIC ASSET ALLOCATION FUND	82,850	0.01
CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	1,690,609	0.11
CDC-TRUSTEE NITIPF EQUITY SUB-FUND	120,770	0.01
CDC-TRUSTEE NITPF EQUITY SUB-FUND	82,500	0.01
CDC - TRUSTEE NBP SAVINGS FUND - MT	25,862	0.00
ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	50	0.00
CDC - TRUSTEE HBL ISLAMIC ASSET ALLOCATION FUND	87,000	0.01
CDC - TRUSTEE ALFALAH MTS FUND - MT	166,013	0.01
CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND	381,504	0.03
CDC - TRUSTEE LAKSON TACTICAL FUND	59,900	0.00
CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND	96,200	0.01
MCBFSL TRUSTEE ABL ISLAMIC DEDICATED STOCK FUND	54,935	0.00
CDC - TRUSTEE ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND	43,931	0.00
CDC TRUSTEE - MEEZAN DEDICATED EQUITY FUND	280,000	0.02
CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK FUND	358,000	0.02
CDC - TRUSTEE FAYSAL ISLAMIC DEDICATED EQUITY FUND	18,400	0.00
CDC - TRUSTEE NIT ASSET ALLOCATION FUND	150,000	0.01
CDC - TRUSTEE NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND	56,088	0.00
CDC - TRUSTEE UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND	120,400	0.01
CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND	819,602	0.06
CDC - TRUSTEE NBP PAKISTAN GROWTH EXCHANGE TRADED FUND	46,699	0.00
CDC - TRUSTEE ALFALAH GHP DEDICATED EQUITY FUND	58,500	0.00
CDC - TRUSTEE PAK-QATAR ISLAMIC STOCK FUND	200,000	0.01
CDC - TRUSTEE PAK QATAR IPF - EQUITY SUB FUND	3,010	0.00
CDC - TRUSTEE MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND	289,072	0.02
CDC - TRUSTEE LUCKY ISLAMIC STOCK FUND	5,708,678	0.39
DCCL - TRUSTEE JS ISLAMIC SARMAYA MEHFOOZ FUND PLAN-I	189,500	0.01
CDC - TRUSTEE ABL OPTIMAL ASSET ALLOCATION FUND	77,000	0.01
CDC - TRUSTEE NIPPFI-NBP ISLAMIC PRINCIPAL PROTECTION PLAN-I	58,080	0.00
CDC - TRUSTEE FIAAF-III-FAYSAL SHARIAH FLEX PLAN-I	65,000	0.00
CDC-TRUSTEE NIPPFI-NBP ISLAMIC PRINCIPAL PROTECTION PLAN-II	56,500	0.00
88	**132,750,214**	**9.01**

Directors, spouses and their children

Name	Number of Shares Held	Percentage%
MUHAMMAD ASIF PEER	105,233,085	7.14
DR. NEELAM HUSSAIN	44,117,875	2.99
MR. ZUBYR SOOMRO	101,000	0.01
MAHEEN REHMAN	2,500	0.00
MUHAMMAD ARSHAD MASOOD	191,765,400	13.02
AEZAZ HUSSAIN	43,531,795	2.95
OMER SAEED	11,000	0.00
HARRIS HASAN SYED	5,000	0.00
ROMANA ABDULLAH	19,125	0.00
9	**384,786,780**	**26.12**

Associated companies, undertakings and related parties	**86,880,930**	**5.90**
Executives	**33,325,350**	**2.26**
Sponsors	**20,239,900**	**1.37**
Banks, development finance institutions, non-banking Financial Institution	**20,802,422**	**1.41**
Insurance Companies	**78,065,579**	**5.30**

Foreign Companies

Name	Number of Shares Held	Percentage%
ACACIA CONSERVATION FUND LP	15,901,685	1.08
ACACIA CONSERVATION MASTER FUND (OFFSHORE) LP	3,407,495	0.23
ACACIA II PARTNERS LP	1,135,835	0.08
ACACIA INSTITUTIONAL PARTNERS LP	15,901,685	1.08
ACACIA PARTNERS LP	20,444,820	1.39
AFC UMBRELLA FUND	833,140	0.06
ARISTEA SICAV NEW FRONTIERS EQUITY FUND	684,040	0.05
COELI SICAV I - FRONTIER MARKETS FUND	12,625,950	0.86
DUET EM FRONTIER FUND LIMITED	8,295,850	0.56
EAST CAPITAL	3,613,950	0.25
EATON VANCE COLLECTIVE INV TRT FOR EMP BENEFIT PLANS	121,675	0.01
EATON VANCE TRT CO CM TRT FD-PARMTC STR EME MKT EQT CM TRT F	182,706	0.01
EFG HERMES UAE L.L.C	3,399,100	0.23
FOURTON SILKKITIE ASIA EQUITY INVESTMENT FUND	3,400,000	0.23
FRONTIER MARKET OPPORTUNITIES MASTER FUND, LP	3,622,130	0.25
FRONTIER MARKET SELECT FUND II, L.P.	486,038	0.03
GALAXY FUND	6,775,837	0.46
GLOBAL MACRO CAPITAL OPPORTUNITIES PORTFOLIO	1,830,500	0.12
GLOBEFLEX FRONTIER ALL CAP L.P.	5,845,355	0.4
GREYHOUND ASIA FUND LIMITED	33,124,470	2.25
HSBC TRSTE (CAYMAN)LTD AS TRSTE OF FULLERTON FND C1-F.VPIC F	456,915	0.03
INFINITI UNIVERSAL CORP	310,000	0.02
J.P. MORGAN SECURITIES PLC	1,343,445	0.09
LEGAL AND GENERAL ICAV	2,886,832	0.2
Morgan Stanley Investment Funds (975-6)	1,996,967	0.14
Noor Financial Invest Co.	20,200	0
PARAMETRIC EMERGING MARKETS FUND	208,000	0.01
PARAMETRIC TAX-MANAGED EMERGING MARKETS FUND	525,765	0.04
POLUNIN EMERGING MARKETS SMALL CAP FUND LLC	10,684,400	0.73
POLUNIN FUNDS-EMERGING MARKETS SMALL CAP FUND	245,384	0.02
POLUNIN FUNDS-EMERGING MARKETS TECHNOLOGY FUND	246,466	0.02
RUSS INV TR CO COMM EMP BEN FNDS TR	1,044,379	0.07

Name	Number of Shares Held	Percentage%
RUSSELL INVESTMENTS EMERGING MARKETS EQUITY POOL	196,545	0.01
SER B-CHANG EMG MKT SML CP FND-A SER OF CHANG INV SR FND LLC	320,335	0.02
T. ROWE PRICE FUNDS SICAV - FRONTIER MKTS EQ F[000912600018]	4,017,400	0.27
T. ROWE PRICE GLOBAL ALLOCATION FUND	153,869	0.01
TENCORE PARTNERS MASTER LTD.	150,000	0.01
TERRA GLOBAL OPPORTUNITY FUND L.P.	4,964,085	0.34
TUNDRA SHIKARI GLOBAL	21,260,745	1.44
TUNDRA SUSTAINABLE FRONTIER FUND	43,060,360	2.92
WORLDWIDE OPPORTUNITY FUND (CAYMAN) LTD.	1,509,755	0.1
41	**237,234,108**	**16.10**

Others	**116,397,592**	**7.90**
General Public	**362,921,560**	**24.63**

Share holders holding 10% or more

Name	Number of Shares Held	Percentage%
MUHAMMAD ARSHAD MASOOD	**191,765,400**	**13.02**

Notice of **Annual General Meeting**

Notice is hereby given to all the members of Systems Limited (the "Company") that 49th Annual General Meeting of the Company is scheduled to be held on the 11th of May, 2026 at 11 am at its Head Office situated at Systems Campus, E-1, Sehjpal Road, Near DHA Phase-8 (Ex-Air Avenue), Lahore, in-person and through video-link to transact the following business:

Ordinary Business

1. To confirm the minutes of the last Annual General Meeting held on 28th April 2025.
2. To confirm the minutes of the last Extraordinary General Meeting held on 27th February 2026.
3. To, receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 December 2025 together with the Board of Directors' and Auditors' report thereon.
4. To approve and declare cash dividend @ 100 % i.e. PKR 2 per share, for the year ended 31 December 2025.
5. To appoint Auditors and fix their remuneration for the year ending 31 December 2026. The Board of Directors upon recommendation of Audit Committee has recommended A.F. Ferguson and Co., being eligible for reappointment as auditors of the Company for the year ending 31 December 2026.

Special Business

6. To discuss and, if deemed fit, approve the conversion of the existing loan amounting to Rs. 322.8 million (inclusive of principal and accrued mark-up / interest), granted by the Company to its associated company, OneLoad Processing Systems (Private) Limited (Subsidiary of E-Processing Systems B.V), into equity through the issuance of 108,361 preference shares in E-Processing Systems B.V, in accordance with the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

   "Resolved that pursuant to the Companies Act, 2017 and subject to all applicable approvals, consents and compliances, consent of the members be and is hereby accorded for conversion of the existing loan of Rs. 322.8 million, including accrued mark-up / interest, outstanding against OneLoad Processing Systems (Private) Limited (Subsidiary of E-Processing Systems B.V), being an associateof the Company, into equity investment through subscription / issuance of 108,361 preference shares of E-Processing Systems B.V, on the basis of last premoney valuation of USD 7.5M ($10.64 per share) as approved by Board of Directors of E-Processing Systems B.V."

   "Further resolved that the CEO / CFO of the Company be and are hereby authorized to do all acts, deeds and things, take all necessary steps, sign and execute all agreements, documents and writings, and make all filings as may be necessary or incidental for giving effect to the above resolution."

7. To discuss and, if deemed fit, approve the renewal of loan facility of up to Rs. 500 million for working capital support to UUS Joint Venture (Private) Limited, being a joint operation / associated undertaking of the Company, in accordance with Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

   "Resolved that pursuant to the Companies Act, 2017 and subject to all applicable laws, regulations and approvals, consent of the members be and is hereby accorded for renewal / continuation of a loan facility of up to Rs. 500 million in favour of UUS Joint Venture (Private) Limited, for working capital support, for such period, at such mark-up / return, repayment schedule, security and other terms and conditions as may be determined by the Board of Directors in accordance with the loan agreement to be executed for this purpose."

   "Further resolved that the CEO/CFO of the Company be and are hereby authorized to finalize, negotiate and execute the loan agreement and all ancillary documents, and to take all actions and make all filings necessary to implement this resolution."

Other Business

8. Any other Business with the permission of the Chair.

By Order of the Board

Fayez Qamar Rasheed
Company Secretary

20th April, 2026
Lahore

Notes

1. The Share Transfer books of the Company will be closed from 4th May 2026 to 11th May 2026 (both days inclusive). Transfer received at the address of. M/s CDC Share Registrar Services Limited situated at CDC House, 99-B, Block B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi – 74400, Pakistan at the close of business on 30th April 2026 will be treated in time for the purpose of above entitlement to the transferees.

2. A member of the Company entitled to attend, speak and vote at the AGM may appoint another member as his / her proxy to attend, speak and vote in place of the member. Proxies, in order to be effective, must be received at the Company's registered office, situated at E-1, Sehjpal Road, Near DHA Phase VIII (Ex-Air Avenue), Lahore Cantt., Lahore, at least 48 hours before the time of holding the AGM and no account shall be taken of any part of the day that is not a working day. A member shall not be entitled to appoint more than one proxy. Form of proxy is attached to this Notice and can be downloaded from the Company's website: www.systemsltd.com.

3. Any Individual Beneficial Owner of CDC, entitled to attend and vote at the AGM, must bring his / her original Computerized National Identity Card (CNIC) to prove identity, and in case of proxy, a copy of member's attested CNIC must be attached with the proxy form. Representatives of corporate members should bring the usual documents required for such purpose (and as detailed below).

   CDC Account Holders will also be required to follow the under mentioned guidelines, as laid down in Circular 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP):

   For Attending the AGM

   3.1 In case of individuals, the account holder or sub-account holder and / or the person, whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall authenticate identity by showing his / her original CNIC or original passport at the time of attending the AGM.

   3.2 Members registered on CDC are also requested to bring their particulars, I. D. Numbers and account numbers in CDS.

   3.3 In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the AGM (unless it has been provided earlier).

   For Appointing Proxies

   3.4 In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.

   3.5 The proxy form shall be witnessed by the person whose name, address and CNIC number shall be mentioned on the form.

   3.6 Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

   3.7 The proxy shall produce his / her original CNIC or original passport at the time of the AGM.

   3.8 In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

   Participation through Video Conference Facility

   If the Company receives a demand (at least 2 days before the date of the AGM) from members holding an aggregate of at least 10% shareholding residing in any other city, to participate in the AGM through video link, the Company will arrange video conference facility in that city (subject to availability thereof in such city). In this regard please send a duly signed request as per the following format at the registered address of the Company, at least 2 days before holding of the AGM.

I/We, _____ of _____, being a member of Systems Limited, holder of _____ ordinary share(s) as per registered Folio / CDC Account No _____, hereby opt for video conference facility at _____.

_____

Signature of member

4. Online participation in the Annual General Meeting:

   Shareholders who wish to participate in the Annual General Meeting online are advised to register with the Company on or before 09:00 p.m., 10th May 2026, by completing the registration process through the following link:

   https://systemsltd.zoom.us/webinar/register/WN_EMNjt2QrQgKLmfk1vw76dw

   Any requests received after the cut-off cannot be entertained.

   Login facility will open 15 (fifteen) minutes before the meeting time (10:45 a.m. on May 11, 2026) to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

   The details of the electronic facility (video link and the login credentials) will only be sent to the interested members (who have completed the registration process in accordance with the process given above) at their provided e-mail addresses.

5. Pursuant to the directive of the Securities & Exchange Commission of Pakistan, CNIC numbers of shareholders are mandatorily required to be mentioned on Dividend Warrants. Shareholders are, therefore, requested to submit a copy of their CNIC (if not already provided) to the Company Share Registrar, M/s CDC House, 99-B, Block B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi – 74400, Pakistan.

Deduction of Withholding Tax:

6 Please note that the withholding tax will be deducted at the following rate based on "Active Taxpayer List" (ATL) available at FBR website:

(a) Persons appearing in Active Taxpayers List: 15%

(b) Persons not appearing in Active Taxpayers List: 30%.

Further, in case of joint shareholders, tax will be deducted as per their ratio/share (if any) intimated by the same to the Company's Share Registrar, otherwise their shareholding treated as equal.

The Corporate shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas physical shareholders should send a copy of their NTN Certificate to the Company or Company's Share Registrar, M/s CDC Share Registrar Services Limited situated at CDC House, 99-B, Block B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi – 74400. The shareholders while sending NTN or NTN Certificate, as the case may be, must quote Company name and their respective folio numbers.

7 The Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the shares (Rs. 02/- each) under Zakat and Ushr Laws and will be deposited within the prescribed period with the relevant authority. Please submit your Zakat Declaration Form (CZ 50) under Zakat and Ushr Ordinance 1980 & Rule 4 of Zakat (Deduction & Refund) Rules, 1981 to the Company's Share Registrar. Shareholders who hold shares with participants / CDC are advised to provide the above Forms through the concerned brokers / CDC.

8 SECP through its notification SRO 787(1) /2014 dated September 8, 2014 has allowed the circulations of Audited Financial Statement along with Notice of Annual General Meeting to the Members through e-mail. Therefore, all members of the Company who wish to receive soft copy of Annual Report are requested to send their e-mail addresses. The consent form for electronic transmission can be downloaded from the Company Website: www.systemsltd.com Audited financial statements & reports are being placed on the aforesaid website.

9 To facilitate the resident companies, the Securities Exchange Commission of Pakistan, through its S.R.O. 389 (I)/2023, dated 21st March, 2023, has authorized the dissemination of annual audited financial statements, encompassing balance sheets, profit and loss accounts, auditor's reports, directors' reports, and other relevant financial information, to its members via QR-enabled codes and weblinks. The Annual Report of the Company for the year ended 31st December 2025, will be available on the Company Website: www.systemsltd.com or through QR enabled code as follows:

Scan me!

10 In compliance with requirements of Companies Act, 2017 and Companies (Distribution of Dividends) Regulation, 2017, the Company has withheld dividend of those shareholders who have not yet provided correct and complete bank account details including valid IBAN of their own bank accounts.

In order to receive cash dividend(s) withheld by the Company as stated above, shareholders are requested to contact Company's Share Registrar at the above given address or Participant / Investor Account Services of Central Depository Company of Pakistan (as the case may be) along with legible copy of their respective valid CNIC and provide their complete and correct bank account details including valid IBAN.

11 In compliance of Section 244 of the Companies Act 2017, the Company has already requested through individual letters to shareholders who have not yet claimed their outstanding cash dividends/ bonus shares, Shareholders are once again requested to lodge their claims for cash dividends, right /bonus shares kept with the Share Registrar and Transfer Agent of the Company. On the address given above.

12 In reference to Section 72(2) of the Companies Act, 2017, all shareholders holding physical shares are requested to get converted their shares into book entry form at the earliest. This would facilitate shareholders in many ways including safe custody of shares, avoidance of formalities required for issuance of duplicate shares, etc. For the conversion of physical shares into book entry form, the shareholders may contact their Brokers, CDC Participants or CDC Investor Account Service.

13 In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated 5 April 2013 has advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favor of e-dividend by providing dividend mandate form duly filled in and signed.

Polling on special business:

14 The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Systems Limited (the "Company") will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on 11th May 2026, at 11.00 AM, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

Procedure for E – Voting:

15 a. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business of 30th April 2026.

b. The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

c. Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.

d. E-Voting lines will start from 06th May 2026, 09:00 a.m. and shall close on 10th May 2026 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot:

16 The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address E-1, Sehjpal Road, Near DHA Phase-8 (Ex-Air Avenue), Lahore or email at muhammad.murtuza@systemsltd.com, one day before the Annual General Meeting on 10th May 2026, during working hours. The signature on the ballot paper shall match with the signature on CNIC.

For the convenience of the Members, ballot paper is annexed to this notice and the same is also available on the Company's website at www.systemsltd.com for download.

Scrutinizer

In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Junaidy Shoaib Asad, Chartered Accountants, a QCR rated audit firm, to act as the Scrutinizer of the Company for the special business to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

Postal ballot paper

for voting through post for the Special Business at the Annual General Meeting to be held on May 11, 2025, at 11:00 a.m. at E-1, Sehjpal Near DHA Phase-VIII, (Ex-Air Avenue), Lahore.

Phone: +92-42- 111-797-836 **Website:** www.systemsltd.com.

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution For Agenda Item No. 6

To discuss and, if deemed fit, approve the conversion of the existing loan amounting to Rs. 322.8 million (inclusive of principal and accrued mark-up / interest), granted by the Company to its associated company, OneLoad Processing Systems (Private) Limited (Subsidiary of E-Processing Systems B.V), into equity through the issuance of 108,361 preference shares in E-Processing Systems B.V, in accordance with the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

"Resolved that pursuant to the Companies Act, 2017 and subject to all applicable approvals, consents and compliances, consent of the members be and is hereby accorded for conversion of the existing loan of Rs. 322.8 million, including accrued mark-up / interest, outstanding against OneLoad Processing Systems (Private) Limited (Subsidiary of E-Processing Systems B.V), being an associateof the Company, into equity investment through subscription / issuance of 108,361 preference shares of E-Processing Systems B.V, on the basis of last premoney valuation of USD 7.5M ($10.64 per share) as approved by Board of Directors of E-Processing Systems B.V."

"Further resolved that the CEO / CFO of the Company be and are hereby authorized to do all acts, deeds and things, take all necessary steps, sign and execute all agreements, documents and writings, and make all filings as may be necessary or incidental for giving effect to the above resolution."

Resolution For Agenda Item No. 7

To discuss and, if deemed fit, approve the renewal of loan facility of up to Rs. 500 million for working capital support to UUS Joint Venture (Private) Limited, being a joint operation / associated undertaking of the Company, in accordance with Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

"Resolved that pursuant to the Companies Act, 2017 and subject to all applicable laws, regulations and approvals, consent of the members be and is hereby accorded for renewal / continuation of a loan facility of up to Rs. 500 million in favour of UUS Joint Venture (Private) Limited, for working capital support, for such period, at such mark-up / return, repayment schedule, security and other terms and conditions as may be determined by the Board of Directors in accordance with the loan agreement to be executed for this purpose."

"Further resolved that the CEO/CFO of the Company be and are hereby authorized to finalize, negotiate and execute the loan agreement and all ancillary documents, and to take all actions and make all filings necessary to implement this resolution."

Instructions For Poll

1. Please indicate your vote by ticking (✓) the relevant box.

2. In case if both the boxes are marked as (✓), your poll shall be treated as **"Rejected".**

I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (✓) mark in the appropriate box below;

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution(AGAINST)
Resolution For Agenda Item No. 6		
Resolution For Agenda Item No. 7		

1. Dully filled ballot paper should be sent to the Chairman of the meeting atSystems Limited at E-1, Sehjpal Near DHA Phase-VIII, (Ex-Air Avenue), Lahore or e-mail at **muhammad.murtuza@systemsltd.com**
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within business hours by or before 10th May 2026. Any postal Ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper form has also been placed on the website of the Company at: **www.systemsltd.com.** Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.

..... Date .....

Shareholder / Proxy holder Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)

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 annual general meeting of the Company to be held on 11th May 2026.

Agenda Item No.6 (a)

Nature of information required to be disclosed pursuant to The Companies (Investment in Associated Companies or Undertaking) Regulations, 2017, for investment in associated company M/S E-Processing Systems B.V. is as follows:

Ref. No.	Requirement	Relevant Information
• **Disclosures for all types of investments:-** (A) Regarding associated company or associated undertaking:-		
i	name of the associated company	E-Processing Systems B.V.
ii	basis of relationship	34.30% shareholding Associate Company/ Common directorship
iii	earnings per share for the last three years	31 Dec 2025 (Rs.): (1,031) 31 Dec 2024 (Rs.): (935) 31 Dec 2023 (Rs.): (2,242)
iv	break-up value per share, based on latest audited financial statements;	Rs. 1,339
v	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and	Statement of Financial Position – 31 December 2025 Non-current assets: 538,212,553 Current assets: 542,004,386 Shareholders' equity: 538,973,625 Non-current liabilities: 12,341,226 Current liabilities: 528,902,088 Profit & Loss A/C – 31 December 2025 Revenue: 339,552,814 Cost of revenue: 214,531,686 Gross profit: 125,021,128 Profit for the year: (414,908,248)
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,-	N/A
	i) description of the project and its history since conceptualization;	
	ii) starting date and expected date of completion of work;	
	iii) time by which such project shall become commercially operational;	
	iv) expected time by which the project shall start paying return on investment; and	
	v) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	

(B) General Disclosures

i	maximum amount of investment to be made;	Rs. 322.8 million
ii	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Purpose: To convert the outstanding loan amount, together with accrued interest, extended to OneLoad Processing Systems (Private) Limited (a subsidiary of E-Processing Systems B.V.), into preference shares of E-Processing Systems B.V. Benefit: This will simplify the structure, avoid ongoing tax inefficiencies and consolidate Systems Limited strategic position.
iii	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	No further funds are required. Existing outstanding loan along with accrued interest to be converted into preference shares.
	i justification for investment through borrowings;	N/A
	ii detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	
	iii cost benefit analysis;	
iv	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	Agreement is executed in line with section 199 of Companies Act, 2017.
v	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;	Mr. Aezaz Hussain, Chairman and Mr. Asif Peer, CEO of Systems Limited are also directors of EP B.V. Mr. Aezaz Hussain, Chairman, Mr. Arshad Masood, Director and Mr. Asif Peer, CEO of Systems Limited are also members in EP B.V either directly or through direct relatives.
vi	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	With the loan provided which is now being converted into preference shares, OneLoad Processing Systems (Private) Limited (a subsidiary of E-Processing Systems B.V.) was able to develop its product OneLoad, launch its commercial operations in 2016 and met its working capital requirements. Since launch of commercial operation, OneLoad Processing Systems (Private) Limited is able to multiply its revenues, number of transactions and number of retailers each month. No impairment was recorded during the year. The ECL previously recognized on outstanding loan has been reversed during the current year in the financial statements.
vii	any other important details necessary for the members to understand the transaction;	N/A

In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-

i	category-wise amount of investment;	N/A
ii	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	N/A
iii	rate of interest, mark-up, profit, fees or commission etc to be charged by investing company	N/A N/A
iv	particulars of collateral or security to be obtained in relation to the proposed investment;	N/A
v	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; and	N/A
vi	repayment schedule and terms and conditions of loan or advances to be given to the associated company or associated undertaking.	N/A

Agenda Item 7

Nature of information required to be disclosed pursuant to The Companies (Investment in Associated Companies or Undertaking) Regulations, 2017, for investment in associated company M/S UUS Joint Venture (Pvt.) Limited is as follows:

Ref. No.	Requirement	Relevant Information
• **Disclosures for all types of investments:-** (A) Regarding associated company or associated undertaking:-		
i	name of the associated company	UUS Joint Venture (Private) Limited
ii	basis of relationship	49.99 % shareholding / Common directorship
iii	earnings per share for the last three years	N/A
iv	break-up value per share, based on latest audited financial statements;	N/A
v	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and	Statement of Financial Position – 31 December 2025
		Non-current assets: - Current assets: 138,032,082 Shareholders' equity: (280,545,328) Non-current liabilities: - Current liabilities: 418,577,410
		Profit & Loss A/C – 31 December 2024
		Revenue: 0 Cost of revenue: 0 Gross profit: 0 Loss for the year: (25,450,931)
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,-	N/A
	i description of the project and its history since conceptualization;	
	ii starting date and expected date of completion of work;	
	iii time by which such project shall become commercially operational;	
	iv expected time by which the project shall start paying return on investment; and	
	v funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	

(B) General Disclosures

i	maximum amount of investment to be made;	Rs. 550 million
ii	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Purpose: To meet working capital requirements of UUS Joint Venture (Private) Limited and to give guarantee to Pakistan Civil Aviation Authority. Benefit: The completion of project will results in distribution of profits by UUS Joint Venture (Pvt.) Limited to Systems Limited. Period of Investment: The period of investment shall be one (1) year.
iii	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	Loan shall be from own funds.
	i. justification for investment through borrowings;	UUS Joint Venture (Private) Limited is only a special purpose vehicle for executing Pakistan Civil Aviation Authority (PCAA) project awarded to consortium of Systems Limited and Beijing UniStrong Science & Technology Co. It is Systems Limited liability to issue guarantee to (PCAA).
	ii. detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	
	iii. cost benefit analysis;	N/A
iv	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	None. Agreement shall be executed in line with section 199 of Companies Act, 2017 and resolution of shareholders to be passed in annual general meeting.
v	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;	Mr. Asif Peer, CEO of Systems Limited is also member and director in UUS Joint Venture (Pvt.) Limited.
vi	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	Under the terms of the Project Agreement executed between UUS-JV and Civil Aviation Authority ("CAA"), UUS-JV was entitled to 5 (five) payments in total for the provision of services against the decided milestones. Till date, UUS-JV has received payments from the CAA against outstanding milestones. and released the performance guarantees provided for the Project. There is no impairment or write-off.
vii	any other important details necessary for the members to understand the transaction;	N/A

In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-

i	category-wise amount of investment;	N/A
ii	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	EFS loan: Average borrowing cost of investing company is SBP rate.
iii	rate of interest, mark-up, profit, fees or commission etc to be charged by investing company	Higher of KIBOR or borrowing cost of investing company in line with section 199 of companies act 2017.
iv	particulars of collateral or security to be obtained in relation to the proposed investment;	Unsecured
v	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; and	N/A
vi	repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking;	Principal: One (1) year from disbursement.

SHAREHOLDER'S INFORMATION

Shareholders' information

REGISTERED OFFICE
E-1, Sehjpal Near DHA Phase VIII (Ex.-Air Avenue), Lahore Cantt.
T: +92 42 111-797-836
F: +92 42 3 636 8857

SHARE REGISTRAR
Central Depository Company
CDC House, 99-B, Block B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi – 74400.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326034

LISTING ON STOCK
Ordinary shares of Systems Limited are listed on Pakistan Stock Exchange Limited.

STOCK CODE / SYMBOL
The stock code / symbol for trading in ordinary shares of Systems Limited at Pakistan Stock Exchange in SYS.

STATUTORY COMPLIANCE
During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant particulars as required under the repealed Companies Ordinance, 1984 (Now, Companies Act, 2017) and allied rules, the Securities and Exchange Commission of Pakistan Regulations and the listing requirements.

DIVIDEND
The Board of Directors in their meeting held on 6th April 2026 has proposed a dividend on ordinary shares at Rs. 2.00 per ordinary share and Nil bonus shares issue.

BOOK CLOSURE DATES
Share Transfer Books of the Company will remain closed from 4th May 2026 to 11th May 2026 (both days inclusive).

DIVIDEND REMITTANCE
Ordinary dividend declared and approved at the Annual General Meeting will be paid within the statutory time limit of 15 days.

(i) For shares held in physical form: to shareholders whose names appear in the Register of Members of the Company after entertaining all requests for transfer of shares lodged with the book closure date Company on or before the book closure date.

(ii) For shares held in electronic form: to shareholders whose names appear in the statement of beneficial ownership furnished by CDC as at end of business on book closure date.

WITHHOLDING OF TAX & ZAKAT ON ORDINARY DIVIDEND
As per the provisions of the Income Tax Ordinance, 2001, income tax is deductible at source by the Company at the rate of 15% in case of filer and 30% in case on non-filer wherever applicable. Zakat is also deductible at source form the ordinary dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for nondeduction.

DIVIDEND WARRANTS
Cash dividends are paid through dividend warrants addressed to the ordinary shareholders whose names appear in the Register of Shareholders at the date of book closure.

GENERAL MEETINGS & VOTING RIGHTS
Pursuant to section 158 of repealed Companies Ordinance 1984 (now, section 132 of Companies Act, 2017) Systems Limited holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation in Karachi, Lahore and Islamabad. Shareholders having holding of at least 10% of voting rights may also apply to the Board of Directors to call for meeting of shareholders, and if the Board does not take action on such application within 21 days, the shareholders may themselves call the meeting. All ordinary shares issued by the Company carry equal voting rights. Generally, matters at the general meetings are decided by a show of hands in the first instance. Voting by show of hands operates on the principle of "One Member-One Vote". If majority of shareholders raise their hands in favor of a particular resolution, it is taken as passed, unless a poll is demanded. Since the fundamental voting principle in the Company is "One Share-One Vote", voting takes place by a poll, if demanded. On a poll being taken, the decision arrived by poll is final, overruling any decision taken on a show of hands.

INVESTOR'S GRIEVANCES
To date none of the investors or shareholders has filed any significant complaint against any service provided by the Company to its shareholders.

Proxies

Pursuant to section 161 of repealed Companies Ordinance, 1984 (now, section 137 of Companies Act, 2017) and according to the Memorandum and Articles of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another member as his/her proxy to attend and vote instead of him/her. Every notice calling a general meeting of the Company contains a statement that a shareholder is entitled to appoint a proxy.

The instrument appointing a proxy (duly signed by the shareholder appointing the proxy) should be deposited at the office of the Company not less than forty-eight hours before the meeting.

Service standards

Systems Limited has always endeavored to provide investors with prompt services. Listed below are various investor services and the maximum time limits set for their execution:

	For request recevied over the counter	For request recevied through post
Transfer of shares	30 days after receipt	30 days after receipt
Transmission of shares	30 days after receipt	30 days after receipt
Issue of duplicate share certificates	30 days after receipt	30 days after receipt
Change of address	2 days after receipt	1 day after receipt

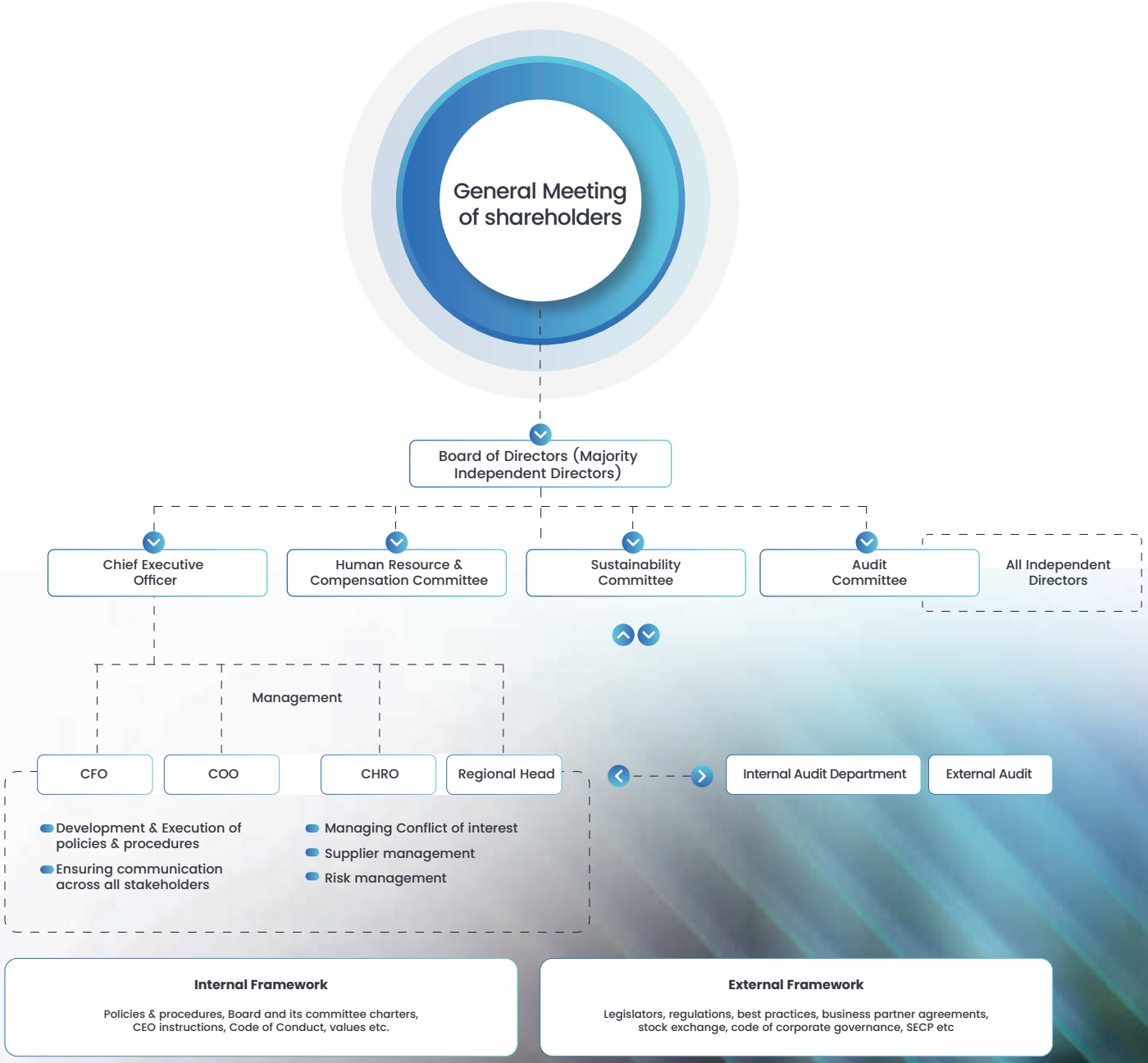
Well qualified personnel of the Shares Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

Web presence

Updated information regarding the Company can be accessed at its website, www.systemsltd.com. The website contains the latest financial results of the Company together with the Company's profile.

Fundamental knowledge and understanding of financial market are crucial for the general public and lack of financial literacy or capability makes them vulnerable to frauds. SECP recognizes the importance of investors education and therefore initiated this investor education program, called 'JamaPunji', an investor training program, to promote financial literacy in Pakistan.

Code of Conduct
Governance Structure



Annual evaluation of the board & committees

Board self-evaluation mechanisms facilitate the Board of Directors in evaluating and assessing its performance and ability to provide strategic leadership and oversight to the senior management of the Company. Accordingly, questionnaires have been developed based on relevant criteria such as effectiveness, accountability, planning, leadership and strategy formulation by the Board and also its committees. Directors are asked to fill out these self-evaluation questionnaire which focuses on their participation and satisfaction with the different proceedings of the Board and their individual role as a member.

Equal treatment of shareholders

Systems Limited provides every shareholder the right to attend or authorize to attend the AGM of the company.

Objective	Management response
Shares and voting rights	Each shareholder or his/her authorized representative are authorized to attend AGMs and vote independently. Proxy forms are available on company's website as well as distributed with notice of AGM.
Notices of AGM	All notices of AGM are published in Urdu & English in newspaper and simultaneously uploaded on company's website 21 days prior to the AGM.
Commitment to minority shareholders	The company is committed to creating value for minority shareholders and acting in their best interests through consistent dividend payments, transparent reporting and strong corporate governance.
Investor relations	The company has maintained a dedicated investor relations email as per applicable laws and regulations and all investor matters are directly & promptly addressed via this email.

BOD's responsibilities

In 2025, Systems Limited BOD has actively complied with all the applicable laws and regulations to ensure value addition of the shareholders. Some key responsibilities of the Board are as follow:

- Monitoring the effectiveness of the company's governance practices and overall corporate strategy for the company is prepared, adopted and reviewed as and when deemed appropriate by the Board
- Monitoring the effectiveness of the company's governance practices and overall corporate strategy for the company is prepared, adopted and reviewed as and when deemed appropriate by the Board; adequate systems and controls are in place for identification and redressal of grievances arising from unethical practices;
- a system of sound internal control is established, which is effectively implemented and maintained at all levels within the company; and
- a formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and of its committees.
- Ensuring that significant policies along with their dates of approval or updating is maintained by the company.

Audit committee responsibilities

In 2025, Systems Limited Audit Committee has actively supported the Board in all material aspects and has fulfilled its responsibilities as per the applicable laws and regulations. Some key responsibilities of the Audit Committee are as follows:

- Review of internal controls of the company to safeguard the company's assets;
- Review of annual and interim financial statements of the company, prior to their approval by the Board
- facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary)
- Review of management letter issued by external auditors and management's response thereto;
- ensuring coordination between the internal and external auditors of the company;
- review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

- Monitoring compliance with these Regulations and identification of significant violations thereof;
- Recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations.

Human resource & compensation committee

- In 2025, Systems Limited Human Resource and Compensation Committee has actively supported the Board in carrying out its duties and responsibilities regarding the compensation of management and ensuring appropriate policies are in place. Some key responsibilities are as below:
- Recommendation to the Board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management).
- recommending human resource management policies to the Board;
- recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of senior management
- Consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer.

Sustainability committee

- Oversee identification and management of sustainability-related risks and opportunities that may impact the Company's prospects and long-term value.
- Ensure sustainability considerations are integrated into corporate strategy, business planning, and major strategic decisions.
- Review sustainability targets and KPIs, and support integration of sustainability metrics into executive accountability and remuneration.
- Oversee sustainability governance and ensure accurate, compliant sustainability disclosures in line with applicable standards and regulations.

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Independent **Auditor's Review Report** To The Members Of Systems Limited

Review report on the statement of compliance contained in listed companies (code of corporate governance) regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Systems Limited for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.

A. F. Ferguson & Co.
Chartered Accountants
Lahore
Date: April 20, 2026
UDIN: CR202510128r96DReK74

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351

Statement of compliance with listed companies (code of corporate governance) regulations, 2019

Name of company: **M/S Systems Limited**
Year ending : **December 31, 2025**

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are **seven (7)** as per the following:
   a. Male: **five (5)**
   b. Female: **two (2)**

2. The composition of the Board is as follows:

   i. Independent Directors: Mr. Zubyr Soomro, Mr. Omar Saeed

   ii. Female Independent Directors: Ms. Maheen Rehman, Ms. Romana Abdullah

   iii. Non-executive Director: Mr. Aezaz Hussain (Chairman), Mr. Muhammad Arshad Masood

   iv. Executive Director: Mr. Asif Peer

3. The directors have confirmed that none of them is serving as a director on more than seven (7) listed companies, including this company;

4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and the these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board except for as mentioned in clause 19, serial no. 7

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Seven Directors have either acquired the Directors' Training Program "DTP" Certificates or are exempt from the requirements of DTP as per the Listed Companies (Code of Corporate Governance) Regulations, 2019;

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

    a. **Audit Committee:**

       i) Mr. Zubyr Soomro — Chairman (Independent Director)
       ii) Ms. Maheen Rehman — Member (Independent Director)
       iii) Ms. Romana Abdullah — Member (Independent Director)

    b. **Sustainability Committee:**

       i) Ms. Romana Abdullah — Chairperson (Independent Director)

    c. **Human Resource & Compensation Committee:**

       i) Mr. Omar Saeed — Chairman (Independent Director)
       ii) Mr. Arshad Masood — Member (Non-Executive Director)
       iii) Ms. Maheen Rehman — Member (Independent Director)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:

a.	**Audit Committee:**	Quarterly Meetings
b.	**Human Resource & Compensation Committee:**	Yearly Meeting

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr No	Requirement	Explanation for Non-Compliance	Reg. No.
1	**Nomination Committee:** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the board has not constituted a separate Nomination Committee and the functions are being performed by the Human Resource & Compensation Committee.	29(1)
2	**Risk Management:** The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the board has not constituted a separate Risk Management Committee and the Company's Audit Committee performs the requisite functions and apprises the board accordingly.	30(1)
3	**Executives training under DTP:** Companies are encouraged to arrange training for at least one female executive and at least one head of department every year under the Directors' Training Program.	During the current year, neither any female executive nor any head of department have completed training under Directors' Training Program. However, their trainings are planned in the ensuing year.	19(3)
4	**Quorum of AGM:** It is mandatory for the CEO and the directors of the company representing 1/3 of the board size or four whichever is greater to attend its general meeting(s) (ordinary or extraordinary) unless there are compelling reasons for not attending the meeting.	The CEO and only two directors attended the meeting. The remaining directors were unable to attend due to unavoidable professional commitments.	10(6)
5	**Attendance of Company Secretary:** The Company Secretary or in their absence, the nominee appointed by the Board, shall attend all meetings of the Board.	The Company Secretary's non-attendance for the 226th - 230th Meetings of the Board were unavoidable due to prior personal and/or travel commitments.	13
6	**Significant Policies** The significant policies may include but not limited to the anti-harassment policy to safeguard the rights and well-being of employees, incorporating the mechanism as prescribed under the Protection Against Harassment of Women at the Workplace Act 2010 and the respective provincial laws on the protection against harassment of women at workplace for the time being in force.	The company's Code of Conduct covers elements of workplace harassment. Nevertheless, the requirements introduced by the SECP through its notification dated June 12, 2024, are being incorporated into a separate antiharassment policy, including the formation of an independent inquiry committee and the designation of a competent authority in this regard.	10(4), (XVI)
7	**Minutes of meeting:** The minutes of the meeting of the Board are circulated in accordance with the requirements of the Company Act 2017.	The requirements of Section 178 of the Companies Act, 2017, with respect to the circulation of minutes of the Board of Directors meetings within 14 days were not complied with. However, the minutes were formally presented to the Board at the subsequent meetings, where they were reviewed, confirmed, and duly signed. This confirmation process serves as documented evidence of the Board's approval and validates the accuracy and integrity of the records maintained.	12

Sr No	Requirement	Explanation for Non-Compliance	Reg. No.
8	**Disclosure of significant policies on website:** The company may post key elements of its significant policies, brief synopsis of reference of the Board Committees on its website and key elements of the directors' remuneration policy.	The requirement to disclose significant policies on the website is non-mandatory in regulation No. 35(1). The Company has not placed these policies on the company's website. However, certain significant policies are published in annual report which is available on Company's website. All required policies will be published on website of the Company in due course.	35
9	**Environment Social and Governance Matters (ESG):** In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee having at least one female director, or assign additional responsibilities to an existing board committee. The committee shall monitor and review sustainability related risks and opportunities of the company, ensure DE&I practices are in effect at various board committees, oversee compliance of relevant laws pertaining to relevant sustainability related considerations and its appropriate disclosures. The committee shall submit to the board a report, at least once a year, on embedding sustainability principles into the organization's strategy and operations to increase corporate value	During the period the company has appointed Ms. Romana Abdullah as the head of sustainability committee.The committee shall monitor and review sustainability related risks and opportunities of the company. No meeting of the committee was held during the year; however, the entity has initiated the process of preparing a report related to sustainability and ESG disclosures which will be submitted before the Board of Directors at the time of approval of financial statements of 2025 and will be published along with the Annual Report.	10A(5)

MR. AEZAZ HUSSAIN
Chairman

Systems Limited

UNCONSOLIDATED FINANCIAL STATEMENTS

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Independent **Auditor's Report**

To The Members Of Systems Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Systems Limited (the Company), which comprise the unconsolidated statement of financial position as at December 31, 2025, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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KARACHI LAHORE ISLAMABAD

Following is the Key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Revenue recognition** The Company's revenue is derived from multiple revenue streams, as referred to in Note 27 to the accompanying unconsolidated financial statements, including business processes outsourcing, IT services, software and hardware trading and software implementation. Each stream has its own revenue recognition policies based on the nature of revenue and underlying contractual arrangements as referred to in Note 4.8. We consider revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company with multiple revenue streams, inherent risk of material misstatement and significant increase in revenue from last year.	Our audit procedures in relation to the matter, amongst others, included the following: • Understood and evaluated the accounting policies with respect to revenue recognition; • Understood and evaluated management controls over revenue recognition; • Assessed the contracts on sample basis to identify distinct performance obligations; • Performed testing of sample of revenue transactions with underlying documentation including sales invoices and where relevant, underlying time costs, licensing agreements and other supporting documents; • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the correct period; • Agreed the revenue to related receipts on sample basis as evidence of collectability; and • Assessed the adequacy of disclosures made in the unconsolidated financial statements related to revenue.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a. proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b. the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c. investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d. zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Asad Aleem Mirza.

A. F. Ferguson & Co.
Chartered Accountants
Lahore
Date: April 20, 2026
UDIN: AR202510128k7F4QZLzr

Unconsolidated Statement of Financial Position
As at December 31, 2025

ASSETS	Note	2025 Rupees	2024 Rupees
Non-current assets			
Property and equipment	6	**3,423,004,419**	3,402,587,193
Intangibles	7	**275,967,126**	109,615,749
Long term investments	8	**11,754,701,731**	8,218,812,981
Right-of-use assets	9	**382,197,497**	358,738,999
Long term loans	10	**565,933,316**	613,818,425
Deferred employee benefits	11	**156,902,648**	203,253,649
Long term deposits	12	**85,290,200**	74,061,160
		16,643,996,937	12,980,888,156
Current assets			
Contract assets	13	**2,568,422,732**	1,580,821,570
Trade debts	14	**21,581,220,402**	20,281,646,836
Loans, advances and other receivables	15	**2,466,088,692**	3,117,237,351
Current portion of deferred employee benefits		**89,612,845**	86,166,964
Trade deposits and short term prepayments	16	**400,680,235**	522,190,767
Income tax refunds due from the government		**663,651,987**	433,406,999
Derivative financial instruments		**10,986,607**	-
Short term investments	17	**4,820,149,989**	2,941,777,167
Cash and bank balances	18	**2,795,747,449**	1,489,699,594
		35,396,560,938	30,452,947,248
TOTAL ASSETS		**52,040,557,875**	43,433,835,404
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
2,000,000,000 (December 31, 2024: 2,000,000,000) ordinary shares of Rs 2 each (December 31, 2024: Rs 2 each)		**4,000,000,000**	4,000,000,000
Issued, subscribed and paid-up share capital	19	**2,946,808,869**	2,929,861,489
Capital reserves	20	**7,144,723,191**	6,200,077,327
Revenue reserve: Un-appropriated profit		**30,013,914,860**	23,753,597,914
		40,105,446,920	32,883,536,730
Non-current liabilities			
Lease liabilities	22	**285,832,136**	292,081,761
		285,832,136	292,081,761
Current liabilities			
Trade and other payables	23	**7,998,372,352**	7,624,334,966
Unclaimed dividend		**37,698,807**	30,322,411
Contract liabilities	24	**1,015,561,965**	1,148,760,424
Short term borrowings	25	**2,415,460,379**	1,289,195,083
Derivative financial instruments		**-**	1,461,010
Current portion of long term advances	21	**2,026,211**	5,171,459
Current portion of lease liabilities	22	**180,159,105**	158,971,560
		11,649,278,819	10,258,216,913
TOTAL EQUITY AND LIABILITIES		**52,040,557,875**	43,433,835,404
CONTINGENCIES AND COMMITMENTS	26		

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

(CHAIRMAN) **(CHIEF EXECUTIVE OFFICER)** **(CHIEF FINANCIAL OFFICER)**

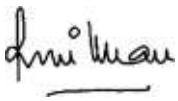
Unconsolidated Statement of Profit or Loss
For the Year Ended December 31, 2025

	Note	2025	2024
		Rupees	Rupees
Revenue from contracts with customers - net	27	**44,230,607,495**	38,526,983,552
Cost of revenue	28	**(32,390,603,463)**	(28,843,675,290)
Gross profit		**11,840,004,032**	9,683,308,262
Selling and distribution expenses	29	**(1,003,190,476)**	(748,429,704)
Administrative expenses	30	**(2,734,730,817)**	(2,511,514,952)
Research and development expenditure	31	**(79,605,720)**	(97,792,250)
Impairment losses on financial assets	32	**(371,698,020)**	(605,195,928)
		(4,189,225,033)	(3,962,932,834)
Operating profit		**7,650,778,999**	5,720,375,428
Other income	33	**1,024,420,307**	916,478,125
Finance costs	34	**(131,939,347)**	(235,179,969)
Profit before taxation and levy		**8,543,259,959**	6,401,673,584
Levy	35.1	**(410,733,911)**	(187,366,105)
Profit before taxation		**8,132,526,048**	6,214,307,479
Taxation	35.2	**(113,512,203)**	(99,010,303)
Profit for the year		**8,019,013,845**	6,115,297,176
Earnings per share			(Restated)
-Basic	39	**5.46**	4.19
-Diluted	39.1	**5.41**	4.16

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

Unconsolidated Statement of Comprehensive Income
For the Year Ended December 31, 2025

	2025	2024
	Rupees	Rupees
Profit for the year	**8,019,013,845**	6,115,297,176
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified subsequently to profit or loss	-	-
	-	-
Total comprehensive income for the year	**8,019,013,845**	6,115,297,176

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

(CHAIRMAN) **(CHIEF EXECUTIVE OFFICER)** **(CHIEF FINANCIAL OFFICER)**

Unconsolidated Statement of Changes in Equity
For the year Ended December 31, 2025

	Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve	Total equity
		Share premium	Employee compensation reserve	Un-appropriated profit	
	Rupees				
Balance as at January 01, 2024	2,914,213,989	4,904,476,367	507,516,180	19,387,321,138	27,713,527,674
Profit for the year	-	-	-	6,115,297,176	6,115,297,176
Other comprehensive income	-	-	-	-	-
Transactions with owners					
Exercise of share options	15,647,500	529,499,914	(188,017,344)	-	357,130,070
Share based payments for the year	-	-	446,602,210	-	446,602,210
Final dividend for the year ended December 31, 2023 at the rate of Rs 6 per share (pre split)	-	-	-	(1,749,020,400)	(1,749,020,400)
	15,647,500	529,499,914	258,584,866	(1,749,020,400)	(945,288,120)
Balance as at December 31, 2024	2,929,861,489	5,433,976,281	766,101,046	23,753,597,914	32,883,536,730
Profit for the year	-	-	-	8,019,013,845	8,019,013,845
Other comprehensive income	-	-	-	-	-
Transactions with owners					
Exercise of share options	16,947,380	864,672,784	(303,815,014)	-	577,805,150
Share based payments for the year	-	-	383,788,094	-	383,788,094
Final dividend for the year ended December 31, 2024 at the rate of Rs 6 per share (pre split)	-	-	-	(1,758,696,899)	(1,758,696,899)
	16,947,380	864,672,784	79,973,080	(1,758,696,899)	(797,103,655)
Balance as at December 31, 2025	2,946,808,869	6,298,649,065	846,074,126	30,013,914,860	40,105,446,920

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

(CHAIRMAN) (CHIEF EXECUTIVE OFFICER) (CHIEF FINANCIAL OFFICER)

Unconsolidated Statement of Cash Flows
For the Year Ended December 31, 2025

	Note	2025	2024
		Rupees	Rupees
OPERATING ACTIVITIES			
Profit before taxation		**8,132,526,048**	6,214,307,479
Adjustments to reconcile profit before tax to net cash flows:			
Levy	35.1	**410,733,911**	187,366,105
Depreciation on property and equipment	6.1.3	**675,486,972**	748,284,738
Depreciation on right-of-use assets	9.2	**153,241,052**	151,354,255
Amortization of intangibles	7.4	**17,839,176**	3,361,678
Amortization of deferred employee benefits	11	**85,686,556**	84,029,657
Gain on derivative financial instruments		**(10,986,607)**	(19,484,138)
Provision for onerous contract		**27,000,985**	3,913,148
Share based payment expense		**278,108,105**	340,739,969
Impairment losses on financial assets			
• contract assets - unsecured	32	**227,057,806**	17,672,786
• trade debts - unsecured	32	**(7,703,682)**	200,329,857
• Loans, advances and other receivables	32	**150,343,896**	382,773,285
• Security deposits	32	**2,000,000**	2,200,000
Finance costs	34	**131,939,347**	235,179,969
Gain on investments classified as fair value through profit or loss	33.1	**(191,068,602)**	(158,827,842)
Exchange (gain) / loss	33	**(301,877,669)**	220,091,599
Other Income			
• Profit on deposit accounts	33	**(69,065,394)**	(73,167,567)
• Profit on term deposit receipts and sukuks	33	**(7,087,562)**	(43,689,537)
• Dividend income on mutual funds	33.1	**(7,082,909)**	(61,959,308)
• Interest on loan to related parties	33	**(383,655,352)**	(759,731,402)
• Gain on disposal of property and equipment	6	**(30,481,573)**	(11,958,618)
• Effect of discounting of long term loans	33	**(116,672,038)**	(122,019,708)
• Effect of discounting of long term security deposits	33	**(3,946,806)**	(3,556,850)
		(617,991,634)	(1,076,082,990)
		1,029,809,612	1,322,902,076
Working capital changes			
Long term deposits		**(7,282,234)**	1,288,017
Loans to employees - net		**80,805,182**	(133,216,515)
Contract assets		**(1,214,658,968)**	243,255,739
Trade debts		**(917,730,951)**	(4,513,689,358)
Advances and other receivables		**869,517,049**	(663,517,492)
Trade deposits and short term prepayments		**66,836,052**	(165,614,100)
Trade and other payables		**176,416,887**	1,876,007,232
Contract liabilities		**(133,198,459)**	1,072,651,565
		(1,079,295,442)	(2,282,834,912)
Cash generated from operations		**8,083,040,218**	5,254,374,643
Finance costs paid		**(81,075,218)**	(259,502,223)
Taxes and levy paid		**(657,919,131)**	(471,522,035)
Long term advances		**(3,145,248)**	(7,504,849)
Settlement of derivative financial instruments		**(1,461,010)**	20,945,148
Net cash generated from operating activities		**7,339,439,611**	4,536,790,684
INVESTING ACTIVITIES			
Purchase of property and equipment		**(738,594,447)**	(680,015,394)
Expenditure on internally generated intangibles		**(197,580,960)**	(104,949,930)
Sale proceeds from disposal of property and equipment	6.1.4	**71,108,683**	46,938,674
Short term investments - net		**(1,702,838,511)**	(1,461,570,905)
(Increase) / decrease in long term investment		**(3,430,208,761)**	3,176
Profit received on deposit accounts		**69,065,394**	73,186,930
Profit received on short term investments		**7,087,562**	46,766,951
Interest received on loan to subsidiaries and associated undertakings		**71,447,141**	118,002,339
Net cash used in investing activities		**(5,850,513,899)**	(1,961,638,159)

Unconsolidated Statement of Cash Flows
For the Year Ended December 31, 2025

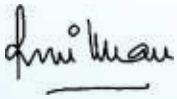
	Note	2025 Rupees	2024 Rupees
FINANCING ACTIVITIES			
Disbursements against short term borrowings		**11,815,624,666**	8,178,586,017
Repayment of short term borrowings		**(10,694,211,809)**	(9,017,786,770)
Proceeds from exercise of share options		**577,805,150**	357,130,070
Payments in respect of leases	22	**(207,853,320)**	(192,425,561)
Dividend paid		**(1,751,320,503)**	(1,737,357,396)
Net cash used in financing activities		**(259,955,816)**	(2,411,853,640)
Increase in cash and cash equivalents		**1,228,969,896**	163,298,885
Net foreign exchange difference		**1,786,279**	(15,572,764)
Cash and cash equivalents at the beginning of the year		**1,589,699,594**	1,441,973,473
Cash and cash equivalents at the end of year	18.2	**2,820,455,769**	1,589,699,594

Refer note 22 and 38 for reconciliation of liabilities arising from financing activities.

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

Notes to and forming part of the unconsolidated financial statements for the year ended December 31, 2025

1. Corporate information

Systems Limited ("the Company") is a public company limited by shares incorporated in Pakistan under the Companies Act, 2017 and is listed on the Pakistan Stock Exchange. The Company is principally engaged in the business of software development, trading of software, hardware and business process outsourcing services. The registered office of the Company is situated at E-1, Sehjpal Road, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt.

These financial statements are the separate unconsolidated financial statements which relates to consolidated financial statements of the company prepared in accordance with IFRS 10 "Consolidated Financial Statements". In these separate unconsolidated financial statements, investments in the subsidiary companies namely, Systems Ventures (Private) Limited, TechVista Information Technology W.L.L Qatar , SUS-JV (Private) Limited, National Data Consultant (Private) Limited, Systems Holdings (Private) Limited and British American Tabacco SAA Services (Private) Limited and associated company namely E-Processing Systems B.V have been accounted for at cost less accumulated impairment losses, if any.

1.1 Geographical location and addresses of business units of the Company are as under:

Business Units	Location	Address
Head Office	Lahore	E-1, Sehjpal, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt
Regional Office	Karachi	Sumaya Business Avenue, Plot No. 11-B, Muhammad Ali housing Society, Fatima Jinnah Road, Karachi.
BPO Office	Karachi	Plot no.ST-2 & 3, Block-E, Sir Shah Muhammad Suleman Road, Gulshan-e-Iqbal, Block-14, Karachi
Regional Office	Islamabad	Plot No. 21, 1st Floor Fazeelat Arcade, Sector G-11 Markaz, Islamabad
Regional Office	Islamabad	Amazon Mall, 7th Floor, NH 5, Sector A DHA Phase II, Islamabad
Regional Office	Islamabad	4th Floor, 5-A Constitution Avenue, F-5/1 F5, Islamabad
Regional Office	Multan	Plot No. 842/23 near Northern Bypass Chowk, Bosan Road, Multan
Regional Office	Faisalabad	First floor Sitara Technopark, Lower east canal road, near Jhal Khanwana, Peoples Colony No. 1, Faislabad
BPO Office	Lahore	Commercial building Plaza No 1, Block -CCA, Phase 8C, DHA Lahore Cantt

2. Basis of Preparation

2.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 ; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 Standards, interpretations and amendments to published approved accounting standards

The following amendments to existing standards have been published that are applicable to the Company's unconsolidated financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to existing standards that are effective in the current year

Certain standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting periods beginning on January 1, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these unconsolidated financial statements.

2.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after January 01, 2026 or later periods, but the Company has not early adopted them:

Standards or Interpretation	Effective date
	Accounting periods beginning on or after:
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	January 01, 2026
Annual Improvements to IFRS - Volume 11	January 01, 2026
IFRS 17, 'Insurance Contracts	January 01, 2026
IFRS 18, 'Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures	January 01, 2027

2.2.3 The management anticipates that the adoption of above standards, interpretations and amendments in future periods will have no material impact on the unconsolidated financial statements other than in presentation / disclosures except for:

a Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

The amendment clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the Solely Payment of Principal and Interest ('SPPI') criterion, require new disclosures for instruments with cash flow changes linked to Environmental, Social and Governance ('ESG') targets, and update disclosures for equity instruments designated at Fair Value through Other Comprehensive Income ('FVOCI').

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

b IFRS 18 – Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management–defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

3 Basis of Measurement

These unconsolidated financial statements have been prepared under the historical cost convention except, as otherwise stated in these unconsolidated financial statements.

3.1 Functional and presentation currency

Items included in the unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These unconsolidated financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3.2 Use of estimates and judgments

The Company's material accounting policies are stated in Note 4. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these unconsolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving higher degree of judgments or complexity or areas where assumptions and estimates are material to the unconsolidated financial statements are as follows:

3.2.1 Levy and Provision for taxation (Notes 4.1 and 35)

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its views on items of material nature are in accordance with law, the amounts are shown as contingent liabilities.

3.2.2 Useful lives and residual values of property and equipment and intangibles (Notes 4.2, 4.15, 6 and 7)

The Company reviews the useful lives and residual values of property and equipment and intangibles at each reporting date. Any change in estimates in future years might affect the carrying amounts of respective items of property and equipment and intangible with a corresponding effect on the depreciation / amortization charge and impairment.

3.2.3 Expected credit losses (Notes 4.5.1, 40.3.1 and 32)

The Company uses a provision matrix to calculate Expected Credit Losses (ECLs) for trade debts and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, and customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information which includes forecast economic conditions. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. For financial institutions with available credit ratings, provision is calculated on the basis of the available rating. For certain subsidiaries or sub-subsidiaries for which provision matrix may not be considered suitable based on management's judgement, expected credit loss is recognized on the basis of their ability to pay.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

3.2.4 Revenue recognition (Notes 4.8 and 27)

3.2.4.1 Identification of distinct performance obligations

For contracts with multiple components to be delivered, the Company applies judgement to determine performance obligations which are distinct; or not distinct, which are aggregated with other performance obligations until a bundle is identified that is distinct.

3.2.4.2 Estimating stand-alone selling prices of performance obligations

The Company determines stand-alone selling prices of all performance obligations in a bundled contract, which include sale of license, implementation, support, warranty and training.

3.2.4.3 Stage of completion

In cases where performance obligation is satisfied over time, the Company determines stage of completion on the basis of cost incurred to date as a percentage of total estimated cost to deliver the performance obligations.

3.2.5 Determining the lease term of contracts with renewal options (Notes 4.9 and 22)

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for an additional term. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew i.e. it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

3.2.6 Provisions and contingencies (Notes 4.10, 23 and 26)

A provision is recognized in the unconsolidated statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

3.2.7 Share based payment (Notes 4.11.2 and 20)

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Company measures the fair value of equity-settled transactions with employees at the grant date using a Black Scholes Model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 20.2.5.

3.2.8 Impairment assessment of long term investments (Notes 4.3 and 8)

The carrying amounts of long term investments are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the investment's recoverable amount is estimated. The recoverable amount of an investment is the greater of its value in use or its fair value less costs to sell. Where the fair value less costs of disposal cannot be determined, the recoverable amount is determined by estimating the asset's value in use.

3.3 Revision of useful lives of plant and equipment

The Company reviews the useful lives and residual values of property and equipment at each reporting date. During the period, the Company has changed its useful life estimation from three to four years for computers and certain items in computer equipments and installations except servers whose useful life has changed from 3 to 5 years and 5 to 7 years for certain other equipments and installations. Furthermore, residual value of computers is also revised from 30% to 20%. The revisions are accounted for prospectively as a change in accounting estimate and as a result, the depreciation charge of the Company for the period decreased by Rs 100.57 million and carrying amounts of computers, computer equipments and installations and other equipments increased by Rs 50.72 million, Rs 35.68 million and Rs 14.17 million respectively. The Company falls under minimum tax regime and does not recorded deferred tax on deductible temporary differences as the Company expects that these deductible temporary differences may not be realized in future. Therefore, the resultant after tax impact on profit as a result of change in estimation is the same.

Assuming that the assets are held until the end of their estimated useful lives, depreciation in future years in relation to these assets will be increased by the following amounts:

Year ending 31 December	Rs (million)
2026	11.82
2027	38.41
2028	67.64
2029 and onwards	20.81

4. Material accounting policy information

The material accounting policies set out below have been applied consistently to all periods presented in these unconsolidated financial statements.

4.1 Taxation - levy and income tax

4.1.1 Levy

The Institute of Chartered Accountants of Pakistan (ICAP) had withdrawn Technical Release 27 IAS 12, Income Taxes (Revised 2012) and issued the IAS 12, Application Guidance on Accounting for Minimum Taxes and Final Taxes (the Guidance). Accordingly, in accordance with the Guidance, the Company designates the amount calculated on gross amount of revenue or other basis (such as receipts or other values etc. as provided in law) as a levy within the scope of IFRIC 21/IAS 37. Any excess over the amount designated as a levy is then recognised as current income tax expense falling under the scope of IAS 12.

4.1.2 Current taxation

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed or changes in laws made during the year for such years.

4.1.3 Deferred taxation

Deferred tax is accounted for using the statement of financial position method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the unconsolidated statement of profit or loss and the unconsolidated statement of other comprehensive income, except in the case of items credited or charged to equity in which case it is included in equity.

The carrying amount of deferred tax assets is reviewed at unconsolidated statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of deferred tax asset to be utilized.

4.2 Property and equipment

4.2.1 Operating fixed assets

Property and equipment are stated at cost less accumulated depreciation and any recognised impairment loss except for freehold land which is stated at cost less any recognized impairment loss. Cost of operating fixed assets consist of purchase cost, borrowing cost pertaining to construction period and other directly attributable cost of bringing the asset to working condition. Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to unconsolidated statement of profit or loss during the period in which they are incurred.

Depreciation on operating fixed assets is charged to unconsolidated statement of profit or loss by applying the straight line method on pro rata basis so as to write off the depreciable amount of the assets over their estimated useful lives at the rates given in Note 6.1. Depreciation on additions is charged from the date of acquisition / transfer of asset, whereas depreciation on disposals is charged till the date of disposal.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Profit or loss on disposal of operating fixed assets represented by the difference between the sale proceeds and the carrying amount of the asset is included in the unconsolidated statement of profit or loss.

4.2.2 Capital work-in-progress

Capital work in progress represents expenditure on property and equipment which are in the course of construction and installation. Transfers are made to relevant property and equipment category as and when assets are available for use.

Capital work-in-progress is stated at cost less any identified impairment loss.

4.3 Investments

The management determines the classification of its investments at the time of purchase depending on the Company's business model for managing the financial assets and their contractual cash flow characteristics. Investments intended to be held for less than twelve months from the unconsolidated statement of financial position date or to be sold to raise operating capital are included in current assets as explained in note 4.7. All other investments are classified as non-current assets.

4.3.1 Investments in equity instruments of subsidiaries and associates

Investments in subsidiaries and associates where the Company has significant influence are measured at cost in the Company's separate financial statements in accordance with IAS-27 'Separate financial statements'. Cost in relation to investments made in foreign currency is determined by translating the consideration paid in foreign currency into Pak Rupees at exchange rate prevailing on the date of transaction. At subsequent reporting dates, the Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognized as an expense in the unconsolidated statement of profit or loss.

Acquisitions in or disposals of investments under common control as part of reorganization of the group are accounted for under predecessor value method.

4.4 Cash and cash equivalents

Cash and cash equivalents are stated in the unconsolidated statement of financial position at amortized cost. For the purpose of the unconsolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, cheques / demand draft in hand, deposits in the bank, other short term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk changes in value.

4.5 Trade debts

Trade debtor may directly be recognised upon satisfaction of performance obligation or may indirectly be recognised through contract assets as referred in note 4.8.4. Trade debts from customers are stated at amortized cost less expected credit losses.

4.5.1 Expected credit losses

Expected credit losses are calculated as a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the Company in accordance with the contract and cash flows that the Company expects to receive). (Refer to note 4.7.4 for detailed policy for impairment of financial assets).

4.6 Trade and other payables

Liabilities for trade and other payables are recognized initially at their fair value less transaction costs and subsequently measured at amortized cost.

4.7 Financial instruments - Initial recognition and subsequent measurement

4.7.1 Initial recognition

Regular way purchase and sale of financial assets and financial liabilities is accounted for at the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ('FVPL'), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

4.7.2 Classification

4.7.2.1 Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive Income ("FVTOCI"), or
- at amortized cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

4.7.2.2 Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

4.7.3 Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income.

ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus transaction costs, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the unconsolidated statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the unconsolidated statement of profit or loss in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

4.7.4 Impairment of financial assets

The Company recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost at an amount equal to life time ECLs except for the following, which are measured at 12 month ECLs:

- bank balances for which credit risk (the risk of default occurring over the expected life of the financial instrument) has not increased since inception.
- other short term loans and receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade debts are always measured at an amount equal to life time ECLs. Life time ECLs are the ECLs that result from all possible defaults events over the expected life of a financial instrument. 12 month ECLs are portion of ECLs that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the Company in accordance with the contract and cash flows that the Company expects to receive).

The Company considers that a financial asset is in default when contractual payments are 360 days past due except for trade debts from related parties for which default is evaluated on case to case basis. The definition is based on the Company's internal credit risk management policy. Financial assets are written off when there is no reasonable expectation of recovery. The Company categorizes a financial asset for write off when a counter party fails to make contractual payments for more than 360 days past due except for trade debts from related parties for which write off is evaluated on case to case basis.

4.7.5 Derecognition

i) Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in unconsolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to unconsolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to equity.

ii) Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the unconsolidated statement of profit or loss and other comprehensive income.

4.7.6 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the unconsolidated statement of financial position if the Company has legally enforceable right to offset the recognized amounts and the Company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

4.8 Revenue recognition

Revenue recognized in any period is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. For contracts with multiple components to be delivered, management applies judgement to consider whether those promised goods or services are: (i) distinct – to be accounted for as separate performance obligations; (ii) not distinct – to be combined with other promised goods or services until a bundle is identified that is distinct; or (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer.

At contract inception the total transaction price is estimated, which is allocated to the identified performance obligations in proportion to their relative standalone selling prices and revenue is recognized when (or as) those performance obligations are satisfied.

For each performance obligation, the Company determines if revenue will be recognized over time or at a point in time. Where the Company recognizes revenue over time this is due to any of the following reasons: (i) the Company performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract, (ii) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (iii) the Company's performance creates an asset with no alternative use, and the Company has an enforceable right to payment for performance completed to date.

For each performance obligation to be recognized over time, the Company applies a revenue recognition method that faithfully depicts the Company's performance in transferring control of the goods or services to the customer. The Company applies the relevant input method consistently to similar performance obligations as it faithfully depicts actual efforts made by the Company to satisfy performance obligations and to transfer services to end customer. Moreover, information required for input method can be measured reliably. If performance obligations in a contract do not meet the over time criteria, the Company recognizes revenue at a point in time when obligations under the terms of the contract with the customer are satisfied.

Changes in estimates of measures of progress of performance obligations satisfied over time are recognized on a cumulative catch-up basis, which recognizes in the current period the cumulative effect of any changes on current and prior periods based on a performance obligation's percentage of completion.

For each of its contracts, the Company considers whether it is a principal or an agent by evaluating the nature of its promise to the customer. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services (including discretion in establishing the price) before transferring them to the customer.

The Company disaggregates revenue from contracts with customers by contract type, geographical markets and timing of revenue recognition, as management believes this best depicts how the nature, amount, timing and uncertainty of the Company's revenue and cash flows are affected by economic factors. The revenue recognition policy relevant to each contract type is as below:

4.8.1 Outsourcing services

Outsourcing services include business process outsourcing services and IT services. Revenue is recognized under each category as below:

a) BPO services

The performance obligation of the Company is to perform the various business activities outsourced by the customers. Revenue is recognized over time on the basis of activities performed, as the customer simultaneously receives and consumes the benefits provided by the Company's performance.

b) IT services

The performance obligation of the Company is to make available the resources to perform various IT services as per the requirement of the customer. Resource efforts are controlled by the customer and revenue is recognized over time on the basis of hours of resources made available to the customer, as the customer simultaneously receives and consumes the benefits provided by the Company's performance.

4.8.2 Hardware trading

Hardware trading represents the sale of hardware. Revenue is recognized at the point in time when obligations under the terms of the contract with the customer are satisfied; generally this occurs when the hardware is delivered to the customer.

4.8.3 Software trading and implementation

For software trading where no implementation is involved, revenue is recognized at the point in time when the software is delivered to the customer.

In case of subscription based services, revenue is recognized over time as the customer simultaneously receives and consumes the benefits provided by subscription services, including access to infrastructure, software updates, and customer support in accordance with IFRS 15, "Revenue from Contracts with Customers" and revenue is typically recognized on a straight-line basis over the subscription period.

For contracts that involve both trading of software license and its implementation, the Company makes judgments in determining whether the software implementation and software license are distinct and thus separate performance obligations or part of the bundle and thus a single performance obligation depending upon the level of customization involved and other key factors surrounding each contract. Where software license and implementation are considered distinct and separate performance obligations, the trading license revenue is recognized at the point in time while the revenue relating to implementation is recorded over time during the implementation period. Where software license and implementation are considered a single performance obligation, the revenue relating to both trading license and implementation is recorded over time during the implementation period. Implementation generally comprises of customization of existing technology, development and integration of tech platforms and enabling digital transformation of companies through specific technologies.

The Company uses input method for measuring percentage of completion (PoC) by taking into account the cost incurred to date as a percentage of total budgeted cost.

The Company has assessed that maintenance and support is a performance obligation that can be considered capable of being distinct and separately identifiable in a contract. These recurring services are substantially the same as the nature of the promise is for the Company to 'stand ready' to perform maintenance and support when required by the customer. Time-based measure of progress is used for such services since it best reflects the Company's efforts in satisfying the performance obligation.

4.8.4 Contract assets

A contract asset may initially be recognized for revenue earned because the receipt of consideration is conditional on successful completion of the milestones or right to invoice is not established as per contract. Upon completion of the milestone or right to invoice **including acceptance by the customer**, the amount recognized as contract assets is reclassified to trade debts.

4.8.5 Contract liabilities

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the related goods or services are transferred. Contract liabilities are recognized as revenue as and when performance obligations are satisfied under the contract.

4.9 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company has elected to apply the practical expedient for not recognizing right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight line basis over the lease term.

Extension and termination options are included in a number of leases. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The majority of termination options held are exercisable only by the Company and not by the respective lessor while the extension options are generally exercisable with the mutual consent of both the Company and the lessor.

4.9.1 Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

4.9.2 Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is re-measured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in unconsolidated statement of profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

4.10 Provisions and contingencies

Provisions are recognized in the unconsolidated statement of financial position when the Company has a present legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

4.11 Staff benefits

The Company has the following plans for its employees:

4.11.1 Provident fund

The Company operates a funded recognized provident fund contribution plan which covers all permanent employees. Equal contributions are made on monthly basis both by the Company and the employees at the rate of 10% of basic salary.

4.11.2 Employees' share option scheme

The Company operates an equity settled share based Employees Stock Option Scheme. The Human Resource & Compensation Committee of the Board of Directors of the Company evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price determined on the date of grant of options.

At the grant date of share options to the employees, the Company initially recognizes employee compensation expense with corresponding credit to equity as employee compensation reserve at the fair value of option at the grant date. The fair value of options determined at the grant date is recognized as an employee compensation expense on a straight line basis over the vesting period. Fair value of options is arrived at using Black Scholes pricing model.

When share options are exercised, the proceeds received, net of any transaction costs, are credited to share capital (nominal value) and share premium.

4.11.3 Interest free loans to employees

The Company provides interest free loans to its employees for purchase of vehicles and other purposes. The loans are initially recognized at fair value which is the present value of future deductions to be made from employees' salaries, discounted at the market interest rate. The difference between fair value of the interest free loan and principal amount at initial recognition is recorded as a deferred employee benefit. The loan is subsequently measured at amortized cost with respective finance income to be recorded in the unconsolidated statement of profit or loss. In addition, the deferred employee benefit is amortized equally over the life of the loan and the amortization is recorded in the unconsolidated statement of profit or loss.

4.12 Earnings per share

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.13 Sales Tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included, the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the unconsolidated statement of financial position.

4.14 Foreign currency transactions

Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange prevailing at the reporting date. Transactions during the year are converted into Pak Rupees at the exchange rate prevailing at the date of such transaction. All exchange differences are charged to unconsolidated statement of profit or loss.

4.15 Intangibles

Intangible assets acquired from the market are carried at cost less accumulated amortization and any accumulated impairment losses.

Expenditure on research (or the research phase of an internal project) is recognized as an expense in the period in which it is incurred;

Development costs incurred on specific projects are capitalized when all the following conditions are satisfied:

- Completion of the intangible asset is technically feasible so that it will be available for use or sale.
- The Company intends to complete the intangible asset and use or sell it.
- The Company has the ability to use or sell the intangible asset.
- Intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The Company's ability to measure reliably the expenditure attributable to the intangible asset during its development.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by the management. Development costs not meeting the criteria for capitalization are expensed as incurred.

After initial recognition, internally generated intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. These are amortized using straight line method at the rate given in Note 7.1. Full month amortization is charged in month of acquisition and no amortization is charged in month of disposal.

5. Summary of other accounting policies

Other than material accounting policies applied in the preparation of these unconsolidated financial statements are set out below for ease of user's understanding of these financial statements. These polices have been applied consistently for all periods presented, unless otherwise stated.

5.1 Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Company undertakes its activities under joint operations, the Company as a joint operator recognizes in relation to its interest in a joint operation:

a) Its assets, including its share of any assets held jointly;

b) Its liabilities, including its share of any liabilities incurred jointly;

c) Its revenue from the sale of its share of the output arising from the joint operation;

d) Its share of the revenue from the sale of the output by the joint operation; and

e) Its expenses, including its share of any expenses incurred jointly

The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses. When Company transacts with a joint operation in which a Company is a joint operator, the Company is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognized in the Company's unconsolidated financial statements only to the extent of other parties' interests in the joint operation. When Company transacts with a joint operation in which Company is a joint operator, the Company does not recognize its share of the gains and losses until it resells those assets to a third party.

The Company has interest in joint operation UUS Joint Venture (Private) Limited, a Company set up specifically for executing multi-year contract "Package 04A – Airport Information Management System (AIMS)", a turnkey project for New Islamabad International Airport by Pakistan Civil Aviation Authority.

5.2 Impairment of non-financial assets

The carrying amounts of non-financial assets other than deferred tax asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in unconsolidated statement of profit or loss.

Impairment loss recognized in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.3 Derivative financial instruments

Derivatives are only used for economic hedging purposes as a forward cover against the Company's specified export receipts, and not as speculative investments. Derivatives are initially recognised at cost on the date a derivative contract is entered and they are subsequently remeasured to their fair value using level 2 valuation techniques at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of item being hedged. The company has not designated any derivative instrument as hedging instrument. These are presented as current assets or liabilities to the extent these are expected to be settled within 12 months after the end of reporting period. Changes in fair value of any derivative instrument are recognised immediately in the statement of profit or loss and are included in other operating expenses / income.

5.4 Advances and deposits

Advances are recognized at the fair value of considerations given. Trade deposits with no fixed repayment date are measured at cost being amount paid on initial recognition. Fair value of these deposits is not considered to be materially different from cost.

5.5 Other income

Profit on deposit accounts and gain on short term investments and other income is recognized using effective interest rate.

Gains / (losses) arising on revaluation of securities classified as fair value through profit or loss are included in the unconsolidated statement of profit or loss in the period in which they arise.

Dividend income from investments is recognised when the Company's right to receive the payment has been established.

5.6 Finance costs

Finance cost is charged to unconsolidated statement of profit or loss in the year in which it is incurred.

5.7 Dividends and appropriation reserves

'Dividends and other appropriation to reserves are recognized in the unconsolidated financial statements in the period in which these are approved. However, if they are approved after the reporting period but before the unconsolidated financial statements are authorized for issue, they are disclosed in the notes to the unconsolidated financial statements.

6. Property and equipment

	Note	2025	2024
		Rupees	
Operating fixed assets	(6.1)	**3,345,680,442**	3,401,072,321
Capital work in progress	(6.2)	**77,323,977**	1,514,872
		3,423,004,419	3,402,587,193

6.1 Operating fixed assets

	Land - freehold	Building on freehold land	Computers	Computer equipment and installations	Other equipment and installations	Generators and transformer	Furniture and fittings	Vehicles	Office equipment	Leasehold Building - Improvements	Total
	Rupees										
At December 31, 2025											
Cost	592,234,914	735,539,850	2,562,710,542	767,509,858	426,238,047	159,628,717	372,658,863	415,088,903	63,166,124	237,902,871	6,332,678,689
Accumulated depreciation	-	(123,214,850)	(1,445,634,558)	(531,762,853)	(271,148,195)	(86,718,611)	(170,090,904)	(130,948,056)	(41,738,095)	(185,742,125)	(2,986,998,247)
Net book value	592,234,914	612,325,000	1,117,075,984	235,747,005	155,089,852	72,910,106	202,567,959	284,140,847	21,428,029	52,160,746	3,345,680,442
For the year ended December 31, 2025											
Opening net book value	592,234,914	630,713,501	1,056,237,491	296,949,395	180,676,502	87,078,668	223,089,154	213,444,140	21,360,246	99,288,310	3,401,072,321
Additions (at cost)	-	-	419,912,202	65,754,830	17,508,816	896,876	11,510,676	141,715,913	5,486,029	-	662,785,342
Disposal	-	-	(28,439,057)	(5,266,884)	-	-	(142,745)	(6,592,080)	(186,344)	-	(40,627,110)
Depreciation	-	(18,388,501)	(330,634,652)	(121,690,336)	(43,095,466)	(15,065,438)	(31,889,126)	(64,427,126)	(5,231,902)	(47,127,564)	(677,550,111)
Closing net book value	592,234,914	612,325,000	1,117,075,984	235,747,005	155,089,852	72,910,106	202,567,959	284,140,847	21,428,029	52,160,746	3,345,680,442
Rate of depreciation (%)	-	2.5	25	20 - 33	4-20	10	10	20	10	10-25	
At December 31, 2024											
Cost	592,234,914	735,539,851	2,314,748,219	720,207,970	418,828,825	161,481,341	361,378,987	313,870,330	57,967,281	237,902,871	5,914,160,589
Accumulated depreciation	-	(104,826,350)	(1,258,510,728)	(423,258,575)	(238,152,323)	(74,402,673)	(138,289,833)	(100,426,190)	(36,607,035)	(138,614,561)	(2,513,088,268)
Net book value	592,234,914	630,713,501	1,056,237,491	296,949,395	180,676,502	87,078,668	223,089,154	213,444,140	21,360,246	99,288,310	3,401,072,321
For the year ended December 31, 2024											
Opening net book value	592,234,914	649,102,000	1,082,005,458	418,426,642	198,174,408	102,085,993	246,260,362	55,071,700	23,132,389	143,128,851	3,509,622,717
Additions (at cost)	-	-	363,325,695	60,460,854	43,111,934	-	8,219,259	197,497,292	3,269,040	2,616,448	678,500,522
Disposal	-	-	(19,389,599)	(9,479,388)	-	-	(41,320)	(5,979,594)	(90,155)	-	(34,980,056)
Depreciation	-	(18,388,499)	(369,704,063)	(172,458,713)	(60,609,840)	(15,007,325)	(31,349,147)	(33,145,258)	(4,951,028)	(46,456,989)	(752,070,862)
Closing net book value	592,234,914	630,713,501	1,056,237,491	296,949,395	180,676,502	87,078,668	223,089,154	213,444,140	21,360,246	99,288,310	3,401,072,321
Rate of depreciation (%)	-	2.5	20-33	33	4-20	10	10	20	10	10-25	

6.1.1 The cost of operating fixed assets includes assets amounting to Rs 637.60 million (2024: Rs 690.18 million) with nil book value.

6.1.2 Immovable fixed assets include free-hold land and building situated at E-1, Sehjpal, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt. Total area of land is 21.42 kanals (2024: 21.42 kanals).

6.1.3 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		Rupees	
Cost of revenue	(28)	**541,768,731**	633,898,305
Selling and distribution expenses	(29)	**14,213,387**	8,602,740
Administrative expenses	(30)	**117,559,791**	102,702,835
Research and development expenditure	(31)	**1,945,063**	3,080,858
Intangibles	(7)	**2,063,139**	3,786,124
		677,550,111	752,070,862

6.1.4 Disposal of property and equipment

Details of disposed assets which had a net book value of Rs 500,000 or more, are as follows:

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (Loss)	Mode of disposal	Particulars of buyer
	Rupees						
Laptop - Apple MacBook Pro	534,501	20,786	513,715	-	(513,715)	Written off	Not applicable
Toyota Fortuner	9,344,301	7,789,846	1,554,455	12,600,000	11,045,545	Company Policy	Amir Ashiq - Employee
Hyundai Tucson	9,163,310	4,125,686	5,037,624	7,152,750	2,115,126	Company Policy	Shahid Wasim - Employee
Aggregate of items of property and equipment with individual net book value below Rs 500,000	225,225,132	191,703,816	33,521,316	51,355,933	17,834,617		
2025	**244,267,244**	**203,640,134**	**40,627,110**	**71,108,683**	**30,481,573**		

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (Loss)	Mode of disposal	Particulars of buyer
	Rupees						
Ciso Catalyst 9200L 48-port	1,090,519	201,064	889,455	889,455	-	Company Policy	EP Systems Pvt Limited - Associate
Ciso Catalyst 9200L 48-port	1,090,519	201,064	889,455	889,455	-	Company Policy	EP Systems Pvt Limited - Associate
Ciso Catalyst 9200L 48-port	857,419	348,112	509,307	509,307	-	Company Policy	EP Systems Pvt Limited - Associate
Ciso Catalyst 9200L 48-port	857,419	348,112	509,307	509,307	-	Company Policy	EP Systems Pvt Limited - Associate
Laptop - Apple Macbook Pro	635,835	37,089	598,746	598,746	-	Company Policy	Systems Arabia for Information Technology - Sub subsidiary
Laptop - Apple Macbook Pro	854,875	216,099	638,776	638,776	-	Company Policy	Techvista Systems FZ LLC - Sub subsidiary
Laptop - Apple Macbook Pro	609,367	106,641	502,726	502,726	-	Company Policy	Techvista Systems FZ LLC - Sub subsidiary
Laptop - Apple Macbook Pro	580,000	72,501	507,499	507,499	-	Company Policy	Systems Arabia for Information Technology - Sub subsidiary
Laptop - Apple Macbook Pro	613,333	47,704	565,629	565,629	-	Company Policy	Techvista Systems FZ LLC - Sub subsidiary
Toyota Corolla	2,835,670	1,985,737	849,933	2,717,000	1,867,067	Company Policy	Muhammad Waheed - Employee
MG HS	5,630,000	3,664,631	1,965,369	2,850,000	884,631	Company Policy	Roohi Khan - Employee
Kia Sportage	5,483,870	2,742,440	2,741,430	6,500,000	3,758,570	Company Policy	Zahid Mahmood Janjua - Employee
Aggregate of items of property and equipment with individual net book value below Rs 500,000	106,636,905	82,824,481	23,812,424	29,260,774	5,448,350		
2024	**127,775,731**	**92,795,675**	**34,980,056**	**46,938,674**	**11,958,618**		

6.2 Capital work-in-progress

	Note	2025	2024
		Rupees	
This represents civil works including commercialisation fee for planned construction of parking plaza at head office			
Balance at the beginning of the year		1,514,872	-
Additions during the year		75,809,105	1,514,872
Balance at the end of the year		77,323,977	1,514,872

7. Intangibles

Intangibles - acquired	(7.1)	-	-
Intangibles - internally generated	(7.2)	188,317,328	-
Intangibles under development	(7.3)	87,649,798	109,615,749
		275,967,126	109,615,749

7.1 Intangibles - acquired

Cost		193,385,241	193,385,241
Accumulated amortization		(193,385,241)	(193,385,241)
Net book value	(7.1.1)	-	-
The reconciliation of net book value is as follows:			
Opening value		-	3,377,286
Amortization charge	(7.4)	-	(3,377,286)
Closing value		-	-
Amortization rate % per annum		33	33

7.1.1 Intangible assets include computer software licenses acquired having a finite useful life

7.2 Intangibles - internally generated

Cost		221,690,050	-
Accumulated amortization		(33,372,722)	-
Net book value	(7.2.1)	188,317,328	-
The reconciliation of net book value is as follows:			
Opening value		-	-
Additions during the year		-	-
Transfer from intangibles under development		221,690,050	-
Amortization charge for the year	(7.4)	(33,372,722)	-
Closing value	(7.2.1)	188,317,328	-
Amortization rate % per annum		20	-

7.2.1 Intangible assets includes country model bank license generated internally. The estimated remaining useful life of the intangibles is 4.17 years (2024: Nil)

7.3 Intangibles under development

	Note	2025	2024
		Rupees	
Opening value		109,615,749	-
Additions during the year		199,724,099	109,615,749
Transfer to intangibles - owned		(221,690,050)	-
Closing value	7.3.1	87,649,798	109,615,749

7.3.1 The Company is developing an intangible asset, 'Country Model Bank', which represents a preconfigured banking platform tailored to the specific regulatory, market, and operational needs of a particular country. This platform aims to provide a streamlined banking system implementation for clients. Development costs associated with this intangible asset are capitalized when it is probable that the asset will generate future economic benefits, and these costs can be reliably measured. Costs that do not meet these capitalization criteria are expensed as incurred.

7.4 Amortization charge for the year has been allocated as follows:

	Note	2025	2024
		Rupees	
Cost of revenue	(28)	17,839,176	2,962,704
Selling and distribution expenses	(29)	-	54,824
Administrative expenses	(30)	-	322,459
Research and development expenditure	(31)	-	21,691
Intangibles		-	15,608
Charge recoverable from group entities		15,533,546	-
		33,372,722	3,377,286

8. Long term investments

	Note	2025	2024
		Rupees	
Investment in subsidiaries - unquoted			
Systems Ventures (Private) Limited	(8.1) & (8.1.1)	1,178,444,976	1,178,444,976
TechVista Information Technology W.L.L	(8.2)	144,568,884	144,568,884
National Data Consultant (Private) Limited	(8.3)	4,254,636,725	4,254,636,725
SUS-JV (Private) Limited	(8.4)	94,990	94,990
British American Tobacco SAA Services (Private) Limited	(8.5)	3,430,208,761	-
Systems Holdings (Private) Limited	(8.6)	-	-
		9,007,954,336	5,577,745,575
Advance against issuance of shares	(8.7)	2,225,191,000	2,225,191,000
Share options issued to employees of subsidiaries	(8.8)	316,713,807	211,033,818
Subscription money payable	(8.9)	3,295,600	3,295,600
		11,553,154,743	8,017,265,993
Investment in associate - unquoted			
E-Processing Systems B.V.	(8.10)	201,546,988	201,546,988
		11,754,701,731	8,218,812,981

8.1 After incorporating the effects of note 8.1.1 below, this represents 138,960,284 fully paid ordinary shares of Rs 10/- each, representing 100% share in Company's subsidiary, Systems Ventures (Private) Limited, a company set up in Pakistan to invest in new ventures, start ups and incubate new ideas.

8.1.1 The shareholders of the Company and Systems Ventures (Private) Limited ("SVPL") in their extra ordinary general meetings held on September 18, 2023 approved a Scheme of Compromises, Arrangement and Reconstruction (the 'Scheme'). As required under the Companies Act, 2017, the Scheme was submitted with the Honorable Lahore High Court (the "Court") for their approval and sanction of the Scheme. Consequently, the Court through its Order dated December 20, 2023, sanctioned the Scheme. The scheme stipulates the separation of ownership interests in TechVista Systems FZ- LLC, Systems Africa for Information Technologies (Pty.) Ltd., SYS Egypt for Information Technology Services and Systems Arabia for Information Technology (the 'Transferred Assets') from the Company and the merger, amalgamation and transfer to, and vesting in SVPL of the same. SVPL may at its discretion hold the Transferred Assets directly or through any nominee being its wholly owned subsidiary. SVPL shall allot and issue 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company for the Transferred Assets.

As per the sanctioned scheme, SVPL had nominated its wholly owned subsidiary Systems International It Pte. Ltd. (Sys It Pte.) for holding the transferred assets. SYS Egypt for Information Technology Services, Systems Arabia for Information Technology, Systems Africa for Information Technologies (Pty.) Ltd and TVS had been transferred to Sys It Pte after the approval of respective foreign regulators. In consideration, SVPL had issued 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company on July 08, 2024.

Subsequent to sanction of the Scheme effective from July 01, 2023, following assets of the Company were derecognised and consideration issued by SVPL to the Company has been recorded on the same value:

	Rupees
• Tech Vista Systems FZ-LLC	343,119,550
• SYS Egypt for Information Technology Services	113,125,000
• Systems Arabia for Information Technology	1,099,000
• Systems Africa for Information Technologies (Pty.) Ltd.	1,426
	457,344,976

8.2 Techvista Information Technology W.L.L. ('TVSQ') is a limited liability company incorporated in the State of Qatar. The Company owns 34% (2024: 34%) share capital in TVSQ. Pursuant to the agreement entered with the remaining shareholders of TVSQ on February 27, 2022, the Company has obtained all control and management of TVSQ.

8.3 This represents 500,000 fully paid ordinary shares of Rs 10/- each, representing 100% (2024: 500,000 fully paid ordinary shares of Rs 10/- each, representing 100%) shares in the Company's subsidiary, National Data Consultant (Private) Limited, which were acquired by the Company on July 05, 2022 through the share purchase agreement. NDC Pk is a company setup in Pakistan engaged in core and digital banking implementation services, having rich clients in Pakistan, Middle East, Africa and Asia Pacific region.

8.4 This represents 9,499 full paid ordinary shares of Rs 10/- each, representing 94.99% (2024: 9,499 full paid ordinary shares of Rs 10/- each, representing 94.99%) shares in Company's subsidiary, SUS JV (Private) Limited, a company set up in Pakistan for the Balochistan Land Revenue Management Information System project. The project is related to digitization of land records and development of a web-based management information system.

8.5 This represents 90,010,000 fully paid ordinary shares of Rs 10 each, representing 100% (2024: nil) shares in the Company's subsidiary, British American Tobacco SAA Services (Private) Limited, which were acquired by the Company on 31st October, 2025 pursuant to a Share Purchase Agreement. British American Tobacco SAA Services (Private) Limited is a company incorporated in Pakistan and engaged in the business of transforming traditional and siloed support functions which include but are not limited to Marketing, Finance, HR, Procurement into a centralised, strategic and unified organisation that drives efficiency and value across the entire enterprise. The total consideration for the acquisition amounted to Rs. 3,430.21 million which is paid in cash and is provisional subject to certain adjustments to be mutually agreed with the seller under share purchase agreement

8.6 This represents 100 ordinary shares of Rs 10/- each, representing 100% (2024: 100 ordinary shares) shares in the Company's subsidiary, Systems Holdings (Private) Limited, a limited liability company incorporated in Pakistan on April 14, 2023, for the purpose of establishing and running data processing centers, computer centers, software development centers and to provide consultancy and data processing software development services. As of reporting date, no payment has been made against its share capital.

8.7 This represents the advances provided to SVPL against issuance of shares as follows:

8.7.1 Systems International IT Pte. Ltd. was a wholly owned subsidiary of Systems Limited, with a cost of investment of Rs. 818.09 million, incorporated on May 11, 2022. However, on April 25, 2023, the Company entered into an arrangement with its wholly owned subsidiary, Systems Ventures (Private) Limited 'SVPL' for transfer of 5,002,890 shares of Systems International IT Pte Ltd to SVPL. Thereafter, Systems International IT Pte. Ltd. is a wholly owned subsidiary of SVPL whereas the Company continues to be the ultimate parent company. The Company is to receive shares of equivalent value of its cost of investment in Systems International IT Pte. Ltd. from SVPL.

8.7.2 This represents an amount of USD 4.9 million, amounting to Rs 1,407.18 million, (December 31, 2024: 1,407.18 million) paid to Systems International IT Pte. Ltd. on behalf of SVPL. The Company is to receive shares from SVPL of equivalent value of its payment to Systems International IT Pte. Ltd.

8.8 This represents the share options issued to employees of the following group entities:

	2025	2024
	Rupees	
• Tech Vista Systems FZ-LLC	**195,308,716**	131,525,801
• TechVista Information Technology W.L.L.	**4,359,878**	2,971,866
• Systems Arabia for Information Technology	**76,427,843**	41,574,508
• National Data Consultant (Private) Limited	**16,948,850**	16,948,850
• SYS Egypt for Information Technology Services	**6,509,527**	3,108,650
• Systems APAC for Info Tech PTE Ltd	**5,443,982**	3,256,210
• Systems Africa for Information Technologies (Pty.) Ltd.	**3,569,736**	3,569,736
• Systems Australia for Information Technology (Pty.) Ltd.	**8,145,275**	8,078,197
	316,713,807	211,033,818

8.9 This represents subscription money payable in respect of the following subsidiaries:

	Note	2025	2024
		Rupees	
			(Restated)
• TechVista Information Technology W.L.L.		**3,294,600**	3,294,600
• Systems Holdings (Private) Limited		**1,000**	1,000
		3,295,600	3,295,600
8.10 Investment in associate - unquoted			
E-Processing Systems B.V.			
Cost of investment	**(8.10.1)**	**270,500,227**	270,500,227
Accumulated impairment loss		**(68,953,239)**	(68,953,239)
		201,546,988	201,546,988

8.10.1 This represents 179,507 fully paid ordinary shares at USD 0.01/- each representing 34.30% shares (2024: 179,507 fully paid ordinary shares at USD 0.01/- each representing 34.30% shares) in E-Processing Systems B.V ('EPBV'), a company setup in Netherlands.

9. Right-of-use assets

	Note	2025	2024
		Rupees	
Cost		949,807,560	771,367,927
Accumulated amortization		(567,610,063)	(412,628,928)
Net book value	(9.1)	382,197,497	358,738,999

9.1 These represent buildings on lease (refer note 22).
The reconciliation of net book value is as follows:

Opening net book value		358,738,999	510,157,034
Additions		176,779,550	-
Depreciation for the year	(9.2)	(153,321,052)	(151,418,035)
Closing net book value		382,197,497	358,738,999
Rate of depreciation (%)		10-25	10-25

9.2 The depreciation charge for the year on right-of-use assets has been allocated as follows:

	Note	2025	2024
		Rupees	
Cost of revenue	(28)	137,712,728	136,780,483
Selling and distribution expenses	(29)	2,421,332	1,722,000
Administrative expenses	(30)	12,344,650	11,987,685
Research and development expenses	(31)	762,342	864,087
Intangibles		80,000	63,780
		153,321,052	151,418,035

10. Long term loans

Considered good - secured			
Due from executives	(10.1)	565,933,316	613,818,425

	Note	2025			2024
		Rupees			
10.1 Due from executives		Motor Vehicle	Other loans	Total	Total
As at January 01		820,201,388	22,919,709	843,121,097	712,111,946
Loans disbursed during the year:					
Undiscounted amount paid		496,072,023	1,268,552	497,340,575	684,156,657
Deferred employee benefits	(11)	(99,776,856)	-	(99,776,856)	(181,538,547)
		396,295,167	1,268,552	397,563,719	502,618,110
Loans settled during the year		(207,911,465)	-	(207,911,465)	(222,817,797)
Unwinding of discount	(33)	114,696,126	1,975,912	116,672,038	122,019,708
Repayments		(296,558,618)	(16,680,254)	(313,238,872)	(270,810,870)
		826,722,598	9,483,919	836,206,517	843,121,097
Receivable within one year	(15)	(260,789,282)	(9,483,919)	(270,273,201)	(229,302,672)
		565,933,316	-	565,933,316	613,818,425

10.2 These interest free loans are repayable between 21 to 60 (2024: 21 to 60) months and are granted to the executives of the Company, in accordance with their terms of employment. These are secured either against post dated cheques or by retaining the title of motor vehicles in the name of the company. These loans were initially recognized at fair value using effective interest rates ranging from 9.96% to 17.51% (2024: 11.3% to 17.51%). The difference between cash paid and present value of cash inflows upon initial recognition has been recognized as deferred employee benefits which is amortized on a straight line basis over the period of the loan.

11. Deferred employee benefits

	Note	2025	2024
		Rupees	
As at January 01		289,420,613	249,223,198
Additions during the year	(10.1)	99,776,856	181,538,547
Settlements during the year		(56,995,420)	(57,311,475)
Amortization during the year		(85,686,556)	(84,029,657)
		246,515,493	289,420,613
Current portion of deferred employee benefits		(89,612,845)	(86,166,964)
		156,902,648	203,253,649

12. Long term deposits

	Note	2025	2024
		Rupees	
Lease buildings			
Opening balance		30,466,985	26,910,135
Unwinding of discount	(33)	3,946,806	3,556,850
Closing balance		34,413,791	30,466,985
Others			
Utilities and other deposits		50,876,409	43,594,175
		85,290,200	74,061,160

13. Contract assets

	Note	2025	2024
		Rupees	
Unbilled revenue	(13.1)	2,568,422,732	1,525,904,999
Retention money		-	54,916,571
		2,568,422,732	1,580,821,570
13.1 Unbilled revenue			
Export		268,040,990	349,184,502
Local		2,326,553,070	1,203,574,917
		2,594,594,060	1,552,759,419
Less: allowance for ECL	(13.1.2)	(26,171,328)	(26,854,420)
	(13.1.3)	2,568,422,732	1,525,904,999
13.1.2 Allowance for ECL			
As at January 01		26,854,420	9,181,634
Expense for the year		227,057,806	17,672,786
Write off during the year		(227,740,898)	-
Closing balance		26,171,328	26,854,420

13.1.3 These represent unbilled debtors arising due to recognition of revenue as per IFRS 15 - Revenue from Contracts with Customers.

14. Trade debts

	Note	2025	2024
		Rupees	
Export	(14.1)	19,776,468,330	18,203,064,581
Local		1,987,064,639	2,478,176,470
		21,763,532,969	20,681,241,051
Less: Allowance for ECL	(14.3)	(182,312,567)	(399,594,215)
		21,581,220,402	20,281,646,836

14.1 These include receivables from related parties against export of outsourcing services. As per contracts with related parties, billing terms range from monthly to quarterly basis and payment is generally due within 120 days from the date of billing. The receivables from related parties include past due balances which are not considered impaired except for receivable balance from Systems Africa for information Technologies. Detail of related party balances along with aging analysis of the amounts is as follows:

2025							
	Rupees						
	Not Past Due	Past due 0-90 days	Past due 91-180 days	Past due 181-270 days	Past due 271-360 days	Past due 361 days and above	Total
Group Companies							
National Data Consultancy FZE	**55,283,548**	**140,908,479**	**153,779,376**	**141,040,321**	**55,359,724**	**1,506,988,282**	**2,053,359,730**
Systems Africa for Information Technologies	**-**	**-**	**-**	**-**	**-**	**102,908,416**	**102,908,416**
Systems APAC Pte. Ltd	**494,249,578**	**342,780,640**	**216,469,408**	**187,630,391**	**248,944,600**	**323,163,123**	**1,813,237,740**
Systems Arabia for Information Technology	**1,003,021,899**	**788,070,362**	**740,552,183**	**615,254,416**	**672,046,675**	**1,775,438,051**	**5,594,383,586**
Systems Australia for Information Technology PTY LTD.	**34,888,069**	**36,163,277**	**26,664,401**	**20,590,312**	**25,680,865**	**50,489,654**	**194,476,578**
TechVista Information Technology W.L.L.	**263,970,795**	**197,999,414**	**222,389,735**	**208,717,101**	**195,458,915**	**240,766,032**	**1,329,301,992**
TechVista Systems FZ-LLC - UAE	**2,852,538,512**	**1,086,739,167**	**-**	**-**	**-**	**-**	**3,939,277,679**
Systems Egypt for Information Technology	**1,248,380**	**-**	**1,120,200**	**8,182,221**	**10,506,216**	**22,440,967**	**43,497,984**
Systems Bahrain for Information Technology W.L.L.	**68,780,728**	**64,919,399**	**73,846,945**	**75,606,499**	**80,247,067**	**-**	**363,400,638**
Systems Information Technology Malaysia	**10,830,094**	**-**	**18,759,242**	**9,596,753**	**4,296,247**	**3,840,326**	**47,322,662**
Other Related Parties							
AtClose LLC	**-**	**-**	**-**	**-**	**-**	**-**	**-**
PartnerLinQ Incorporation	**328,072,126**	**-**	**-**	**-**	**-**	**109**	**328,072,235**
Visionet Canada Incorporation	**24,107,898**	**-**	**-**	**-**	**-**	**-**	**24,107,898**
Visionet EMEA Limited	**279,858,235**	**6,215,434**	**-**	**-**	**-**	**148,048**	**286,221,717**
Visionet Systems Incorporation - USA	**2,980,137,445**	**-**	**-**	**-**	**-**	**-**	**2,980,137,445**
Visionet Deutschland GmbH	**46,268,838**	**-**	**-**	**-**	**-**	**-**	**46,268,838**
	8,443,256,145	**2,663,796,172**	**1,453,581,490**	**1,266,618,014**	**1,292,540,309**	**4,026,183,008**	**19,145,975,138**

2024							
	Rupees						
	Not Past Due	Past due 0-90 days	Past due 91-180 days	Past due 181-270 days	Past due 271-360 days	Past due 361 days and above	Total
Group Companies							
National Data Consultancy FZE	67,507,669	199,396,301	222,572,000	440,402,726	462,382,703	651,848,614	2,044,110,013
Systems Africa for Information Technologies	-	-	-	9,044,148	35,210,718	64,744,964	108,999,830
Systems APAC Pte. Ltd	318,486,405	237,815,128	216,150,327	180,971,062	52,103,766	-	1,005,526,688
Systems Arabia for Information Technology	817,559,143	661,898,850	653,406,912	575,167,593	406,507,002	144,059,444	3,258,598,944
Systems Australia for Information Technology PTY LTD.	31,281,947	23,484,668	19,005,054	21,675,321	2,539,616	-	97,986,606
TechVista Information Technology W.L.L.	252,485,429	187,441,711	175,328,765	172,617,792	174,278,014	195,742,155	1,157,893,866
TechVista Systems FZ-LLC - UAE	2,378,107,130	1,726,708,789	617,486,331	-	-	-	4,722,302,250
TreeHouse Consultancy LLC	-	-	-	347,242	322,886	181,170,366	181,840,494
Systems Egypt for Information Technology	13,470,052	6,474,143	10,558,233	5,272,367	-	-	35,774,795
Systems Bahrain for Information Technology W.L.L.	105,062,790	48,768,412	-	-	-	-	153,831,202
Systems Information Technology Malaysia	4,835,218	3,817,014	-	-	-	-	8,652,232
Other Related Parties							
AtClose LLC	-	56,089,752	123,482,880	-	-	-	179,572,632
PartnerLinQ Incorporation	472,230,239	-	-	-	-	-	472,230,239
Visionet Canada Incorporation	2,463,478	1,876,253	1,407,001	2,916,785	1,831,944	3,727,434	14,222,895
Visionet EMEA Limited	269,338,391	185,602,677	-	-	-	136,900	455,077,968
Visionet Systems Incorporation - USA	3,316,367,457	-	-	-	-	-	3,316,367,457
Visionet Deutschland GmbH	308,503,839	188,565,138	15,257,366	-	-	-	512,326,343
	8,357,699,187	3,527,938,836	2,054,654,869	1,408,415,036	1,135,176,649	1,241,429,877	17,725,314,454

14.2 The maximum aggregate amount outstanding for these related parties by reference to month-end balances was as follows:

	2025	2024
	Rupees	
National Data Consultancy FZE	**2,472,690,743**	2,044,110,013
Systems Africa for Information Technologies	**108,999,831**	116,804,648
Systems APAC Pte. Ltd	**1,882,611,349**	1,020,666,329
Systems Arabia for Information Technology	**5,780,967,279**	3,258,598,944
Systems Australia for Information Technology PTY LTD.	**211,807,675**	97,986,606
TechVista Information Technology W.L.L.	**1,393,268,599**	1,415,667,832
TechVista Systems FZ-LLC - UAE	**7,546,052,905**	5,632,410,497
TreeHouse Consultancy LLC	**185,270,214**	181,840,494
AtClose LLC	**181,895,108**	318,976,658
PartnerLinQ Incorporation	**975,802,829**	577,215,423
Visionet Canada Incorporation	**24,495,107**	14,222,895
Visionet EMEA Limited	**766,413,583**	630,939,261
Visionet Systems Incorporation - USA	**3,750,018,188**	3,541,362,881
Visionet Deutschland GmbH	**875,975,443**	512,326,343
Systems Egypt for Information Technology	**43,497,983**	35,774,795
Systems Bahrain for Information Technology W.L.L.	**363,400,637**	153,831,202
Salesflo (Private) Limited	**3,300,000**	-
Systems Information Technology Malaysia	**86,822,412**	8,652,231

14.3 Allowance for ECL

	Note	2025	2024
		Rupees	
As at January 01		399,594,215	226,836,797
(Reversal) / Expense for the year	(32)	(7,703,682)	200,329,857
Balances written off during the year		(209,577,966)	(27,572,439)
Closing balance	(14.3.1)	182,312,567	399,594,215

14.3.1 These include allowance for ECL against receivables from the related parties amounting to Rs 103.11 million (2024: Rs 113.04 million).

15. Loans, advances and other receivables

	Note	2025	2024
		Rupees	
Current maturity of long term loans	(10.1)	270,273,201	229,302,672
Advances to staff against			
salary	(15.1)	211,146,023	155,240,110
expenses		94,679,011	144,269,859
		305,825,034	299,509,969
less: expected credit loss		(28,044,863)	-
		277,780,171	299,509,969
Advances to suppliers - against goods and services		14,712,500	131,128,027
Other receivables	(15.2)	603,763,520	-
		709,207,623	743,220,773
Loans to related parties	(15.3)	(392,758,923)	(508,209,235)
Elimination on account of Joint Operation	(15.4)	316,448,700	235,011,538
Other receivables from group entities:			
National Data Consultant (Private) Limited - net	(15.5)	-	1,093,700,764
National Data Consultancy FZE		2,207,848	35,731,350
Systems Ventures (Private) Limited		580,668,415	299,339,506
Systems Africa for Information Technologies Pty. Ltd. - net	(15.6)	-	6,721,750
Systems APAC for Information Technology Pte. Ltd.		33,299,922	-
Systems Arabia for Information Technology		110,247,777	618,214,041
Techvista Information Technology WLL		44,925,709	-
SYS Information Technology Malaysia Sdn Bhd		19,169,329	-
SYS Egypt for Information Technology Services		18,892,194	-
Systems Australia for Information Technology Pty. Limited		-	91,469,360
Systems International IT Pte. Ltd.		891,561	862,835
Sys Bahrain for Information Technology W.L.L.		47,598,928	32,380,881
	(15.7)	857,901,683	2,178,420,487
Other receivables from other related parties:			
Visionet Deutschland GmbH		81,946,811	34,474,841
Visionet Canada Incorporation		1,403,799	50,142
Visionet Systems Inc.		23,087,656	-
AtClose		1,548,207	-
PartnerLinQ Incorporation		17,222,444	9,339,675
	(15.8)	125,208,917	43,864,658
	(15.10)	2,466,088,692	3,117,237,351

15.1 This included advance given to the chief operating officer of the Company amounting to Nil (2024: Rs 5.2 million).

15.2 This includes Rs 392.17 million (2024: nil) receivable from British American Tobacco International Holdings (UK) Limited in respect of tax paid on their behalf at the time of transfer of consideration for acquisition and Rs 99.33 million (2024:nil) in respect of certain adjustments in consideration as agreed in the share purchase agreement.

15.3 This represented an unsecured loan provided to UUS Joint Venture (Private) Limited for meeting working capital requirements. The loan carried interest at a rate of one-year KIBOR (2024: one-year KIBOR), calculated monthly on the outstanding balance.

15.4 This includes loans provided to the following related parties:

	Note	2025	2024
		Rupees	
OneLoad Processing Systems (Private) Limited	(15.4.1)	316,448,700	227,556,284
SUS JV (Private) Limited	(15.4.2)	-	7,455,254
		316,448,700	235,011,538

15.4.1 This represents loan provided to OneLoad Processing Systems (Private) Limited (Subsidiary of E-PROCESSING SYSTEMS B.V) for meeting working capital requirements of Rs 250.99 million (2024: Rs 243.73 million) and accrued interest of Rs 65.45 million (2024: Rs 36.17 million) netted of by expected credit loss of nil (2024: Rs 52.34 million). The loan is unsecured and carries mark-up at one-month KIBOR (2024: one-month KIBOR) on the outstanding loan balance. Disbursements of principal are payable within one year and mark-up is payable on quarterly basis. Further, subsequent to the reporting date, the board of directors of Systems Limited and E-PROCESSING SYSTEMS B.V approved the conversion of the outstanding loan along with accrued interest into 108,361 preferred shares of E-PROCESSING SYSTEMS B.V.

15.4.2 This represents an unsecured loan provided to SUS JV (Private) Limited to meet working capital requirements. The facility carried mark-up at the rate of one-month KIBOR (2024: one-month KIBOR) on the outstanding balance. While principal disbursements were originally payable within one year and mark-up on a quarterly basis, the outstanding balance was fully settled during the current year.

15.5 This breakup of this balance is as under:

	Note	2025	2024
		Rupees	
Gross amount		512,518,390	1,438,674,049
Accumulated impairment loss	15.5.1	(512,518,390)	(344,973,285)
Net amount		-	1,093,700,764

15.5.1 The expected credit loss of Rs 167.53 million (2024:Rs 344.97 million) has been recorded during the year.

15.6 This breakup of this balance is as under:

	Note	2025	2024
		Rupees	
Gross amount		7,094,274	6,721,750
Accumulated impairment loss		(7,094,274)	-
Net amount		-	6,721,750

15.7 These primarily represent other receivables from group entities against expenses incurred on behalf of them and are unsecured. Interest is charged at one month Kibor plus 1% per annum.

15.8 These represent other receivables from other related parties against expenses incurred on behalf of them. These are provided in the ordinary course of business and carry no interest.

15.9 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	2025	2024
	Rupees	
National Data Consultant (Private) Limited	769,303,805	1,438,272,170
Systems Ventures (Private) Limited	580,668,415	299,339,506
Systems Africa for Information Technologies Pty. Ltd.	7,094,274	13,509,890
Techvista Information Technology WLL	173,656,587	-
Systems APAC for Information Technology Pte. Ltd.	120,379,232	45,201,685
Systems Arabia for Information Technology	604,672,526	677,759,445
SYS Egypt for Information Technology Services	18,892,194	2,912,144
Visionet Deutschland GmbH	81,946,811	34,474,841
Visionet EMEA Limited	-	2,477,021
National Data Consultancy FZE	104,142,383	139,801,748
Systems International IT Pte. Ltd.	951,548	883,112
SYS Information Technology Malaysia Sdn Bhd	19,169,329	-
Systems Australia for Information Technology Pty. Limited	85,631,251	91,556,279
Sys Bahrain for Information Technology W.L.L.	64,275,932	32,380,881
AtClose	1,549,177	-
Visionet Systems Inc.	228,909,925	-
Visionet Canada Incorporation	1,403,799	50,142
PartnerLinQ Incorporation	17,222,444	9,339,675
OneLoad Processing Systems (Private) Limited	316,448,700	279,896,630
SUS JV (Private) Limited	15,424,981	19,540,484

15.10 This is net of allowance for ECL as follows:

	2025	2024
	Rupees	
As at January 01	**397,313,631**	12,340,346
Expense for the year	**150,343,896**	384,973,285
Closing balance	**547,657,527**	397,313,631

15.11 The aging analysis of these balance are as follows:

	2025		2024	
	Rupees			
	Less than one year	More than one year	Less than one year	More than one year
National Data Consultant (Private) Limited	**247,617,682**	**264,900,708**	110,293,655	983,407,109
National Data Consultancy FZE	**2,207,848**	**-**	19,976,685	17,014,631
Systems Ventures (Private) Limited	**281,328,909**	**299,339,506**	297,401,875	1,937,631
Systems Africa for Information Technologies Pty. Ltd.	**372,524**	**6,721,750**	6,721,750	-
Systems APAC for Information Technology Pte. Ltd.	**33,299,922**	**-**	-	-
Systems Arabia for Information Technology	**110,247,777**	**-**	278,123,149	340,090,892
SYS Egypt for Information Technology Services	**18,892,194**		-	-
Systems Australia for Information Technology Pty. Limited	**-**	**-**	56,030,541	35,438,819
Systems International IT Pte. Ltd.	**28,726**	**862,835**	862,835	-
Sys Bahrain for Information Technology W.L.L.	**47,598,928**	**-**	32,380,881	-
SUS-JV (Private) Limited	**-**	**-**	7,455,254	-
Techvista Systems Information Technology WLL	**44,925,709**	**-**	-	-
SYS Information Technology Malaysia Sdn Bhd	**19,169,329**	**-**	-	-
Visionet Deutschland GmbH	**69,494,414**	**12,452,397**	11,274,057	23,200,784
Visionet Systems Inc	**23,087,656**	**-**	-	-
AtClose	**1,548,207**	**-**	-	-
Visionet Canada Incorporation	**1,353,657**	**50,142**	50,142	-
PartnerLinQ Incorporation	**7,882,769**	**9,339,675**	9,339,675	-

16. Trade deposits and short term prepayments

	Note	2025	2024
		Rupees	
Security deposits		**35,565,444**	95,841,377
Prepayments		**366,257,269**	428,569,390
		401,822,713	524,410,767
Less: Allowance for ECL	**(16.2)**	**(1,142,478)**	(2,220,000)
		400,680,235	522,190,767

16.2 Allowance for ECL

	Note	2025	2024
		Rupees	
As at January 01		**2,220,000**	-
Expense for the year		**2,000,000**	2,220,000
Balance written off during the year		**(3,077,522)**	-
Closing balance		**1,142,478**	2,220,000

17. Short term investments

	Note	2025	2024
		Rupees	
Fair value through profit or loss			
• Mutual fund units	**(17.1)**	**4,742,767,189**	2,764,394,367
Amortized cost			
• Term deposit receipts (TDRs)	**(17.2) & (17.3)**	**77,382,800**	177,382,800
		4,820,149,989	2,941,777,167

17.1 The details of investments in mutual funds are as follows:

	2025	2024
	Rupees	
Lakson Islamic Money Market Fund Number of units: 2,847,286 (2024 : 909,308)	**302,426,172**	100,000,000
Meezan Balanced Fund Number of units: Nil (2024: 5,176)	**-**	122,718
Meezan Sovereign Fund No. of Units : 183 (2024 : Nil)	**9,984**	-
Meezan Rozana Amdani Fund Number of units: Nil (2024 : 792)	**-**	39,624
NBP Islamic Income Fund Number of units: Nil (2024: 604)	**-**	6,656
NBP Islamic Sarmaya Izafa Fund Number of units: Nil (2024: 16,483)	**-**	504,527
HBL Islamic Money Market Fund Number of units: Nil (2024: 5,034,611)	**-**	551,581,892
Meezan Islamic Fund Number of units: Nil (2024: 2,034)	**-**	252,085
AL Habib Islamic Cash Fund Number of units: 100,233,164 (2024: 1,390,481)	**100,266,596**	150,023,638
AWT Islamic Income Fund Number of units: 44 (2024: 1,304,114)	**4,902**	150,204,094
Alfalah Islamic Money Market Fund Number of units: Nil (2024: 5,575,713)	**-**	606,513,798
MCB Alhamra Cash Management Fund Number of units: 2,860,371 (2024:3,428,097)	**301,596,371**	372,875,509
MCB Alhamra Islamic Money Market Fund Number of units: Nil (2024 : 507)	**-**	50,423
Meezan Islamic Income Fund Number of units: 117 (2024: 105)	**6,306**	5,981
JS Islamic Money Market Fund Number of units: Nil (2024: 1,440,092)	**-**	150,043,203
Atlas Islamic Money Market Fund Number of units: 1,422,573 (2024: 274,130)	**756,072,667**	150,000,000
NBP Islamic Daily Dividend Fund Number of units: Nil (2024 : 8,903)	**-**	89,032
NBP Islamic Stock Fund Number of units: Nil (2024: 7,849)	**-**	173,041
Meezan Cash Fund Number of units: 2,791,861 (2024: 1,807,412)	**150,350,379**	100,116,578
NBP Islamic Money Market Fund Number of units: 9,391,223 (2024: 319)	**100,284,170**	3,520
ABL Islamic Cash Fund Number of units: Nil (2024: 102,092)	**-**	1,021,228
ABL Islamic Income Fund Number of units: Nil (2024: 924)	**-**	10,445
Faysal Islamic Cash Fund Number of units: 3,957,134 (2024: 3,962,874)	**414,588,308**	430,641,975
ABL Islamic Stock Fund Number of units: Nil (2024 : 3,255)	**-**	87,363
ABL Islamic Fixed Term Plan IV No. of Units : 111,650,340 (2024 : Nil)	**1,119,395,142**	-
AWT Islamic Income Money Market Fund No. of Units : 1,213,362 (2024 : Nil)	**150,366,557**	-
Pak Qatar Asset Allocation Plan No. of Units : 3,525,855 (2024 : Nil)	**442,223,348**	-
UBL - Al Ameen Islamic Cash Plan-I No. of Units : 8,570,478 (2024 : Nil)	**905,171,935**	-
Alfalah Islamic GHP Islamic Income Fund Number of units: Nil (2024 : 10)	**-**	1,130
UBL Al Ameen Islamic Asset Allocation fund Number of units: 197 (2024 : 197)	**4,352**	3,607
Alfalah Islamic Rozana Amdani Fund Class A Number of units: Nil (2024: 222)	**-**	22,300
	4,742,767,189	2,764,394,367

17.2 This represents TDRs amounting to Nil (2024: Rs 77.38 million) which were pledged against export re-finance facility and letter of guarantee availed from Habib Metropolitan Bank Limited.

17.2.2 These carried markup at rates ranging from 5.47% to 10% (2024: 10.82 % to 19.50%) per annum and had maturities of 30 days (2024: 30-90 days) from the date of initial recognition.

18. Cash and bank balances

	Note	2025	2024
Cash in hand		**37,094**	127,070
Cheques in hand		**-**	90,182,250
		37,094	90,309,320
Balances with banks:			
Local currency:			
Current accounts		**249,617,768**	288,796,188
Savings accounts	**(18.1)**	**1,687,934,314**	897,842,986
		1,937,552,082	1,186,639,174
Foreign currency:			
Current accounts		**858,158,273**	212,751,100
		2,795,747,449	1,489,699,594

18.1 These carry markup at the rate of 2.60% to 11.50% (2024: 6.00% to 20.51%) per annum.

18.2 Cash and cash equivalents

	Note	2025	2024
		Rupees	
Cash and bank balances	**(18)**	**2,795,747,449**	1,489,699,594
Restricted cash	**(18.3)**	**(52,674,480)**	-
		2,743,072,969	1,489,699,594
Short term investments	**(17)**	**77,382,800**	100,000,000
		2,820,455,769	1,589,699,594

18.3 This represents restricted bank balance under lien as security for guarantees amounting to Rs 52.67 million (2024: nil).

19 Issued, subscribed and paid-up share capital

2025	2024		2025	2024
(Number of shares)			Rupees	
599,960,320	591,486,630	Ordinary shares of Rs 2/- each fully paid in cash	**1,199,920,639**	1,182,973,259
814,331,615	814,331,615	Ordinary shares of Rs 2/- each as bonus shares	**1,628,663,230**	1,628,663,230
59,112,500	59,112,500	Ordinary shares of Rs 2/- each issued for consideration otherwise than cash	**118,225,000**	118,225,000
1,473,404,435	1,464,930,745		**2,946,808,869**	2,929,861,489

19.1 Reconciliation of ordinary shares

2025	2024		2025	2024
(Number of shares)			Rupees	
1,464,930,745	1,457,106,995	Balance at January 01	**2,929,861,489**	2,914,213,989
8,473,690	7,823,750	Stock options exercised	**16,947,380**	15,647,500
1,473,404,435	1,464,930,745		**2,946,808,869**	2,929,861,489

19.2 The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

19.3 Pursuant to the approval of shareholders by way of special resolution dated April 28, 2025 and upon completion of the requisite corporate and regulatory formalities, the Company undertook a sub-division of its ordinary shares, whereby the face value of each share was reduced from Rs 10 to Rs 2. The sub-division did not result in any change to the aggregate paid-up capital or to the rights and privileges attached to the shares. In accordance with IAS 33 – Earnings Per Share (EPS), the basic and diluted EPS for all periods presented have been retrospectively adjusted to reflect the effect of the share sub-division as if it had occurred at the beginning of the earliest comparative period presented.

20. Capital reserves

	Note	2025	2024
		Rupees	
Share premium reserve	(20.1)	6,298,649,065	5,433,976,281
Employee compensation reserve	(20.2)	846,074,126	766,101,046
		7,144,723,191	6,200,077,327

20.1 This reserve shall be utilized only for the purpose as specified in section 81(2) of the Companies Act, 2017.

20.2 This represents balance amount after exercise of share options by the employees under the Employee Stock Option Scheme approved by the SECP. According to the scheme, 100% options become exercisable after completion of vesting period from the date of grant. The options have a vesting period of 2 years and an exercise period of 3 years from the date the option is vested.

20.2.1 The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	2025		2024	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	Rupees	Number	Rupees	Number
Outstanding at January 01	73.41	33,210,505	69.19	28,157,185
Granted during the year				
• stock options awarded in March 2024	-	-	65.03	14,679,570
• stock options awarded in December 2024	-	-	79.43	250,000
• stock options awarded in March 2025	91.42	8,207,500	-	-
Forfeited share options	68.68	(2,302,000)	62.04	(2,052,500)
Exercised during the year:				
• stock options awarded in March 2021[1]	34.62	(55,000)	34.62	(3,765,685)
• stock options awarded in September 2021[2]	49.72	(270,000)	49.72	(352,500)
• stock options awarded in March 2022[3]	57.84	(2,923,185)	57.84	(2,711,815)
• stock options awarded in August 2022[4]	52.72	(156,250)	52.72	(993,750)
• stock options awarded in April 2023[5]	75.98	(5,069,250)	-	-
Outstanding at December 31	80.03	30,642,320	73.41	33,210,505
Vested and exercisable at December 31	67.63	8,967,750	55.00	7,158,435

- The weighted average share price at the date of the exercise of these options was Rs. 103.65 (2024: nil).
- The weighted average share price at the date of the exercise of these options was Rs 118.52 (2024: 86.26).
- The weighted average share price at the date of the exercise of these options was Rs 121.49 (2024: 88.79).
- The weighted average share price at the date of the exercise of these options was Rs 124.01 (2024: 101.57).
- The weighted average share price at the date of the exercise of these options was Rs 117.86 (2024: Nil)

20.2.2 The weighted average remaining contractual life for the share options outstanding as at 31 December 2025 is 3.09 years (2024: 3.48 years).

20.2.3 The weighted average fair value of options granted during the year was Rs. 46.43 (2024: Rs. 34.38)

20.2.4 The range of exercise prices for options outstanding at the end of the year is Rs 34.62 to Rs.91.42 (2024: Rs 34.62 to Rs 79.43).

20.2.5 The following table lists the inputs to the model used for the plan:

	2025	2024
Dividend yield	**1.29%**	1.41%
Expected volatility	**30%**	29% - 30%
Risk-free interest rate	**11.88%**	17.24% & 12.36%
Expected life of share options (years)	**2.68**	2.30 to 2.38
Weighted average share price	**Rs. 113.36**	Rs. 395.94 & Rs 552.77
Model used	**Black Scholes**	Black Scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. Had we changed the expected volatility to the model by +/-1%, the impact on the fair value as determined on the grant date would not be material.

21. These represent advances received from staff and will be adjusted as per Company's car policy against sale of vehicles.

22. Lease liabilities

	2025	2024
	Rupees	
Present value of lease rental	**465,991,241**	451,053,321
Less: Current portion shown under current liabilities	**(180,159,105)**	(158,971,560)
	285,832,136	292,081,761

	Lease Rentals	Finance cost for future periods	Principal outstanding
	2025		
	Rupees		
Not later than one year	**221,992,083**	**41,832,978**	**180,159,105**
Later than one year but not later than five years	**324,556,751**	**38,724,615**	**285,832,136**
Later than five years	**-**	**-**	**-**
	546,548,834	**80,557,593**	**465,991,241**

	Lease Rentals	Finance cost for future periods	Principal outstanding
	2024		
	Rupees		
Not later than one year	203,231,522	44,259,962	158,971,560
Later than one year but not later than five years	327,872,001	35,790,240	292,081,761
Later than five years	-	-	-
	531,103,523	80,050,202	451,053,321

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Note	2025	2024
		Rupees	
As at January 01		**451,053,321**	580,303,133
Additions		**176,779,550**	-
Accretion of interest	**(34)**	**46,011,690**	62,375,442
Payments		**(207,853,320)**	(191,625,254)
		465,991,241	451,053,321

Salient features of the leases are as follows:

Discounting rate	**9.7% - 15.36%**	9.7% - 15.36%
Period of lease	**48-120 months**	48-120 months

22.1 Amount recognized in unconsolidated statement of profit or loss:

The following are the amounts recognized in profit or loss:

	2025	2024
	Rupees	
Interest expense on lease liabilities	**46,011,690**	62,375,442
Expenses relating to short term leases	**106,105,066**	103,611,721
Total amount recognized in profit or loss	**152,116,756**	165,987,163

22.2 Cash outflow for leases

The Company had total cash outflows for leases of Rs 313.95 million (2024: Rs 295.27 million). The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs 176.78 million (2024: Nil) and Rs 176.78 million (2024: Nil) respectively.

23. Trade and other payables

	Note	2025	2024
		Rupees	
Creditors	(23.1)	**417,228,709**	362,558,624
Accrued liabilities	(23.2)	**3,139,427,966**	2,657,440,342
Provident fund contribution payable	(23.3)	**197,785,261**	93,243,169
Withholding income tax payable		**635,043,957**	436,846,190
Sales tax payable		**521,203,740**	275,319,282
Payable to related parties	(23.4)	**3,036,154,609**	3,774,400,234
Subscription money payable		**5,788,886**	5,788,886
Provision for onerous contracts		**45,739,224**	18,738,239
		7,998,372,352	7,624,334,966

23.1 These are non-interest bearing, are in normal course of business and are normally settled on terms of between 30 and 60 days.

23.2 This includes Nil (2024: Rs 1.6 million) payable to directors of the Company for attending board meetings.

23.3 All investments out of provident fund have been made in the listed equity and listed debt securities in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

	Note	2025	2024
		Rupees	
23.4 This includes payable to the following related parties:			
• Techvista Systems FZ-LLC		**2,802,577,081**	3,303,549,197
• Visionet Systems Incorporation - USA		**-**	241,069,762
• Techvista Information Technology W.L.L Qatar		**-**	15,698,911
• Systems APAC for Information Technology		**-**	116,125,096
• Systems Australia for Information Technology Pty. Limited		**7,710,832**	-
• Systems Egypt for Information Technology		**-**	4,148,897
• Visionet EMEA Limited UK		**225,866,696**	93,807,053
• AtClose LLC		**-**	1,318
	(23.4.1)	**3,036,154,609**	3,774,400,234

23.4.1 These represent payable to related parties against expenses incurred by them on behalf of the Company. These are in the ordinary course of business and carry no interest.

24. Contract liabilities

These represent mobilization and other advances received from the customers against professional / software development services, licenses, license support services and other fees to be adjusted with the satisfaction of contracts.

25. Short term borrowings

	Note	2025	2024
		Rupees	
From financial institutions - secured			
Export Finance Scheme (EFS)			
Habib Metropolitan Bank Limited	(25.1)	999,999,787	999,999,857
Habib Bank Limited	(25.2)	124,998,997	180,058,083
Bank Al Habib Limited	(25.3)	790,744,456	99,741,307
Samba Bank Limited	(25.4)	99,999,778	-
		2,015,743,018	1,279,799,247
From Group entity - unsecured			
British American Tobacco SAA Services (Pvt)Limited	(25.5)	385,469,086	-
		2,401,212,104	1,279,799,247
Accrued mark-up on borrowings		14,248,275	9,395,836
		2,415,460,379	1,289,195,083

25.1 This represents islamic export finance scheme (IEFS) obtained against sub-limit of islamic export re-finance (IERF) of Rs 2,000 million (2024: 2000 million). The rate of mark-up is SBP EFS rate for tenor upto 180 days (2024: 90 days) which is 3% per anum (2024: 3% per anum). These borrowings are secured against first pari passu hypothecation charge of Rs 2,950 million (2024: 2,950 million) over Company's current assets with 25% margin (2024: 25% margin).

25.2 This represents export finance scheme (EFS) availed as a sub-limit against the aggregate sanctioned limit of Rs 700 million (2024: 700 million). The rate of mark-up is SBP EFS rate for tenor upto 180 days (2024: 90 days) which is 3% per annum (2024: 3% per anum). These borrowings are secured against first pari passu hypothecation charge on Company's current assets amounting to Rs 934 million with 25% margin (2024: 25% margin).

25.3 This represents running musharika islamic export finance scheme (IEFS) obtained against the aggregate sanctioned limit of Rs 1000 million (2024: Rs. 500 million). The rate of mark-up is SBP EFS rate for tenor upto 180 days (2024: 90 days) which is 3% per annum (2024: 3% per anum). These borrowings are secured against ranking hypothecation charge over current assets of the Company amounting Rs 1,334 million (2024: 667 million) with 25% margin to be registered with SECP (2024: 25% margin) which will be upgraded to first parri passu charge within 6 months from the date of approval.

25.4 This represents export finance scheme (EFS) obtained during the year against the aggregate sanctioned limit of Rs 500 million (2024: Nil). The rate of mark-up is SBP EFS rate for tenor upto 180 days which is 3% per annum. These borrowings are secured against ranking charge of Rs.666.67 million over current assets of the company, which will be upgraded to Pari Passu within 180 days from the date of disbursement ie 30 December, 2025.

25.5 This represents an unsecured loan obtained from British American Tobacco SAA Services (Pvt) Limited for working capital requirements. The loan carry mark-up at the rate of one-year Kibor (2024: Nil) on the outstanding balance to be repaid within one year from date of disbursement.

26. Contingencies and commitments

26.1 Contingencies

Income tax

26.1.1 Tax Year 2017 – under section 161

The Deputy Commissioner Inland Revenue (the "DCIR") issued order dated November 29, 2018 under section 161(1A) of the Income Tax Ordinance, 2001 (the "Ordinance") for the tax year 2017 whereby tax amounting to Rs 6.53 million for non-deduction of withholding tax was levied. The Company preferred an appeal before Commissioner Inland Revenue (Appeals) ["CIR(A)"], which was decided against the Company through order dated March 11, 2019. Being aggrieved, the Company filed an appeal before the Appellate Tribunal Inland Revenue ("ATIR"), which is pending adjudication. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

26.1.2 Tax Year 2016 - under section 177

The Deputy Commissioner Inland Revenue ('DCIR') issued a show cause notice under section 122 on the basis of audit of undertaking filed under clause 94 part IV of Second Schedule to the Income tax ordinance, 2001 (the 'Ordinance'), which was duly replied by the Company. Consequently, the DCIR passed an order dated June 30, 2022 under section 122/177 of the Ordinance and has raised the income tax demand of Rs 29 million on issue of proration of certain expenses. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) who through order dated February 7, 2023, remanded back the matter to the assessing officer for fresh consideration. Both the Company and the department have filed an appeal before the honorable ATIR which has not been fixed for hearing till date. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

26.1.3 Tax Year 2014 - under section 122(5A)

The Deputy Commissioner Inland Revenue ("DCIR:) issued an order dated March 28, 2016 under section 122(5A) of the Ordinance for tax year 2014, on the basis of wrong proration of expenses and capital gains and created an aggregated demand of Rs 48.59 million. The company preferred an appeal against the order, before the CIR(A) who decided the case in favor of the Company. However, the tax department has filed second appeal before the ATIR, which is pending adjudication. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

26.1.4 Tax Year 2022 - under section 4C

The Deputy Commissioner Inland Revenue ("DCIR:) issued an order dated January 30, 2025 under section 4C of the Ordinance for tax year 2022, on the basis of incorrect computation of income under the said section and created an aggregated demand of Rs 23.22 million. The company requested for the rectification of the subject order u/s 221 of the Ordinance by providing a detailed reply, however, no rectification order has been passed by the learned DCIR till date. The Company is to prefer an appeal against the order, before the CIR(A). Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

26.1.5 Tax Year 2018 - under section 122(1)

The Assistant Commissioner Inland Revenue (the "ACIR") issued an order dated June 29, 2024 under section 122 of the Income Tax Ordinance, 2001 (the "Ordinance") for tax year 2018 whereby the expense pertaining to bad debts aggregating to Rs 60.09 million was disallowed for the said tax year under section 29 read with section 174(2) of the Ordinance and further ordered that the initial allowance on office equipment claimed by the Company in the income tax computation for the said tax year is not in line with the Ordinance and hence, tax depreciation of Rs 19.84 million was disallowed. The Company preferred an appeal against the order, before the Appellate Tribunal Inland Revenue (the "ATIR") who decided the case in favor of the Company through its order dated November 25, 2024 under section 122(1) of the Ordinance saying ACIR has erred in disallowing bad debts written off amounting to Rs 60.09 million without appreciating the underlying legal and factual position and that the office equipment is eligible for the initial allowance claimed by the Company. The Commissioner Inland Revenue ["CIR"] filed an appeal against this order in the Honorable Lahore High Court, which is pending adjudication. Based on the view of its legal counsel and as decision of ATIR in place already in favor of the Company, the management expects a favorable outcome in this regard.

Sales tax

26.1.6 Tax Period from January 2016 to December 2016

The Company was selected for Sales Tax Audit through computer ballot for the tax period January 2016 to December 2016 and on the basis of audit proceedings, the DCIR passed order dated July 30, 2020 under section 11(2) of the Sales Tax Act, 1990 on various issues including suppression of sales, non-chargeability of sales tax on advance from customers, other income, late filing of sales tax returns etc. and created impugned sales tax demand amounting to Rs 655.84 million. Being aggrieved, the Company preferred an appeal before the CIR(A).

During the year 2021, the CIR(A) vide order dated January 29, 2021 annulled the demand of Rs 651.44 million with the direction to reassess the matters and confirmed the balance demand of Rs 3.70 million against which the Company has preferred an appeal before ATIR. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

26.1.7 Guarantees issued by the financial institutions on behalf of the Company amount to Rs 879.88 million (2024: Rs 682.28 million). This includes guarantee of Nil (2024: Rs 77.38 million) given on behalf of UUS Joint Venture (Private) Limited, a joint operation of the Company.

26.2 Commitments

26.2.1 The Company has commitments in respect of short-term lease rentals against properties of Rs 26.54 million (2024: Rs 43.39 million).

26.2.2 The Company has availed facilities for opening letters of credits amounting to Rs 80.67 million (2024: Rs 18.70 million) as at year end. These are secured by lien over import documents.

27. Revenue from contracts with customers - net

27.1 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Note	2025		
		Export	Local	Total
		Rupees		
Type of goods or services				
Outsourcing services:				
Business process outsourcing		1,598,020,835	704,929,005	2,302,949,840
IT services		31,500,984,260	5,069,997,109	36,570,981,369
Software and hardware trading		107,722,871	3,715,778,103	3,823,500,974
Software implementation		129,933,655	2,658,518,590	2,788,452,245
Less: Sales tax	(27.1.1)	-	(1,255,276,933)	(1,255,276,933)
Total revenue from contracts with customers		33,336,661,621	10,893,945,874	44,230,607,495
Timing of revenue recognition - net				
Goods and services transferred at a point in time		107,722,871	1,840,927,403	1,948,650,274
Goods and services transferred over time		33,228,938,750	9,053,018,471	42,281,957,221
Total revenue from contracts with customers		33,336,661,621	10,893,945,874	44,230,607,495

	Note	2024		
		Export	Local	Total
Type of goods or services		Rupees		
Outsourcing services:				
Business process outsourcing		953,079,956	685,935,314	1,639,015,270
IT services		28,639,792,160	3,459,026,370	32,098,818,530
Software and hardware trading		231,219,315	3,573,828,426	3,805,047,741
Software implementation		428,712,096	1,590,156,011	2,018,868,107
Less: Sales tax	(27.1.1)	-	(1,034,766,096)	(1,034,766,096)
Total revenue from contracts with customers		30,252,803,527	8,274,180,025	38,526,983,552
Timing of revenue recognition - net				
Goods and services transferred at a point in time		223,204,924	2,341,477,848	2,564,682,772
Goods and services transferred over time		30,029,598,603	5,932,702,177	35,962,300,780
Total revenue from contracts with customers		30,252,803,527	8,274,180,025	38,526,983,552

27.1.1 This represents sales tax chargeable under provincial and federal sales tax laws on revenue as defined under relevant laws.

27.2 The amount of revenue recognized from amounts included in contract liabilities at the beginning of the year is Rs 644.7 million (2024: Rs 31.81 million).

27.3 Transaction prices of remaining performance obligations

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is as follows:

	2025	2024
	Rupees	
Within one year	**1,866,271,215**	1,709,690,764

27.4 The Company makes sales against credit terms. In case of credit sales for all revenue streams, payment is generally due within 90-120 days from the date of billing to the customer.

28. Cost of revenue

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	(28.1)	**25,824,220,656**	22,799,997,915
Purchase of software and hardware		**3,011,359,342**	2,717,636,230
Technical consultancy		**629,829,973**	471,082,507
Printing and stationery		**21,039,830**	942,062
Computer supplies		**20,546,745**	23,049,328
Rent, rates and taxes		**63,770,424**	58,575,400
Electricity, gas and water		**136,812,967**	196,989,598
Traveling and conveyance		**210,868,070**	217,944,246
Repair and maintenance		**19,303,077**	7,763,897
Postage, telephone and telegrams		**160,377,467**	210,595,758
Vehicle running and maintenance		**732,449,054**	719,316,013
Entertainment		**59,787,702**	2,998,947
Fee and subscriptions		**734,298,300**	620,445,351
Insurance		**22,569,459**	16,424,250
Depreciation of property and equipment	(6.1.3)	**541,768,731**	633,898,305
Amortization	(7.4)	**17,839,176**	2,962,704
Advertisement & publicity		**5,277,490**	11,800
Depreciation of right-of-use asset	(9.2)	**137,712,728**	136,780,483
Legal and professional		**1,758,750**	-
Others		**39,013,522**	6,260,496
		32,390,603,463	28,843,675,290

28.1 This includes employees retirement benefit expense amounting to Rs 1,439.03 million (2024: Rs 1,254.33 million) and share based payment expense amounting to Rs 137.82 million (2024: Rs 211.69 million).

29. Selling and distribution expenses

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	(29.1)	785,497,644	583,172,578
Technical consultancy		22,393,142	3,959,413
Printing and stationery		587,703	787,374
Computer supplies		1,332,878	524,317
Electricity, gas and water		5,240,987	6,163,258
Traveling and conveyance		58,931,290	66,170,748
Repair and maintenance		187,990	125,975
Postage, telephone and telegrams		4,401,613	5,430,537
Vehicle running and maintenance		19,751,538	21,045,979
Insurance		1,527,575	717,442
Fee and subscriptions		11,959,175	12,930,203
Shows, seminars and advertising		63,649,858	34,108,338
Depreciation of property and equipment	(6.1.3)	14,213,387	8,602,740
Amortization	(7.4)	-	54,824
Depreciation of right-of-use asset	(9.2)	2,421,332	1,722,000
Entertainment		10,474,413	2,913,978
Office rent		619,951	-
		1,003,190,476	748,429,704

29.1 This includes employees retirement benefit expense amounting to Rs 35.92 million (2024: Rs 36.29 million) and share based payment expense amounting to Rs 20.32 million (2024: Rs 16.74 million).

30. Administrative expenses

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	(30.1)	1,511,528,444	1,341,913,319
Printing and stationery		14,714,737	18,193,245
Computer supplies		24,297,208	21,926,045
Rent, rates and taxes		41,564,598	44,948,016
Electricity, gas and water		29,927,243	32,531,653
Traveling and conveyance		86,336,815	74,128,962
Repair and maintenance		63,725,026	136,716,539
Office supplies		43,041,706	52,101,809
Postage, telephone and telegrams		95,114,846	73,660,250
Vehicle running and maintenance		90,056,160	99,863,982
Legal and professional		62,029,151	42,312,561
Auditors' remuneration	(30.2)	35,670,230	23,069,313
Entertainment		33,056,893	10,109,672
Donations	(30.3)	69,290,304	67,722,000
Fee and subscriptions		394,391,166	347,947,746
Insurance		6,972,845	6,798,752
Depreciation of property and equipment	(6.1.3)	117,559,791	102,702,835
Depreciation of right-of-use asset	(9.2)	12,344,650	11,987,685
Amortization	(7.4)	-	322,459
Others		3,109,004	2,558,109
		2,734,730,817	2,511,514,592

30.1 This includes employees retirement benefit expense amounting to Rs 79.60 million (2024: Rs 70.63 million) and share based payment expense amounting to Rs 118.25 million (2024: Rs 110.83 million).

30.2 Auditors' remuneration		2025	2024
		Rupees	
A.F.Ferguson & Co			
Statutory audit fee		**11,500,000**	8,723,750
Half yearly review		**2,500,000**	1,856,250
Code of corporate governance		**400,000**	345,000
Other certifications		**800,000**	926,108
Tax services		**14,093,949**	9,700,243
Out-of-pocket		**1,640,367**	1,161,108
		30,934,316	22,712,459
Other auditors			
Special purpose audit		**4,000,000**	-
Other certifications		**735,914**	356,854
	30.2.1	**35,670,230**	23,069,313

30.2.1 The above fees is exclusive of sales tax	2025	2024
	Rupees	
30.3 This includes donations to the following parties:		
Pakistan Children's Heart Foundation	**12,000,000**	12,000,000
Million Smiles Foundation	**18,000,000**	22,300,000

The directors of the Company or their spouses do not have any interest in the donees.

31. Research and development expenditure

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	**(31.1)**	**57,550,594**	80,111,572
Technical consultancy		**1,216,373**	5,527,332
Printing and stationery		**-**	18,500
Computer supplies		**182,498**	107,447
Electricity, gas and water		**707,191**	528,659
Traveling and conveyance		**8,760,045**	851,755
Repair and maintenance		**24,399**	35,147
Postage, telephone and telegrams		**425,261**	876,827
Vehicle running and maintenance		**2,264,018**	2,191,778
Insurance		**52,388**	12,305
Fee and subscriptions		**5,152,003**	3,467,385
Rent, rates and taxes		**115,269**	88,305
Depreciation of property and equipment	**(6.1.3)**	**1,945,063**	3,080,858
Amortization	**(7.4)**	**-**	21,691
Depreciation of right-of-use asset	**(9.2)**	**762,342**	864,087
Entertainment		**234,932**	4,452
Office Supplies		**213,344**	4,150
		79,605,720	97,792,250

31.1 This includes employees retirement benefit expense amounting to Rs 4.38 million (2024: Rs 2.39 million) and share based payment expense amounting to Rs 1.72 million (2024: Rs 1.48 million).

31.2 Research and development expenditure include costs associated with ongoing projects aimed at developing innovative solutions and enhancing existing technologies. The projects include core banking system projects, artificial intelligence-driven tools, improvements to SAP-based systems, blockchain and metaverse applications.

32. Impairment losses on financial assets

	Note	2025	2024
		Rupees	
Allowance for ECLs			
• Contract assets	**(13.1.2)**	**227,057,806**	17,672,786
• Trade debts	**(14)**	**(7,703,682)**	200,329,857
• Loans, advances and other receivables	**(15)**	**150,343,896**	384,973,285
• Security deposits		**2,000,000**	2,220,000
		371,698,020	605,195,928

33. Other income

	Note	2025	2024
		Rupees	
Profit on deposit accounts		**69,065,394**	73,167,567
Profit on term deposit receipts and sukuks		**7,087,562**	43,689,537
Income on mutual funds	**(33.1)**	**198,151,511**	220,787,150
Exchange gain / (loss)		**301,877,669**	(220,091,599)
Interest income from related parties		**383,655,352**	759,731,402
Effect of discounting of long term security deposits		**3,946,806**	3,556,850
Gain on disposal of property and equipment	**(6.1.4)**	**30,481,573**	11,958,618
Gain on derivative financial instruments		**12,447,617**	19,484,138
Others		**17,706,823**	4,194,462
		1,024,420,307	916,478,125

33.1 This represents the following:

Dividend income	**7,082,909**	61,959,308
Gain on mutual funds	**191,068,602**	158,827,842
	198,151,511	220,787,150

34. Finance costs

Guarantee commission		**1,840,343**	756,273
Markup on borrowings		**47,155,540**	137,672,712
Bank charges		**36,931,774**	34,375,542
Finance cost on lease liabilities	**(22)**	**46,011,690**	62,375,442
		131,939,347	235,179,969

35. Levy and taxation

Levy	**(35.1)**	**410,733,911**	187,366,105
Taxation	**(35.2)**	**113,512,203**	99,010,303
		524,246,114	286,376,408

35.1 Levy

- Current year	**446,969,467**	344,531,462
- Prior year	**(36,235,556)**	(157,165,357)
	410,733,911	187,366,105

35.2 Taxation	**109,564,177**	62,915,262
- Current tax - current	**3,948,026**	-
- Current tax - prior	**-**	36,095,041
- Deferred	**113,512,203**	99,010,303

35.3 Reconciliation of tax charge for the year:

	Note	2025	2024
		Rupees	
Profit before taxation		**8,132,526,048**	6,214,307,479
Tax on profit		**2,358,432,554**	1,802,149,169
Tax effect of income under FTR and MTR		**(2,358,432,554)**	(1,802,149,169)
Impact of super tax		**109,564,177**	62,915,262
Prior year charge		**3,948,026**	-
Deferred tax asset reversed during the year		**-**	36,095,041
		113,512,203	99,010,303

35.4 The Company has not recorded any deferred tax asset of Rs 98.43 million (2024: Rs 99.61 million) on business loss of Rs 169.29 million (2024: 169.29 million) and deductible temporary differences of Rs 560.20 million (2024: Rs 592.48 million) on account of provisions, employee compensation reserve and other temporary differences as the Company expects that these deductible temporary differences may not be realized in future.

36. Transactions with related parties

The related parties of the Company comprise subsidiaries, associated companies, companies in which directors are interested, staff retirement funds and directors and key management personnel (Note 37). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. All transactions with related parties have been carried out on mutually agreed terms and conditions. Amounts due from and to related parties are shown under respective notes to the unconsolidated financial statements. Other significant transactions with related parties are as follows:

Undertaking	Relation	Basis of relationship	Nature of transaction	2025	2024
				Rupees	
TechVista Systems FZ - LLC	Sub-Subsidiary	Wholly owned by subsubsidiary: Systems International IT Pte. Ltd.	Revenue	**8,464,843,584**	6,972,707,069
			Expenses incurred on behalf of the party by the Company	**482,204,188**	481,726,148
			Expense incurred on behalf of the company by the party	**491,373,627**	1,183,940,432
			Share options issued to employees of related party	**63,782,915**	64,092,568
			Consultancy fee by the party	**53,989,562**	3,266,781
			Payment of licenses made by the company on behalf of the party	**204,700,479**	-
			Payment of licenses made by the party on behalf of the company	**-**	111,352,368
Oneload Processing Systems (Private) Limited	Associated company	Wholly owned by Associate: E-Processing Systems B.V.	Disbursements against loan	**7,269,417**	14,382,444
			Receipts against loan	**-**	28,075,817
			Finance income on loan	**29,282,653**	41,972,291
			Property and equipment sold tothe party during the year	**-**	2,797,524

Undertaking	Relation	Basis of relationship	Nature of transaction	2025	2024
				Rupees	
SUS - Joint Venture (Private) Limited	Subsidiary	94.99% owned subsidiary	Disbursement against loan	**8,375,359**	47,535,157
			Receipts against loan	**16,579,508**	43,651,039
			Finance income on loan	**307,822**	3,019,561
Visionet Systems Inc.	Associated company	Common shareholding of directors	Revenue	**12,804,152,453**	11,491,396,490
			Expenses incurred on behalf of the party by the Company	**169,069,204**	308,892,792
			Expense incurred on behalf of the company by the party	**210,355,649**	318,363,208
Visionet Deutschland GmbH	Associated company	Common shareholding of directors	Revenue	**771,039,637**	839,609,072
			Payment of licenses made by the company on behalf of the party	**48,327,887**	-
			Expenses incurred on behalf of the party by the Company	**17,530,289**	11,671,751
Systems Ventures (Private) Limited	Subsidiary	Wholly owned	Expenses incurred on behalf of the party by the Company	**23,665,102**	5,112,399
			Interest income on advanced against shares not issued	**257,663,807**	395,527,700
			Shares issued by the related party on behalf of Systems International IT PTE ltd	**-**	668,602,840
			Assests transferred to Systems International PTE. ltd on behalf of the party	**-**	457,344,976
Systems Australia for Information Technology Pty Limited	Sub-Subsidiary	Wholly owned by sub-subsidiary: TechVista Systems FZ LLC	Revenue	**113,041,464**	81,461,229
			Share options issued to employees of related party	**67,078**	8,078,197
			Interest income	**2,830,852**	10,284,251
			Expenses incurred on behalf of the party by the Company	**3,541,962**	29,497,985
Systems Limited Employee's Provident Fund	Staff retirement fund	Staff retirement fund	Contribution	**1,573,496,878**	1,394,742,412
			Payments made on behalf of the party by the Company	**773,000,203**	648,870,376
TechVista Information Technology W.L.L.	Subsidiary	Management Control	Revenue	**837,722,389**	734,320,058
			Share options issued to employees of related party	**1,388,012**	1,674,136
			Expenses incurred on behalf of the party by the Company	**68,347,717**	35,375,085
			Interest income	**9,382,846**	-
			Payment of licenses made by the company on behalf of the party	**8,442,993**	-
			Expense incurred on behalf of the company by the party	**42,672,534**	37,541,261
Visionet EMEA Limited	Associated company	Common shareholding of directors	Revenue	**920,398,586**	879,729,575
			Expenses incurred on behalf of the party by the Company	**9,327,007**	8,502,929
			Consultancy fee by the party	**90,514,689**	-
			Expense incurred on behalf of the company by the party	**39,186,219**	103,299,289

Undertaking	Relation	Basis of relationship	Nature of transaction	2025	2024
				Rupees	
National Data Consultants (Private) Limited	Subsidiary	Wholly owned	Expense incurred on behalf of the company by the party	**53,929,672**	29,710,489
			Receipts held on behalf of Systems Limited	**-**	726,032,724
			Interest income	**56,156,331**	197,509,127
			Expenses incurred on behalf of the party by the Company	**247,617,683**	400,279,296
Systems Arabia for Information Technology	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**3,010,965,731**	2,507,276,660
			Share options issued to employees of related party	**34,853,335**	26,496,983
			Interest income	**18,387,228**	98,116,079
			Expenses incurred on behalf of the party by the Company	**463,227,424**	453,464,982
			Payment of licenses made by the company on behalf of the party	**45,356,577**	-
			Expense incurred on behalf of the company by the party	**20,647,071**	12,223,372
Systems Africa for Information Technologies Pty. Ltd.	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**28,725,572**	381,310
			Expenses incurred on behalf of the party by the Company	**-**	2,056,978
			Share options issued to employees	**-**	2,123,183
Systems APAC for Information Technology Pte. Ltd.	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**1,174,880,729**	896,374,527
			Share options issued to employees of related party	**2,187,772**	1,008,625
			Expenses incurred on behalf of the party by the Company	**120,188,971**	58,983,264
			Payment of licenses made by the party on behalf of the company	**70,297,241**	-
			Expense incurred on behalf of the company by the party	**22,691,561**	162,452,034
SYS Egypt for Information Technology Services	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**7,483,423**	2,270,021
			Expenses incurred on behalf of the party by the Company	**18,294,174**	35,778,410
			Consultancy fee by the party	**11,599,613**	8,622,585
			Expenses incurred on behalf of Company by the party	**3,065,789**	-
			Share options issued to employees of the subsidiary	**3,400,878**	2,385,373
National Data Consultancy FZE	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**480,330,492**	789,430,851
			Interest income	**5,862,158**	12,099,667
			Expense incurred on behalf of the company by the party	**873,425**	-
			Expenses incurred on behalf of the party by the Company	**68,295,328**	7,211,210

Undertaking	Relation	Basis of relationship	Nature of transaction	2025	2024
				Rupees	
Visionet Canada Inc.	Associated company	Common shareholding of directors	Revenue	**36,019,299**	8,027,621
			Expenses incurred on behalf of the party by the company	**1,340,585**	52,734
Systems Information Technology Malaysia SDN. BHD.	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**89,159,672**	8,644,264
			Expenses incurred on behalf of the party by the Company	**31,779,273**	-
AtClose	Associated company	Common shareholding of directors	Revenue	**-**	310,280,397
			Expenses incurred on behalf of the party by the Company	**200,000**	-
PartnerLinQ, Inc.	Associated company	Common shareholding of directors	Revenue	**1,567,082,796**	1,475,756,319
			Expenses incurred on behalf of the party by the Company	**7,852,949**	9,327,684
Sys Bahrain for Information Technology WLL	Sub-subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	**258,575,942**	153,667,552
			Interest income	**3,839,901**	1,202,726
			Expenses incurred on behalf of the party by the Company	**94,965,206**	31,142,804
British American Tobacco SAA Services (Private) Limited	Subsidiary	Wholly owned	Loan repaid/ expenses incurred on behalf of the party by the Company	**54,530,914**	-
			Loan received during the year	**440,000,000**	-
Salesflo (Private) Limited	Associated company	20% Shareholding owned by Systems Ventures Private Limited	Revenue	**2,869,565**	-
UUS Joint Venture (Private) Limited	Joint Operations	Joint Operations	Disbursement against loan	**-**	7,607,234.00
			Receipts against intercompany loan	**116,000,000**	-
			Finance income on loan	**31,100,309**	40,538,306.00
Key management personnel - note 36.2	Key management personnel	Key management personnel	Salaries and other benefits	**286,765,747**	307,960,996

36.1 The Company has entered into transactions, agreements or arrangements in place during the year with the following subsidiaries, joint ventures and associated companies incorporated outside Pakistan:

Name of Company	Details			
	Country of incorporation	Registered Address	Basis of Association	Percentage of shareholding
Systems Arabia for Information Technoloy	Kingdom of Saudi Arabia	6499 Saeed Ibn Zaid Road, 2498 Qurtubah, Riyadh, 13248,Kingdom of Saudi Arabia.	Sub-Subsidiary	-
TechVista Systems FZ - LLC	UAE	404, Dubai Hills Business park 3, Emaar Hills Estate PO BOX 500497 Dubai, UAE	Sub-Subsidiary	-
Systems Australia for Information Technology Pty Limited	Australia	Level 22, 2 Market St, Sydney NSW 2000, Australia	Sub-Subsidiary	-
Systems Information Technology Malaysia	Malaysia	D83A, Menara suezcap 1,KL Gateway, 59200, Kuala Lumpur	Sub-Subsidiary	-
Systems Bahrain for Information Technology WLL	Bahrain	Shop #211, Building #85, Road 1802, Block #318, AL Hoora District Manama, Kingdom of Bahrain	Sub-Subsidiary	-
Systems APAC for Information Technology Pte. Ltd.	Singapore	36 Robinson Road, #20-01 City House, Singapore 068877.	Sub-Subsidiary	-
Systems International IT Pte. Ltd.	Singapore	36 Robinson Road, #20-01 City House, Singapore 068877.	Sub-Subsidiary	-
SYS Egypt for Information Technology Services	Egypt	Building B 2116, the Smart Village, 28 Kms, Cairo-Alexandria Desert Road, Giza, Egypt	Sub-Subsidiary	-
Systems Africa for Information Technologies Pty. Ltd.	South Africa	119 Witch Hazel Avenue, Highveld Technopark, Centurion, Gauteng	Sub-Subsidiary	-
National Data Consultancy FZE	UAE	ELOB Office No. E-32G-02, Hamriyah Free Zone, Sharjah, UAE P.O Box 42741.	Sub-Subsidiary	-
Visionet Deutschland GmbH	Germany	Maximilian street 13, 80539, Munchen, Germany	Associate	-
Visionet Systems Inc.	USA	Cedarbrook Corporate Center, 4 Cedarbrook Drive, Bldg. B Cranbury, NJ 08512-3641	Associate	-
Visionet EMEA Limited	UK	Wellington Way, Brooklands Business Park, Weybridge, Surrey KT13 0TT, GB	Associate	-
E-Processing Systems B.V.	Netherlands	Edvard Munchweg 14 B, 1328 MA Almere	Associate	34.3%
TechVista Information Technology W.L.L.	Qatar	TechVista IT WILL, Head Office Palm Towers B, Floor 41, Westbay, Doha, Qatar	Subsidiary	34% (management control)
Visionet Canada Inc.	Canada	2425 Matheson Blvd E,Mississauga,ON L4W5K4,Canada	Associate	-
PartnerLinQ Inc.	USA	Cedarbrook Corporate Center, 4 Cedarbrook Drive, Bldg. B Cranbury, NJ 08512-3641	Associate	-
AtClose LLC	USA	Cedarbrook Corporate Center, 4 Cedarbrook Drive, Bldg. B Cranbury, NJ 08512-3641	Associate	-

36.2 This represents remuneration of the Chief Executive Officer, executive and non-executive directors and some of the executives that are included in the remuneration disclosed in note 37 to these unconsolidated financial statements.

36.3 The key management personnel with whom the Company had entered into transactions or had arrangements/ agreements in place during the year have been disclosed below:

Name	Designation	% age of shareholding in the Company
Aezaz Hussain	Director	2.97%
Arshad Masood	Director	13.09%
Zubyr Soomro	Director	0.00%
Omar Saeed	Director	0.00%
Maheen Rehman	Director	0.00%
Romana Abdullah	Director	0.00%
Muhammad Asif Peer	Chief Executive Officer	7.06%
Roohi Khan	Chief Financial Officer	0.03%
Asif Akram	Chief Operational Officer	0.13%
Zeeshan Khawar	Chief Internal Auditor	0.00%
Toima Asghar	Chief Human Resource Officer	0.04%

37. Remuneration of chief executive officer, directors and executives

The aggregate amounts charged in the unconsolidated financial statements for the year for remuneration including certain benefits to the Chief Executive Officer, Directors and Executives of the Company are as follows :

		Chief Executive Officer		Non Executive Directors		Other Executives	
	Note	2025	2024	2025	2024	2025	2024
		NOS					
Number of persons		1	1	6	6	5,021	4,744
		Rupees					
Managerial remuneration		135,264,139	121,769,812	-	-	23,143,442,866	19,484,303,352
Retirement benefits		9,014,002	8,116,365	-	-	1,514,554,483	1,268,854,319
Bonus		-	-	-	-	517,624,736	448,154,192
Fees	(37.2)	-	-	11,600,000	5,600,000	-	-
		144,278,141	129,886,177	11,600,000	5,600,000	25,175,622,085	21,201,311,863

37.1 In addition to the above remuneration, the Chief Executive Officer and certain executives are also provided with company maintained cars, free medical and mobile phone facilities in accordance with their entitlement.

37.2 Fees represent the amounts paid to non executive directors for attending meetings of the Board and its sub-committees.

37.3 During the year, the Chief Executive Officer and other executives were granted 2,375,000 (2024:2,499,570) and 3,730,000 (2024: 8,465,000) share options respectively, which have a vesting period of two years. Further, the impact of benefits available to the Chief Executive Officer and other executives recognized by the Company on account of share-based payment plans aggregated to Rs 43.20 million (2024: Rs 33.09 million) and Rs 66.13 million (2024: Rs 110.65 million), respectively.

37.4 During the current year, the chief executive officer and certain executives of the Company exercised stock option under employee stock option scheme according to which 1,738,185 (2024:3,000,000) and 5,468,000 (2024:3,856,250) shares respectively were issued to them.

37.5 During the year, vehicles costing Rs 91.42 million were provided to Chairman of the Company and Rs 39.8 million were provided to other executives.

38. Reconciliation of liabilities arising from financing activities

	Opening balance as at January 1, 2025	Cash flows	Other changes	Closing balance as at December 31, 2025
Short term borrowings from financial institutions - secured including accrued mark-up on borrowings	1,289,195,083	1,121,412,857	4,852,439	2,415,460,379

	Opening balance as at January 1, 2024	Cash flows	Other changes	Closing balance as at December 31, 2024
Short term borrowings from financial institutions - secured including accrued mark-up on borrowings	2,119,000,000	(743,107,221)	(86,697,696)	1,289,195,083

During the year, the Company declared final dividend of Rs 1,758.70 million (2024:1,749.02 million) as disclosed in statement of changes in equity against which payment of Rs 1,751.32 million (2024:1,737.36 million) has been made. The remaining amount of Rs 7.38 million (2024:11.66 million) is transferred to unclaimed dividend.

39. Earnings per share - basic and diluted

Earnings per share is calculated by dividing the net profit for the year by weighted average number of shares outstanding during the year as follows:

	2025	2024
	Rupees	
Profit for the year	**8,019,013,845**	6,115,297,176
	(Number of shares)	
		(Restated)
Weighted average number of ordinary shares outstanding during the year	**1,468,907,491**	1,459,998,235
Basic earnings per share (Rupees)	**5.46**	4.19

39.1 Diluted earnings per share

	Rupees	
Profit for the year	**8,019,013,845**	6,115,297,176
	(Number of shares)	
Weighted average number of ordinary shares - basic	**1,468,907,491**	1,459,998,235
Effect of share options	**14,100,326**	10,127,040
Weighted average number of ordinary shares - diluted	**1,483,007,817**	1,470,125,275
Diluted earnings per share (Rupees)	**5.41**	4.16

40. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

40.1 Risk management framework

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

40.2 Market risk

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions and recognized assets and liabilities. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the Company's functional currency.

Monetary items, including financial assets and financial liabilities, denominated in currency other than functional currency of the Company are periodically restated to Pak rupee equivalent and the associated gain or loss is taken to the unconsolidated statement of profit or loss.

Currently, the Company's foreign exchange risk exposure is restricted to contract assets, trade debts, other receivables, other payables and bank balances. The Company's exposure to currency risk is as follows:

	2025	2024
USD		
Trade debts	**69,137,034**	62,548,067
Bank balance	**3,064,305**	764,329
Other receivable	**1,164,738**	2,233,185
Contract assets	**5,166,038**	3,441,773
Other payable	**(10,034,937)**	(10,009,413)
	68,497,178	58,977,941
AUD		
Trade debts	**-**	272,705
	-	272,705
AED		
Trade debts	**10,342,849**	10,282,594
Contract assets	**59,859**	39,709
Other payable	**-**	(11,959,700)
	10,402,708	(1,637,397)
QAR		
Trade debts	**365,061**	365,062
Other receivable	**-**	233,766
	365,061	598,828
GBP		
Trade debts	**1,962,624**	1,807,899
Contract assets	**100,163**	71,596
Other payable	**(602,338)**	(268,867)
	1,460,449	1,610,628
EUR		
Trade debts	**225,431**	1,895,969
Contract assets	**33,812**	25,414
Other receivable	**249,245**	119,232
	508,488	2,040,615
CAD		
Trade debts	**117,921**	73,462
Other receivable	**6,866**	259
	124,787	73,721
SAR		
Trade debts	**122,728**	122,728
Other receivable	**-**	2,363,666
	122,728	2,486,394

The following analysis demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant, of the Company's profit before tax:

	Changes in Rate	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
		2025		2024	
		Rupees			
USD	+10%	**1,774,031,894**	**1,774,031,894**	1,546,349,062	1,546,349,062
	-10%	**(1,774,031,894)**	**(1,774,031,894)**	(1,546,349,062)	(1,546,349,062)
AUD	+10%	**-**	**-**	4,715,888	4,715,888
	-10%	**-**	**-**	(4,715,888)	(4,715,888)
AED	+10%	**78,895,252**	**78,895,252**	(12,715,818)	(12,715,818)
	-10%	**(78,895,252)**	**(78,895,252)**	12,715,818	12,715,818
QAR	+10%	**2,805,494**	**2,805,494**	4,576,842	4,576,842
	-10%	**(2,805,494)**	**(2,805,494)**	(4,576,842)	(4,576,842)
GBP	+10%	**51,305,907**	**51,305,907**	53,741,458	53,741,458
	-10%	**(51,305,907)**	**(51,305,907)**	(53,741,458)	(53,741,458)
EUR	+10%	**15,609,720**	**15,609,720**	58,366,267	58,366,267
	-10%	**(15,609,720)**	**(15,609,720)**	(58,366,267)	(58,366,267)
CAD	+10%	**2,550,521**	**2,550,521**	1,429,598	1,429,598
	-10%	**(2,550,521)**	**(2,550,521)**	(1,429,598)	(1,429,598)
SAR	+10%	**916,655**	**916,655**	18,431,639	18,431,639
	-10%	**(916,655)**	**(916,655)**	(18,431,639)	(18,431,639)

The following exchange rates were applicable during the year:

	2025	2024
Reporting date rate:		
USD	**280.12**	278.44
AUD	**187.30**	172.93
AED	**76.28**	75.82
QAR	**76.85**	76.43
GBP	**377.17**	349.19
EUR	**328.85**	289.63
CAD	**204.39**	193.92
SAR	**74.69**	74.13
Average rate:		
USD	**281.14**	278.48
AUD	**181.20**	183.62
AED	**76.55**	75.82
QAR	**77.16**	76.41
GBP	**371.39**	355.74
EUR	**317.88**	301.23
CAD	**201.08**	203.28
SAR	**74.95**	74.20

(b) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company mitigates its risk against the exposure by focusing on short-term investment and maintaining adequate bank balances.

At the unconsolidated statement of financial position, the interest rate profile of the Company's interest-bearing financial instruments was:

Fixed rate instruments	2025	2024
	Rupees	
Financial assets		
Short term investments	**77,382,800**	177,382,800
	77,382,800	177,382,800
Variable rate instruments		
Financial assets		
Bank balances - deposit accounts	**1,687,934,314**	897,842,986
Loans, advances and other receivables	**1,299,559,300**	2,457,296,683
	2,987,493,614	3,355,139,669
Financial liabilities		
Short term borrowings	**2,401,212,104**	1,279,799,247
Net exposure	**586,281,510**	2,075,340,422

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the date of unconsolidated statement of financial position would not affect the profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

The impact of changes in average effective interest rate for the year is given below:

		Increase/ decrease in rate	Effect on profit before tax	Effect on Equity
Financial assets				
	2024	**+1**	33,551,397	33,551,397
		-1	(33,551,397)	(33,551,397)
	2025	**+1**	**29,874,936**	**29,874,936**
		-1	**(29,874,936)**	**(29,874,936)**
Financial liabilities				
	2024	**+1**	(12,797,992)	(12,797,992)
		-1	12,797,992	12,797,992
	2025	**+1**	**(24,012,121)**	**(24,012,121)**
		-1	**24,012,121**	**24,012,121**

(c) Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. There is other price risk of changes in the fair value of investment in mutual funds as a result of changes in the levels of net asset value of units held by the Company. As at December 31, 2025, had there been increase / decrease in net asset value by 1%, with all other variables held constant, the profit before tax for the year and equity would have been higher / lower by Rs 1.91 million (2024: Rs 1.59 million) and Rs 1.36 million (2024: 1.13 million).

40.3 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual third party. The management also continuously monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. Outstanding customer receivables are regularly monitored.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

The credit risk on liquid funds is limited because the counter parties are banks and mutual funds with reasonably high credit ratings. The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread directly or indirectly over a large number of counter parties and subscribers in case of trade debts.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	Rupees	
Interest free loans to employees	**836,206,517**	843,121,097
Contract assets	**2,568,422,732**	1,580,821,570
Trade debts	**21,581,220,402**	20,281,646,836
Trade deposits	**35,565,444**	95,841,377
Long term deposits	**85,290,200**	74,061,160
Loans, advances and other receivables	**2,466,088,692**	3,117,237,351
Short term investments	**77,382,800**	177,382,800
Bank balances	**2,795,710,355**	1,489,572,524
	30,445,887,142	27,659,684,715

The aging of trade debts at the reporting date is:

Not Past Due		**10,749,726,197**	10,916,884,753
Past due 0-90 days		**2,818,993,498**	3,638,616,523
Past due 91-180 days		**1,540,231,758**	2,104,745,380
Past due 181-270 days		**1,287,835,115**	1,457,412,190
Past due 271-360 days		**1,315,153,816**	1,188,705,215
Past due 361 days and above		**4,051,592,585**	1,374,876,990
	(14)	**21,763,532,969**	20,681,241,051

Contract assets represents not past due balances as these are not invoiced to the customers.

As at year end, 48.10% of revenue (2024: 47.93%) were represented by two customers (2024: two customers) amounting to Rs 21,268 million (2024: Rs 18,464.10 million). More than 10% of the revenue came from each of these individual customers. The management believes that the Company is not exposed to customer concentration risk as these customers are related parties of the Company.

The Company has applied the IFRS's simplified approach and has calculated ECLs based on lifetime expected credit losses except for cases otherwise disclosed. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate. The table below shows the bank balances and short term investments held with some major counterparties at the reporting date:

Particulars	Rating			2025	2024
	Short term	Long term	Agency		
				Rupees	
Bank balances					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**2,120,567,212**	879,761,805
Bank Islami Pakistan Limited	A1	AA-	PACRA	**12,978,172**	7,660,184
United Bank Limited	A1+	AAA	VIS	**121,861,653**	25,588,506
Faysal Bank Limited	A1+	AA	PACRA	**126,052,912**	20,911,781
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	**106,216,896**	88,850,957
FINJA Microfinance Bank Limited	A3	BBB+	PACRA	**9,345,920**	1,590,997
Meezan Bank Limited	A1+	AAA	VIS	**33,219,027**	7,045,212
Habib Bank Limited	A1+	AAA	VIS	**95,044,258**	280,867,859
MCB Bank Limited	A1+	AAA	PACRA	**72,565,507**	80,003,021
Allied Bank Limited	A1+	AAA	PACRA	**4,161,589**	4,939,783
Bank Al Habib Limited	A1+	AAA	PACRA	**92,697,430**	2,170,169
Samba Bank	A1	AA	PACRA	**999,779**	-
				2,795,710,355	1,399,390,274
TDRs					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**77,382,800**	177,382,800
					-
				77,382,800	177,382,800

Except disclosed otherwise, the expected loss rates of trade debts are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the consumer price index of the countries in which it sells its services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

40.3.1

December 31, 2025	Local private customers			Local government customers			Export customers			Total	
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Trade debts	Loss allowance
	%	Rupees		%	Rupees		%	Rupees		Rupees	
Not Past Due	0.44%	924,065,980	4,044,029	5.02%	183,715,308	9,214,037	0.05%	4,228,164,970	2,109,004	5,335,946,258	15,367,070
Past due 0-90 days	3.89%	86,342,429	3,355,861	17.17%	30,048,518	5,159,199	0.01%	14,859,183	1,353	131,250,130	8,516,413
Past due 91-180 days	13.30%	21,778,723	2,897,059	0.00%	-	-	0.00%	-	-	21,778,723	2,897,059
Past due 181-270 days	32.27%	14,705,937	4,745,901	0.00%	-	-	62.45%	6,511,163	4,066,222	21,217,100	8,812,123
Past due 271-360 days	98.14%	2,175,408	2,135,020	86.83%	20,344,162	17,665,523	0.00%	-	-	22,519,570	19,800,543
Past due 361 days & above	100.00%	16,845,744	16,845,744	100.00%	947,277	947,277	100.00%	148,158	148,157	17,941,179	17,941,178
		1,065,914,221	34,023,614		235,055,265	32,986,036		4,249,683,474	6,324,736	5,550,652,960	73,334,386
						-					
Subsidiaries [1]		-			-	-		15,481,167,002	102,908,416	15,481,167,002	102,908,416
Financial institutions [2]		686,095,153	6,069,765		-	-		45,617,854	-	731,713,007	6,069,765
Gross trade debts		**1,752,009,374**	**40,093,379**		**235,055,265**	**32,986,036**		**19,776,468,330**	**109,233,152**	**21,763,532,969**	**182,312,567**

December 31, 2024	Local private customers			Local government customers			Export customers			Total	
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Trade debts	Loss allowance
	%	Rupees		%	Rupees		%	Rupees		Rupees	
Not Past Due	2.32%	851,007,369	19,728,052	7.07%	232,124,374	16,420,608	0.13%	4,779,311,398	6,352,387	5,862,443,141	42,501,047
Past due 0-90 days	11.97%	51,363,821	6,147,250	21.18%	42,113,604	8,921,103	0.00%	432,133,820	7,546	525,611,245	15,075,899
Past due 91-180 days	31.59%	15,375,590	4,857,271	38.50%	31,493,717	12,124,901	0.05%	140,144,463	73,507	187,013,770	17,055,679
Past due 181-270 days	72.40%	31,085,747	22,505,571	70.06%	7,444,613	5,215,609	6.05%	3,137,581	189,682	41,667,941	27,910,862
Past due 271-360 days	91.20%	26,359,555	24,039,328	98.02%	19,410,311	19,025,192	46.54%	3,376,229	1,571,368	49,146,095	44,635,888
Past due 361 days & above	100.00%	54,535,374	54,535,374	100.00%	25,291,425	25,291,425	100.00%	47,386,261	47,386,261	127,213,060	127,213,060
		1,029,727,456	131,812,846		357,878,044	86,998,838		5,405,489,752	55,580,751	6,793,095,252	274,392,435
Subsidiaries [1]		-	-		-	-		12,775,516,918	108,999,831	12,775,516,918	108,999,831
Financial institutions [2]		1,112,628,881	16,201,949		-	-		-	-	1,112,628,881	16,201,949
Gross trade debts		**2,142,356,337**	**148,014,795**		**357,878,044**	**86,998,838**		**18,181,006,670**	**164,580,582**	**20,681,241,051**	**399,594,215**

- For subsidiaries, ECL is recognized on the basis of their ability to pay as disclosed in note 3.2.3.
- For financial institutions, ECL has been computed on the basis of their credit ratings issued by external credit rating agencies.

40.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The following are the contractual maturities of financial liabilities

The following are the contractual maturities of financial liabilities as at December 31, 2025:

	Carrying amount	Contractual cash flows	Less than one year	One to five years	More than five years
	Rupees				
Lease Liabilities	**465,991,241**	**546,548,834**	**221,992,083**	**324,556,751**	**-**
Trade and other payables	**6,842,124,655**	**6,842,124,655**	**6,842,124,655**	**-**	**-**
Unclaimed dividend	**37,698,807**	**37,698,807**	**37,698,807**	**-**	**-**
Short term borrowings from financial institutions - secured	**2,415,460,379**	**2,415,460,379**	**2,415,460,379**	**-**	**-**
	9,761,275,082	**9,841,832,675**	**9,517,275,924**	**324,556,751**	**-**

The following are the contractual maturities of financial liabilities as at December 31, 2024:

	Carrying amount	Contractual cash flows	Less than one year	One to five years	More than five years
	Rupees				
Lease Liabilities	451,053,321	531,103,523	203,231,522	327,872,001	-
Trade and other payables	6,912,169,494	6,912,169,494	6,912,169,494	-	-
Unclaimed dividend	30,322,411	30,322,411	30,322,411	-	-
Short term borrowings from financial institutions - secured	1,289,195,083	1,289,195,083	1,289,195,083	-	-
Derivative financial instruments	1,461,010	1,461,010	1,461,010	-	-
	8,684,201,319	8,764,251,521	8,436,379,520	327,872,001	-

40.5 Fair values of financial assets and liabilities

Fair value of available-for-sale financial assets is derived from quoted market prices in active markets, if available.

The carrying values of other financial assets and financial liabilities reflected in unconsolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

40.6 Financial instruments by categories

	2025		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
	Rupees		
Assets as per unconsolidated statement of financial position			
Interest free loans to employees	**-**	**836,206,517**	**836,206,517**
Contract assets	**-**	**2,568,422,732**	**2,568,422,732**
Trade debts	**-**	**21,581,220,402**	**21,581,220,402**
Trade deposits	**-**	**35,565,444**	**35,565,444**
Loans, advances and other receivables	**-**	**2,466,088,692**	**2,466,088,692**
Long term deposits	**-**	**85,290,200**	**85,290,200**
Short term investments	**4,742,767,189**	**77,382,800**	**4,820,149,989**
Derivative financial instruments	**10,986,607**	**-**	**10,986,607**
Cash and bank balances	**-**	**2,795,747,449**	**2,795,747,449**
	4,753,753,796	**30,445,924,236**	**35,199,678,032**

Financial instruments by categories	2024		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
	Rupees		
Assets as per unconsolidated statement of financial position			
Interest free loans to employees	-	843,121,097	843,121,097
Contract assets	-	1,580,821,570	1,580,821,570
Trade debts	-	20,281,646,836	20,281,646,836
Trade deposits	-	95,841,377	95,841,377
Loans, advances and other receivables	-	3,117,237,351	3,117,237,351
Long term deposits	-	74,061,160	74,061,160
Short term investments	2,764,394,367	177,382,800	2,941,777,167
Cash and bank balances	-	1,489,699,594	1,489,699,594
	2,764,394,367	27,659,811,785	30,424,206,152

	2025		
	Financial liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Total
	Rupees		
Liabilities as per unconsolidated statement of financial position			
Lease liabilities	**-**	**465,991,241**	**465,991,241**
Short term borrowings from financial institutions	**-**	**2,415,460,379**	**2,415,460,379**
Unclaimed dividend	**-**	**37,698,807**	**37,698,807**
Trade and other payables	**-**	**6,842,124,655**	**6,842,124,655**
	-	**9,761,275,082**	**9,761,275,082**

	2024		
	Financial liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Total
	Rupees		
Liabilities as per unconsolidated statement of financial position			
Lease liabilities	-	451,053,321	451,053,321
Mark-up accrued on short term borrowings	-	9,395,836	9,395,836
Short term borrowings from financial institutions	-	1,279,799,247	1,279,799,247
Unclaimed dividend	-	30,322,411	30,322,411
Derivative financial instruments	1,461,010	-	1,461,010
Trade and other payables	-	6,912,169,494	6,912,169,494
	1,461,010	8,682,740,309	8,684,201,319

40.7 Fair value hierarchy

The carrying value of all financial assets and liabilities reflected in the unconsolidated financial statements approximate their fair values. The table below analyses unconsolidated financial instruments carried at fair value by valuation method. The different level have been defined as follows:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	Fair value measurement using			
	"Quoted price in active market (Level 1)"	"Significant observable inputs (Level 2)"	"Significant unobservable inputs (Level 3)"	Total
	Rupees			
As at December 31, 2025				
Fair value through profit and loss				
Mutual fund units	4,742,767,189	-	-	4,742,767,189
Derivative financial instruments	-	10,986,607	-	10,986,607
	4,742,767,189	**10,986,607**	-	**4,753,753,796**
As at December 31, 2024				
Fair value through profit and loss				
Mutual fund units	2,764,394,367	-	-	2,764,394,367
Derivative financial instruments	-	1,461,010	-	1,461,010
	2,764,394,367	1,461,010	-	2,765,855,377

40.7.1 There were no transfers between Level 1, Level 2 and Level 3 during 2025 and 2024.

40.7.2 Fair value of mutual funds is measured with reference to their respective net asset value.

40.8 Capital risk management

The Company's policy is to safeguard the Company's ability to remain as a going concern and ensure a strong capital base in order to maintain investors', creditors' and market's confidence and to sustain future development of the business. The Board of Directors monitors the returns on capital, which the Company defines as net operating income divided by total shareholders' equity. The Company's objectives when managing:

A. to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
B. to provide an adequate return to shareholders by pricing products.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

Consistent with the industry norms, the Company monitors its capital on the basis of gearing ratio. The ratio is calculated as net debt divided by total capital plus net debt. Net debt is calculated as total borrowings as shown in the statement of financial position less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the unconsolidated statement of financial position.

The debt-to-equity ratio is as follows:

	Note	2025	2024
		Rupees	
Lease liabilities	(22)	**465,991,241**	451,053,321
Trade and other payables	(23)	**7,998,372,352**	7,527,762,995
Short term borrowings - secured	(25)	**2,415,460,379**	1,289,195,083
		10,879,823,972	9,268,011,399
Less: Cash and cash equivalents	(18)	**(2,820,455,769)**	(1,589,699,594)
Net debt		**8,059,368,203**	7,678,311,805
Total capital		**40,105,446,920**	32,883,536,730
Capital and net debt		**48,164,815,123**	40,561,848,535
Capital gearing ratio		**17%**	19%

No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2025 and December 31, 2024. In accordance with the terms of agreement with the lenders of short term borrowing facilities (as disclosed in note 25 to these financial statements), the Company is required to comply with financial covenants. The Company has complied with these covenants throughout the reporting period.

40.9 Shariah screening disclosure

	2025		2024	
	Conventional	**Shariah compliant**	**Conventional**	**Shariah compliant**
	Rupees		Rupees	
Long term investments	**-**	**11,754,701,731**	-	8,218,812,981
Short term investments and interest accrued	**-**	**4,820,149,989**	-	2,941,777,167
Short term borrowings - secured	**-**	**2,415,460,379**	181,380,006	1,107,815,077
Bank balances	**225,403,829**	**2,570,306,526**	321,625,097	1,077,765,177
Revenue from contracts with customers - net	**-**	**44,230,607,495**	-	38,526,983,552
Other income				
• Profit on deposit accounts	**5,706,823**	**63,358,571**	46,589,592	26,577,975
• Profit on term deposit receipts and sukuks	**-**	**7,087,562**	1,096,274	42,593,263
• Income on mutual funds	**-**	**198,151,511**	-	220,787,150
• Gain on derivates financial instruments	**-**	**12,447,617**	4,158,084	15,326,054
• Mark-up paid	**-**	**42,303,101**	83,518,034	140,579,216
• Exchange (loss) / gain	**-**	**301,877,669**	-	(220,091,599)
• Gain/(loss) on disposal of property & equipment	**-**	**30,481,573**	-	11,958,618
• Interest income from related parties	**383,655,352**	**-**	759,731,402	-
• Others	**-**	**17,706,823**	-	4,194,462
Mark-up on short term borrowings	**-**	**47,155,540**	59,303,314	78,369,398

Relationship with Shariah–compliant financial institutions

The Company has relationships with banks, having Islamic window of operations, in respect of bank balances amounting to Rs 2,527.5 million (2024: Rs 1,077.77 million) and availed borrowing facilities amounting to Rs 2,015.74 million (2024: Rs 1,099.74 million). The Company also has relationships with Shariah compliant financial institutions, Asset Management Companies (AMCs), in respect of investment in mutual funds amounting to Rs 4,592.36 million (2024: Rs 2,764.39 million).

41. Number of employees

	2025	2024
Total number of employees at the end of the year are as follows:		
Regular	**5,585**	5,553
Contractual	**821**	1,148
	6,406	6,701
Average number of employees during the year are as follows:		
Regular	**5,540**	5,242
Contractual	**942**	1,341
	6,482	6,583

42. Date of authorisation for issue

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on April 6, 2026. The Board of Directors have the power to amend and re-issue the financial statements.

43. Subsequent events

Subsequent events after the reporting date other than those mentioned elsewhere in these financial statements are as follows:

43.1 The Board of Directors of the Company, in its meeting held on December 5, 2025, approved a proposal for the acquisition of Confiz Limited through a Scheme of Amalgamation under the applicable provisions of the Companies Act, 2017. The proposed transaction is to be effected through a share swap arrangement, whereby shareholders of the target company will be issued ordinary shares of the Company in accordance with the share exchange ratio specified in the approved scheme.

Pursuant to the said proposal, the Company obtained an initial order from the Honorable Court on January 26, 2026 directing the convening of a meeting of shareholders to consider and approve the proposed Scheme of Amalgamation. Accordingly, an Extraordinary General Meeting (EOGM) of the shareholders was held on February 27, 2026, in which the Scheme of Amalgamation was approved by the requisite majority.

As per the approved Scheme of Amalgamation, upon the scheme becoming effective and subject to final sanction of the Honorable Court which is still pending and completion of other regulatory formalities, all assets, liabilities and obligations of Confiz shall stand merged with, transferred to, vested in and be assumed by the Company from January 1, 2026, following which the Company will continue as the surviving entity.

As the shareholder approval and related court proceedings occurred after December 31, 2025 and do not provide evidence of conditions that existed at the reporting date, the proposed amalgamation represents a non-adjusting event after the reporting period in accordance with IAS 10. Accordingly, no adjustment has been made in these financial statements.

43.2 The Board of Directors in their meeting held on April 6, 2026 have proposed a final cash dividend for the year ended December 31, 2025 of Rs 2 (2024: Rs 6 pre split) per share for approval of the members at the Annual General Meeting to be held on May 11 2026. These financial statements for the year ended December 31, 2025 do not include the effect of this appropriation.

44. Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant re-arrangement / reclassifications have been made in these unconsolidated financial statements except for

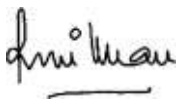
• Accrued markup on borrowings previously shown as a separate line item on the face of statement of financial position is now classified within "Short term borrowings from financial institutions - secured"	9,395,836
• Unwinding of discount on employee loans previously included in "Other Income" is now classified to "Salaries, allowances and amenities" within cost of sales where amortization of deferred employee benefits is recognized as follows:	
Cost of revenue	122,019,708
• Withholding income tax payable previously net off in "Income tax refunds due from the government"is now classified to "Withholding income tax payable" under "Trade and other payables"	96,571,971

45. General

Figures have been rounded off to the nearest of rupees, unless otherwise stated.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

Systems Limited

CONSOLIDATED FINANCIAL STATEMENTS

pwc

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Independent **Auditor's Report**

To the Members of Systems Limited

Opinion

We have audited the annexed consolidated financial statements of Systems Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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KARACHI LAHORE ISLAMABAD

Following is the Key audit matter:

S.No.	Key Audit Matters	How the matter was addressed in our audit
1.	**Revenue recognition** The Group's revenue is derived from multiple revenue streams, as referred to in Note 32 to the accompanying consolidated financial statements, including business processes outsourcing, IT services, software and hardware trading and software implementation. Each stream has its own revenue recognition policies based on the nature of revenue and underlying contractual arrangements as referred to in Note 5.8. We consider revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Group with multiple revenue streams, inherent risk of material misstatement and significant increase in revenue from last year.	Our audit procedures in relation to the matter, amongst others, included the following: • Understood and evaluated the accounting policies with respect to revenue recognition; • Understood and evaluated management controls over revenue recognition; • Assessed the contracts on sample basis to identify distinct performance obligations; • Performed testing of sample of revenue transactions with underlying documentation including sales invoices and where relevant, underlying time costs, licensing agreements and other supporting documents; • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the correct period; • Agreed the revenue to related receipts on sample basis as evidence of collectability; and • Assessed the adequacy of disclosures made in the financial statements related to revenue.
2.	**Business Combination** As disclosed in note 8.2 to the accompanying consolidated financial statements, on October 31, 2025, the Group acquired 100% control of British American Tobacco SAA Services (Private) Limited 'BAT' pursuant to a Share Purchase Agreement. The said acquisition represents purchase of 100% shares of the entity and has been accounted for as a business combination under International Financial Reporting Standard (IFRS) 3 'Business combinations'. A purchase price allocation exercise has been performed by the management, assisted by an external expert. The primary element of the valuation exercise assessed the fair value of identifiable intangible assets in the form of customer relationship of Rs 2,557.3 million and resultantly, the Group has recognized a goodwill of Rs 20.34 million, in addition to the fair value of the net assets acquired. We consider this as a key audit matter, since this is a significant transaction, and the calculations require judgments and estimation.	Our audit procedures in relation to the matter, amongst others, included the following: • Examined relevant minutes of the meetings of those charged with governance and notice issued to the shareholders of the Group in relation to the acquisition to obtain an understanding of the transaction; • Understood and evaluated the accounting policies with respect to the business combinations; • Matched the purchase consideration with the share purchase agreement and the underlying supporting documents; • Obtained an understanding of the work performed by the management for determining the fair values of net assets acquired including the involvement of management's expert; • Evaluated the professional qualification of management's expert and assessed the independence, competence, and experience of the management's expert in the field. • Evaluated the management's assessment of identification and completeness of the assets acquired; • Involved internal specialist to assess the methodology adopted by management and its appointed expert for determining the fair values and to assess the reasonableness of the discount rates and terminal growth; • Validated key assumptions used including the respective cashflows by reference to the underlying intangible; and • Matched the underlying carrying values of net assets with the financial information of BAT and management's expert report respectively; • Considered the adequacy of the disclosures in accordance with the applicable financial reporting standards.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Asad Aleem Mirza.

A. F. Ferguson & Co.
Chartered Accountants
Lahore
Date: April 20, 2026
UDIN: AR202510128Tm86VISiC

Consolidated Statement of Financial Position
As at December 31, 2025

ASSETS	Note	2025 Rupees	2024 Rupees
Non-current assets			
Property and equipment	7	4,222,593,228	3,654,816,354
Intangibles	8	11,991,792,090	9,881,435,504
Long term investments	9	157,383,405	101,076,560
Investment in associates	10	89,359,651	162,194,362
Right-of-use asset	11	1,149,418,066	419,075,401
Long term loans	12	565,933,316	613,818,425
Deferred employee benefits	13	156,902,648	203,253,649
Long term receivable	14	244,727,720	569,948,187
Long term deposits	15	655,209,757	485,584,447
		19,233,319,881	16,091,202,889
Current assets			
Contract assets	16	13,979,755,610	9,453,109,283
Trade debts	17	17,575,804,426	17,570,516,867
Current portion of long term receivable	14	427,670,427	361,980,429
Loans, advances and other receivables	18	2,216,118,998	1,295,142,207
Trade deposits and short term prepayments	19	2,287,618,430	1,443,037,626
Short term investments	20	5,441,665,232	2,941,777,167
Income tax refunds due from governments		721,298,512	483,693,293
Current portion of deferred employee benefits		89,612,845	86,166,964
Derivative financial instruments		10,986,607	-
Cash and bank balances	21	13,504,721,300	7,820,717,667
		56,255,252,387	41,456,141,503
TOTAL ASSETS		**75,488,572,268**	57,547,344,392
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital 2,000,000,000 (2024: 2,000,000,000) ordinary shares of Rs 2 each (2024: Rs 2 each)		4,000,000,000	4,000,000,000
Issued, subscribed and paid up share capital	22	2,946,808,869	2,929,861,489
Capital reserves	23	9,356,084,401	8,668,675,976
Revenue reserve - unappropriated profit		36,274,230,894	27,129,935,811
		48,577,124,164	38,728,473,276
Non-controlling interest		1,698,353	2,192,380
		48,578,822,517	38,730,665,656
Non-current liabilities			
Long term advances	24	6,302,660	14,754,443
Lease liabilities	25	1,076,394,050	344,483,686
Other long term liability - unsecured	26	428,305,444	1,184,866,510
Deferred taxation - net	41	1,573,433	83,618,990
Contract liabilities	29	2,848,186,391	-
Retirement benefits	27	1,556,579,442	675,541,301
		5,917,341,420	2,303,264,930
Current liabilities			
Trade and other payables	28	10,709,428,067	8,715,514,879
Provision for taxation	41	598,985,626	307,963,940
Unclaimed dividend		37,698,807	30,322,411
Contract liabilities - current portion	29	2,698,265,644	3,875,428,986
Short term borrowings from financial institutions - secured	30	5,956,002,054	2,684,547,884
Derivative financial instruments		-	1,461,010
Current portion of long term advances		2,028,020	5,171,459
Current portion of lease liabilities		231,651,227	174,362,132
Current portion of other long term liability - unsecured	26	758,348,886	718,641,105
		20,992,408,331	16,513,413,806
TOTAL EQUITY AND LIABILITIES		**75,488,572,268**	57,547,344,392
CONTINGENCIES AND COMMITMENTS	31		

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

(CHAIRMAN) **(CHIEF EXECUTIVE OFFICER)** **(CHIEF FINANCIAL OFFICER)**

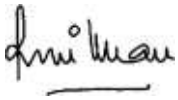
Consolidated Statement of Profit or Loss
For the Year ended December 31, 2025

	Note	2025	2024
		Rupees	Rupees
Revenue from contracts with customers - net	32	80,391,884,594	67,473,021,160
Cost of revenue	33	(57,982,619,705)	(51,315,319,855)
Gross profit		22,409,264,889	16,157,701,305
Selling and distribution expenses	34	(3,097,396,064)	(2,482,298,867)
Administrative expenses	35	(6,227,820,256)	(4,820,394,646)
Research & development expenses	36	(82,316,961)	(92,264,918)
Impairment losses on financial assets	37	(971,487,668)	(485,686,404)
Other operating expenses	38	(23,906,244)	(5,083,691)
		(10,402,927,193)	(7,885,728,526)
Operating profit		12,006,337,696	8,271,972,779
Other income	39	852,223,165	603,556,045
Share of loss from associates	10	(72,858,438)	(118,973,681)
Finance costs	40	(337,450,216)	(465,258,660)
Profit before taxation and levy		12,448,252,207	8,291,296,483
Levy	41	(821,342,898)	(474,934,619)
Profit before taxation		11,626,909,309	7,816,361,864
Taxation	41	(586,325,375)	(356,349,091)
Profit for the year		11,040,583,934	7,460,012,773
Attributable to:			
Equity holders of the parent		11,041,077,961	7,460,267,547
Non-controlling interest		(494,027)	(254,774)
		11,040,583,934	7,460,012,773
Earnings per share			(Restated)
Basic earnings per share	46	7.52	5.11
Diluted earnings per share	46	7.44	5.07

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

Consolidated Statement of Comprehensive Income
For the Year Ended December 31, 2025

		2025	2024
		Rupees	Rupees
Profit for the year		**11,040,583,934**	7,460,012,773
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement (loss) / gain on retirement benefit liability		**(146,404,108)**	76,550,594
Tax effect of remeasurements on retirement benefit liability		**(9,055,165)**	-
Share of other comprehensive income of associates		**23,131**	3,324,159
Unrealized gain on revaluation of investments at fair value through other comprehensive income	**9.2.1**	**17,350,163**	-
		(138,085,979)	79,874,753
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(257,237,439)**	(195,552,816)
Total comprehensive income for the year		**10,645,260,516**	7,344,334,710
Attributable to:			
Equity holders of the parent		**10,645,754,543**	7,344,589,484
Non-controlling interest		**(494,027)**	(254,774)
		10,645,260,516	7,344,334,710

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

(CHAIRMAN) **(CHIEF EXECUTIVE OFFICER)** **(CHIEF FINANCIAL OFFICER)**

Consolidated Statement of Changes in Equity
For the Year Ended December 31, 2025

	Issued, subscribed and paid-up share capital	Capital reserves			Revenue reserve	Total equity attributable to shareholders of Holding Company	Non controlling interest	Total equity
		Share premium	Employee compen-sation reserve	Foreign currency translation reserve	Un-appropriated profit			
Balances as on 01 January 2024	2,914,213,989	4,904,476,301	507,516,180	2,664,151,531	21,338,813,911	32,329,171,912	2,447,154	32,331,619,066
Profit for the year	-	-	-	-	7,460,267,547	7,460,267,547	(254,774)	7,460,012,773
Other comprehensive income	-	-	-	(195,552,816)	79,874,753	(115,678,063)	-	(115,678,063)
Total comprehensive income for the year	-	-	-	(195,552,816)	7,540,142,300	7,344,589,484	(254,774)	7,344,334,710
Transactions with owners								
Final dividend for the year ended 31 December 2023 at the rate of Rs 6 per share (pre split)	-	-	-	-	(1,749,020,400)	(1,749,020,400)	-	(1,749,020,400)
Exercise of share options	15,647,500	529,499,914	(188,017,344)	-	-	357,130,070	-	357,130,070
Share based payments	-	-	446,602,210	-	-	446,602,210	-	446,602,210
	15,647,500	529,499,914	258,584,866	-	(1,749,020,400)	(945,288,120)	-	(945,288,120)
Balances as on 31 December 2024	2,929,861,489	5,433,976,215	766,101,046	2,468,598,715	27,129,935,811	38,728,473,276	2,192,380	38,730,665,656
Profit for the year	-	-	-	-	11,041,077,961	11,041,077,961	(494,027)	11,040,583,934
Other comprehensive income	-	-	-	(257,237,439)	(138,085,979)	(395,323,418)	-	(395,323,418)
Total comprehensive income for the year	-	-	-	(257,237,439)	10,902,991,982	10,645,754,543	(494,027)	10,645,260,516
Transactions with owners								
Final dividend for the year ended 31 December 2024 at the rate of Rs 6 per share (pre split)	-	-	-	-	(1,758,696,899)	(1,758,696,899)	-	(1,758,696,899)
Exercise of share options	16,947,380	864,672,784	(303,815,014)	-	-	577,805,150	-	577,805,150
Share based payments	-	-	383,788,094	-	-	383,788,094	-	383,788,094
	16,947,380	864,672,784	79,973,080	-	(1,758,696,899)	(797,103,655)	-	(797,103,655)
Balances as at 31 December 2025	2,946,808,869	6,298,648,999	846,074,126	2,211,361,276	36,274,230,894	48,577,124,164	1,698,353	48,578,822,517

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

(CHAIRMAN) (CHIEF EXECUTIVE OFFICER) (CHIEF FINANCIAL OFFICER)

Consolidated Statement of Cash Flows
For the Year Ended December 31, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	47	**12,330,115,397**	5,077,422,214
Finance costs paid		**(164,567,657)**	(360,443,855)
Taxes and levy paid		**(1,440,485,863)**	(922,829,429)
Retirement benefits		**(170,580,701)**	(12,636,829)
(Decrease) / increase in long term advances		**(11,595,222)**	7,249,594
Settlement of derivative financial instruments		**(1,461,010)**	20,945,148
Receipts against long term receivables		**335,583,731**	307,707,758
		(1,453,106,722)	(960,007,613)
Cash flows from operating activities		**10,877,008,675**	4,117,414,601
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		**(914,804,935)**	(888,802,624)
Acquisition of subsidiary		**(2,090,271,341)**	-
Dividend receipt from associates		**-**	5,028,878
Purchase / development of intangibles		**(1,003,046,939)**	(1,135,777,989)
Sale proceeds from disposal of property and equipment		**81,002,915**	46,938,674
Short term investments - net		**(2,174,605,118)**	(1,461,570,905)
Long term investment - net		**(25,242)**	-
Profit received on deposit accounts		**84,596,108**	115,042,604
Profit received on short term investments		**39,648,013**	47,580,632
Interest received on loan to associated undertakings		**-**	5,997,212
Net cash used in investing activities		**(5,977,506,539)**	(3,265,563,518)
CASH FLOWS FROM FINANCING ACTIVITIES			
Disbursements against short term borrowings		**11,375,624,666**	8,178,586,017
Repayment of short term borrowings		**(10,639,680,895)**	(9,017,786,770)
Proceeds from exercise of share options		**577,805,150**	357,130,070
Payments in respect of leases		**(251,856,115)**	(257,561,444)
Dividend paid		**(1,751,320,503)**	(1,737,357,396)
Net cash used in financing activities		**(689,427,697)**	(2,476,989,523)
Increase in cash and cash equivalents		**4,210,074,439**	(1,625,138,440)
Net foreign exchange difference		**79,073,079**	(122,025,325)
Cash and cash equivalents at beginning of the year		**5,513,595,454**	7,260,759,219
Cash and cash equivalents at end of the year	48	**9,802,742,972**	5,513,595,454

Refer note 25 and 42 for reconciliation of liabilities arising from financing activities.

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

(CHAIRMAN) (CHIEF EXECUTIVE OFFICER) (CHIEF FINANCIAL OFFICER)

Notes to and forming part of Consolidated Financial Statements For the Year Ended December 31, 2025

1. Corporate information

1.1 Holding Company

Systems Limited ("the Holding Company") is a public Company limited by shares incorporated in Pakistan under the Companies Act, 2017 and is listed on the Pakistan Stock Exchange. The Company is principally engaged in the business of software development, trading of software and business process outsourcing services. The registered office of the Company is situated at E-1, Sehjpal Road, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt.

1.2 Subsidiaries

1.2.1 Systems Ventures (Private) Limited, a private limited Company registered under the Companies Act, 2017, incorporated on 11 November 2019, is a 100% (2024: 100%) owned subsidiary of Systems Limited. The Company aims to invest in new ventures, start-ups and incubate new ideas.

1.2.2 National Data Consultant (Private) Limited ('NdcTech'), is a 100% (2024: 100%) owned subsidiary of Systems Limited and was acquired in July 2022. The Company has been setup in Pakistan and is engaged in core and digital banking implementation services, with clients in Pakistan, Middle East, Africa and Asia Pacific region.

1.2.3 SUS JV (Private) Limited, a private limited company registered under the Companies Act, 2017 is a 95% (2024: 95%) owned subsidiary of Systems Limited. The Company is set up for the Baluchistan Land Revenue Management Information Systems project. The project is related to digitization of land records and development of a web-based management information system.

1.2.4 Systems Holdings (Private) Limited, is a 100% (2024: 100%) owned subsidiary of Systems Limited incorporated in April 2024, as a Company limited by shares.

1.2.5 Techvista Information Technology W.L.L. ('TVSQ'), a limited liability company is incorporated in the State of Qatar and pursuant to the agreement entered with the shareholders of TVSQ on February 27, 2022 the Holding Company has 100% control and management of TVSQ.

1.2.6 Systems International IT Pte. Ltd., was incorporated in May 2022 and is a wholly owned subsidiary of Systems Ventures (Private) Limited (SVPL). The Company has been setup for the purpose of sale of software services and trading software licenses in the Asia Pacific region.

1.2.7 Systems APAC for Information Technology Pte. Ltd., is a 100% (2024: 100%) owned subsidiary of Systems International IT Pte Ltd. incorporated in 2022 for the purpose of sale of software services and trading software licenses in the Asia Pacific region.

1.2.8 National Data Consultancy FZE, is a 100% (2024: 100%) owned subsidiary of Systems International IT Pte Ltd. acquired in 2022 in the Emirate of Dubai for the purpose of sale of software services and trading software licenses in the region for the purpose of sale of software services and trading software licenses in the Middle East.

1.2.9 Sys Bahrain for information Technology W.L.L, is a 100% (2024: 100%) owned subsidiary of Systems International IT Pte. Ltd. incorporated in February 2024 as a limited liability Company for the purpose of software publishing, computer consultancy and computer facilities management activities in the Kingdom of Bahrain.

1.2.10 TechVista Systems East Africa (Private) Limited is a 100% (2024: 100%) owned subsidiary of Systems International IT Pte Ltd., incorporated in Kenya for providing consultancy and data processing software development services and to run data processing centers, computer centers, software development centers and offices.

1.2.11 Sys for information Technology Malaysia SDN. BHD. is a 100% (2024: 100%) owned subsidiary of Systems International IT Pte. Ltd. incorporated in Malaysia.

1.2.12 Systems for information Technology QFZ LLC, is a 100% (2024: 100%) owned subsidiary of Systems International IT Pte. Ltd. incorporated in Qatar.

1.2.13 Systems Arabia for Information Technology LLC, was a 100% (2024:100%) owned subsidiary of Systems Limited and was incorporated in December 2022. The Company has been setup in Saudi Arabia to provide IT services. The Company has been transferred to Systems International IT Pte Ltd. under the restructuring scheme as referred to in note 1.2.21.

1.2.14 SYS Egypt for Information Technology Services, was a 100% (2024: 100%) owned subsidiary of Systems Limited and was incorporated in May 2022. The Company has been setup in the Arab Republic of Egypt for the purpose of sale of software services and trading software licenses in the Middle East and North Africa region. The Company has been transferred to Systems International IT Pte Ltd. under the restructuring scheme as referred to in note 1.2.21.

1.2.15 Systems Africa for Information Technologies Pty. Ltd., was a 100% (2024: 100%) owned subsidiary of Systems Limited and was incorporated in July 2022. The Company has been setup in Republic of South Africa for the purpose of sale of software services and trading software licenses in the region. The Company has been transferred to Systems International IT Pte Ltd. under the restructuring scheme as referred to in note 1.2.21.

1.2.16 TechVista Systems FZ - LLC, a limited liability Company incorporated in Dubai Technology and Media Free Zone Authority, was a 100% (2024: 100%) owned subsidiary of Systems Limited. The Company is engaged in the business of developing software and providing ancillary services. The Company has been transferred to Systems International IT Pte Ltd. under the restructuring scheme in 2024.

1.2.17 TechVista Systems LLC is a limited liability company registered in the Emirate of Dubai under Federal Law No. 2 of 2015, is 100% (2024: 100%) controlled by TechVista Systems FZ-LLC. The Company is licensed as a software house.

1.2.18 TechVista Manpower LLC (TechVista MP LLC), a sole establishment, duly licensed by Dubai Economic Department, under License No. 800123, is 100% (2024: 100%) controlled by TechVista Systems FZ-LLC.

1.2.19 Systems Australia for information Technology Pty Limited (formerly TechVista Systems Pty Ltd), is a 100% (2024: 100%) owned subsidiary of Techvista Systems FZ LLC and was incorporated in December 2014 in Australia with the paid up share capital of AUD 1.

1.2.20 British American Tobacco SAA Services (Private) Limited is wholly owned subsidiary of Systems Limited, is 100% (2024: nil) representing 90,010,000 shares, which was acquired by the Company on 31st October, 2025 pursuant to a Share Purchase Agreement between Systems Limited and British American Tobacco International Holdings (UK) Limited. British American Tobacco SAA Services (Private) Limited is a company incorporated in Pakistan and engaged in the business of transforming traditional and siloed support functions which include but are not limited to Marketing, Finance, HR, Procurement into a centralised, strategic and unified organisation that drives efficiency and value across the entire enterprise.

1.2.21 The shareholders of the Company and Systems Ventures (Private) Limited ("SVPL") in their extra ordinary general meetings held on September 18, 2023 approved a Scheme of Compromises, Arrangement and Reconstruction (the 'Scheme'). As required under the Companies Act, 2017, the Scheme was submitted with the Honorable Lahore High Court (the "Court") for their approval and sanction of the Scheme. Consequently, the Court through its Order dated December 20, 2023, sanctioned the Scheme. The scheme stipulates the separation of ownership interests in TechVista Systems FZ- LLC, Systems Africa for Information Technologies (Pty.) Ltd., SYS Egypt for Information Technology Services and Systems Arabia for Information Technology (the 'Transferred Assets') from the Company and the merger, amalgamation and transfer to, and vesting in SVPL of the same. SVPL may at its discretion hold the Transferred Assets directly or through any nominee being its wholly owned subsidiary. SVPL shall allot and issue 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company for the Transferred Assets.

As per the sanctioned scheme, SVPL had nominated its wholly owned subsidiary Systems International It Pte. Ltd. (Sys It Pte.) for holding the transferred assets. SYS Egypt for Information Technology Services, Systems Arabia for Information Technology, Systems Africa for Information Technologies (Pty.) Ltd and TVS had been transferred to Sys It Pte after the approval of respective foreign regulators. In consideration, SVPL had issued 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company on July 08, 2024.

1.3 Associates

1.3.1 SalesFlo (Private) Limited

SalesFlo (Private) Limited, a private limited Company registered under the Companies Act, 2017 and incorporated on January 28, 2015, is a 19.69% (2024: 19.69%) owned associate of Systems Limited which provides services of software designing, development, implementation, maintenance, testing and benchmarking, and to provide internet/web-based applications. The Group acquired interest in SalesFlo (Private) Limited on July 19, 2021 through its wholly owned subsidiary, Systems Ventures (Private) Limited. Accordingly, the results of SalesFlo (Private) Limited have been accounted for using the equity method of accounting in these consolidated financial statements using consistent accounting policies of the Holding Company.

1.3.2 E-Processing Systems B.V.

E-Processing Systems B.V, a private limited Company, incorporated on October 08, 2021 in Netherlands, is a 34.30% (2024: 34.30%) owned associate of Systems Limited which is primarily aimed at attracting foreign investment. The results of E-Processing Systems B.V. have been accounted for using the equity method of accounting in these consolidated financial statements using consistent accounting policies of the Holding Company.

1.3.3 Salesflo Pte. Limited

On 30th September 2024, the Group through its wholly owned sub-subsidiary Techvista Systems FZ-LLC entered into a share purchase agreement with Salesflo Pte. Ltd. ("SFPL"). Under the terms of the agreement, subject to completion conditions precedent to closing or waiver thereof, the Group would subscribe to 196,975 shares in SFPL on the closing date notified by the company management, representing 19.69% ordinary voting rights in the company. The closing date notified for completion of the agreement was 31st December 2024. SFPL was formerly a wholly owned subsidiary of Salesflo (Private) Ltd.

1.3.4 Techvista Systems South Africa (Pty) Ltd

Techvista Systems South Africa (Pty) Ltd, a Private Company, is a 48% (2024: 48%) owned associate of Systems Africa for Information Technologies (Pty) Ltd. The Company has been setup in Republic of South Africa for the purpose of sale of software services and trading software licenses in the region.

1.4 Geographical location and addresses of major business units of the Group are as under:

Business Units	Geographical Location	Address
Head Office - Systems Limited	Lahore	E-1, Sehjpal, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt.
Regional Office - Systems Limited	Karachi	Sumaya Business Avenue, Plot No. 11-B, Muhammad Ali housing Society, Fatima Jinnah Road, Karachi.
BPO Office - Systems Limited	Karachi	Plot no.ST-2 & 3, Block-E, Sir Shah Muhammad Suleman Road, Gulshan-e-Iqbal, Block-14, Karachi.
Regional Office - Systems Limited	Islamabad	Plot No. 21, 1st Floor Fazeelat Arcade, Sector G-11 Markaz, Islamabad.
Regional Office - Systems Limited	Islamabad	Amazon Mall, 7th Floor, NH 5, Sector A DHA Phase II, Islamabad.
Regional Office - Systems Limited	Islamabad	4th Floor, 5-A Constitution Avenue, F-5/1 F5, Islamabad.
Regional Office - Systems Limited	Multan	Plot No. 842/23 near Northern Bypass Chowk, Bosan Road, Multan.
Regional Office - Systems Limited	Faisalabad	Old Ehsan Yousaf Building East Canal Road, near Jhal Khanuwana, Faisalabad.
BPO Office - Systems Limited	Lahore	Commercial building Plaza No 1, Block -CCA, Phase 8C, DHA Lahore Cantt.
British American Tobacco SAA Services (Private) Limited	Lahore	Building 4, Packages Mall Office Complex, Packages Mall, Sharah-e-Roomi P.O Amer Sidhu, Lahore.
Dubai Office - TechVista Systems FZ LLC	Dubai	404, Dubai Hills Business park 3, Emaar Hills Estate PO BOX 500497 Dubai, UAE.
Dubai Free Zone Office - TechVista Systems FZ LLC	Dubai	Premises No. 208, Floor Number 2, Publishing Pavillion, Dubai Production City, Dubai, UAE.
Dubai Office - TechVista Systems LLC	Dubai	404, Dubai Hills Business park 3, Emaar Hills Estate PO BOX 500497 Dubai, UAE.
Dubai Office - TechVista Manpower LLC	Dubai	404, Dubai Hills Business park 3, Emaar Hills Estate ! PO BOX 500497 Dubai, UAE.
Systems Australia for information Technology Pty Limited	Australia	Level 22, 2 Market St, Sydney NSW 2000, Australia.
Systems Arabia for Information Technology	Kingdom of Saudi Arabia	6499 Saeed Ibn Zaid Road, 2498 Qurtubah, Riyadh, 13248, Kingdom of Saudi Arabia.
Systems APAC for Information Technology Pte. Ltd.	Singapore	36 Robinson Road, #20-01 City House, Singapore 068877.
Systems International IT Pte. Ltd.	Singapore	36 Robinson Road, #20-01 City House, Singapore 068877.
SYS Egypt for Information Technology Services	Egypt	Building B 2116, the Smart Village, 28 Kms, Cairo-Alexandria Desert Road, Giza, Egypt.
Systems Africa for Information Technologies Pty. Ltd.	South Africa	119 Witch Hazel Avenue, Highveld Technopark, Centurion, Gauteng

Business Units	Geographical Location	Address
National Data Consultancy FZE	UAE	ELOB Office No. E-32G-02, Hamriyah Free Zone, Sharjah, UAE P.O Box 42741.
E-Processing Systems B.V.	Netherlands	Edvard Munchweg 14 B, 1328 MA Almere, Netherlands.
SalesFlo Pte Limited	Singapore	23 Leonie Hill, unit 18-01 Leonie Gardens, Singapore.
E-Processing Systems B.V.	Netherlands	Edvard Munchweg 14 B, 1328 MA Almere.
OneLoad Processing Systems (Private) Limited	Pakistan	Suite # 201, 202, 2nd Floor Office Block, Penta Square CCA, Sector C, DHA Phase 5, Lahore, Pakistan.
E-Processing Systems (Private) Limited	Pakistan	Suite # 201, 202, 2nd Floor Office Block, Penta Square CCA, Sector C, DHA Phase 5, Lahore, Pakistan.
TechVista Information Technology W.L.L.	Qatar	TechVista IT WILL, Head Office Palm Towers B, Floor 41, Westbay, Doha, Qatar.

Geographical location and address of Systems Ventures (Private) Ltd, SUS (Private) Limited and Systems Holdings (Private) Limited is the same as that of the Holding Company.

2. Basis of preparation

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 ; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.1.1 Standards, interpretations and amendments to published approved accounting standards

The following amendments to existing standards have been published that are applicable to the Group's consolidated financial statements covering annual periods, beginning on or after the following dates:

2.1.2 Standards, amendments and interpretations to existing standards that are effective in the current year

Certain standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting periods beginning on January 1, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these unconsolidated financial statements.

2.1.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after January 01, 2026 or later periods, but the Company has not early adopted them:

Standards or Interpretation	Effective date Accounting periods beginning on or after
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	January 01, 2026
Annual Improvements to IFRS - Volume 11	January 01, 2026
IFRS 17, 'Insurance Contracts	January 01, 2026
IFRS 18, 'Presentation and Disclosure in Financial Statements	January 01, 2026
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures	January 01, 2027

2.1.4 The management anticipates that the adoption of above standards, interpretations and amendments in future periods will have no material impact on the consolidated financial statements other than in presentation / disclosures except for:

a Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

The amendment clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the Solely Payment of Principal and Interest ('SPPI') criterion, require new disclosures for instruments with cash flow changes linked to Environmental, Social and Governance ('ESG') targets, and update disclosures for equity instruments designated at Fair Value through Other Comprehensive Income ('FVOCI').

The Group is in the process of assessing the impact of this amendment on the Groups' consolidated financial statements.

b IFRS 18 – Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management–defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The Group is in the process of assessing the impact of this amendment on the Groups's consolidated financial statements.

3. Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except, as otherwise stated in these consolidated financial statements.

3.1 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

3.2 Use of estimates and judgments

The Group material accounting policies are stated in Note 5. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving higher degree of judgments or complexity or areas where assumptions and estimates are material to the consolidated financial statements are as follows:

3.2.1 Levy and Provision for taxation (Note 5.1.1, 5.1.2 and 41)

The Group takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Groups's view differs from the view taken by the income tax department at the assessment stage and where the Group considers that its views on items of material nature are in accordance with law, the amounts are shown as contingent liabilities.

3.2.2 Useful lives and residual values of property and equipment and intangibles (Notes 5.2, 5.15, 7 and 8)

The Group reviews the useful lives and residual values of property and equipment and intangibles at each reporting date. Any change in estimates in future years might affect the carrying amounts of respective items of property and equipment and intangible with a corresponding effect on the depreciation / amortization charge and impairment.

3.2.3 Expected credit losses (Note 5.5.1 and 49.2.1)

The Group uses a provision matrix to calculate Expected Credit Losses (ECLs) for trade debts and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, and customer type).

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information which includes forecast economic conditions. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. For financial institutions with available credit ratings, provision is calculated on the basis of the available rating. For certain related parties for which provision matrix may not be considered suitable based on management's judgement, expected credit loss is recognized on the basis of their ability to pay or present value of projected cashflows based on a probability weighted estimate.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

3.2.4 Revenue recognition (Note 5.8 and 32)

3.2.4.1 Identification of distinct performance obligations

For contracts with multiple components to be delivered, the Group applies judgement to determine performance obligations which are distinct; or not distinct, which are aggregated with other performance obligations until a bundle is identified that is distinct.

3.2.4.2 Estimating stand-alone selling prices of performance obligations

The Group determines stand-alone selling prices of all performance obligations in a bundled contract, which include sale of license, implementation, support, warranty and training.

3.2.4.3 Stage of completion

In cases where performance obligation is satisfied over time, the Group determines stage of completion on the basis of cost incurred to date as a percentage of total estimated cost to deliver the performance obligations.

3.2.5 Determining the lease term of contracts with renewal options (Note 5.9 and 25)

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for an additional term. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew i.e. it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

3.2.6 Provisions and contingencies (Note 5.10 and 31)

A provision is recognized in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

3.2.7 Share based payment (Note 5.11.2 and 23)

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Group measures the fair value of equity-settled transactions with employees at the grant date using a Black Scholes Model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 23.2.5.

3.2.8 Impairment assessment of investment in associates (Note 5.3.1 and 10)

The carrying amounts of investment in associates, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the investment in associate's recoverable amount is estimated. The recoverable amount of investment in associate is the greater of its value in use and its fair value less costs to sell. Where the fair value less costs of disposal cannot be determined, the recoverable amount is determined by estimating the investment's value in use.

3.2.9 Impairment assessment of goodwill (Note 4.3 and 8)

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash-generating units (CGUs) was determined based on value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates. These growth rates are consistent with the sector/industry in which each CGU operates. The assumptions used for estimating value in use for goodwill are disclosed in Note 8.7.

3.2.10 Revision of useful lives of plant and equipment

The Group reviews the useful lives and residual values of property and equipment at each reporting date. During the year, the Group has changed its useful life estimation from three to four years for 'computers' and certain items in 'computer equipments and installations' except servers whose useful life has changed from 3 to 5 years and five to seven years for certain 'other equipments and installations'. The revisions are accounted for prospectively as a change in accounting estimate and as a result, the depreciation charge of the Group for the year decreased by Rs 141 million and carrying amounts of 'computers', 'computer equipments and installations' and 'other equipments' increased by Rs 82 million, Rs 35.68 million and Rs 14.17 million respectively. The Group does not recorded deferred tax on deductible temporary differences as the Company expects that these deductible temporary differences may not be realized in future. Therefore, the resultant after tax impact on profit as a result of change in estimation is the same.

Assuming that the assets are held until the end of their estimated useful lives, depreciation in future years in relation to these assets will be increased/(decreased) by the following amounts:

Years	Rs (million)
2026	(5.20)
2027	40.40
2028	73.60
2029 and onwards	21.03

4. Principles of consolidation

The consolidated financial statements include the financial statements of Systems Limited and its subsidiary companies, here-in-after referred to as "the Group".

4.1 Subsidiaries

A Company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Holding Company obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

All inter-Company balances, transactions and unrealized gains and losses resulting from inter-Company transactions and dividends are eliminated in full.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in the consolidated financial statements.

4.2 Non-controlling interest

Non-controlling interest is that part of net results of operations and of net assets of the subsidiaries which are not owned by the Group either directly or indirectly. Non-controlling interest is presented as a separate item in the consolidated financial statements. The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interest result in gains and losses for the Group and are recorded in the consolidated statement of changes in equity.

4.3 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

5. Material accounting policy information

The material accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

5.1 Taxation - levy and income tax

5.1.1 Levy

The Institute of Chartered Accountants of Pakistan ('ICAP') had withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12, Application Guidance on Accounting for Minimum Taxes and Final Taxes' ('the Guidance'). Accordingly, in accordance with the Guidance, the Company designates the amount calculated on gross amount of revenue or other basis (such as receipts or other values etc. as provided in law) as a levy within the scope of IFRIC 21/IAS 37. Any excess over the amount designated as a levy is then recognised as current income tax expense falling under the scope of IAS 12.

5.1.2 Current taxation

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed or changes in laws made during the year for such years.

5.1.3 Deferred taxation

Deferred tax is accounted for using the statement of financial position method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the consolidated statement of profit or loss and other comprehensive income, except in the case of items credited or charged to equity in which case it is included in equity.

The carrying amount of deferred tax assets is reviewed at statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of deferred tax asset to be utilised.

5.2 Property and equipment

5.2.1 Operating fixed assets

Property and equipment are stated at cost less accumulated depreciation and any identified impairment loss except for freehold land which is stated at cost less any recognised impairment loss. Cost of operating fixed assets consist of purchase cost, borrowing cost pertaining to construction period and other directly attributable cost of bringing the asset to working condition. Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to consolidated statement of profit or loss during the period in which they are incurred.

Depreciation on operating fixed assets is charged to consolidated statement of profit or loss by applying the straight line method on pro rata basis so as to write off the historical cost of the assets over their estimated useful lives at the rates given in Note 7.1. Depreciation on additions is charged from the date of acquisition / transfer of asset, whereas depreciation on disposals is charged till the date of disposal.

The assets residual values and useful lives are reviewed at each financial year end, and adjusted if impact on depreciation is significant. The Group's estimate of the residual value of its operating fixed assets as at December 31, 2025 has not required any adjustment as its impact is considered insignificant.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Profit or loss on disposal of operating fixed assets represented by the difference between the sale proceeds and the carrying amount of the asset is included in the consolidated statement of profit or loss.

5.2.2 Capital work in progress

Capital work in progress represents expenditure on property and equipment which are in the course of construction and installation. Transfers are made to relevant property and equipment category as and when assets are available for use.

Capital work-in-progress is stated at cost less identified impairment loss, if any.

5.3 Investments

The management determines the classification of its investments at the time of purchase depending on the Group's business model for managing the financial assets and their contractual cash flow characteristics. Investments intended to be held for less than twelve months from the statement of financial position date or to be sold to raise operating capital are included in current assets as explained in note 5.7. All other investments are classified as non-current assets.

5.3.1 Investments in equity instruments of subsidiaries and associates

Investments in subsidiaries and associates where the Group has significant influence are measured at cost in the Group's separate financial statements in accordance with IAS-27 'Separate financial statements'.

The Group is required to publish consolidated financial statements along with its separate financial statements, in accordance with the requirements of IFRS 10 'Consolidated Financial Statements' and IAS 27 'Separate financial statements'. Investments in associates, in the consolidated financial statements, are being accounted for using the equity method.

5.4 Cash and cash equivalents

Cash and cash equivalents are stated in the consolidated statement of financial position at amortized cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, cheques / demand draft in hand, deposits in the bank, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk changes in value, bank overdrafts and short term borrowings repayable on demand. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

5.5 Trade debts

Trade debtor may directly be recognised upon satisfaction of performance obligation or may indirectly be recognised through contract assets as referred in note 5.8.4. Trade debts from customers are stated at amortized cost less expected credit losses.

5.5.1 Expected credit losses

Expected credit losses are calculated as a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the Group in accordance with the contract and cash flows that the Group expects to receive). (Refer to note 5.7.4 for detailed policy for impairment of financial assets).

5.6 Trade and other payables

Liabilities for trade and other payable are recognised initially at their fair value and subsequently measured at amortised cost.

5.7 Financial instruments - Initial recognition and subsequent measurement

5.7.1 Initial Recognition

Regular way purchase and sale of financial assets and financial liabilities is accounted for at the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ('FVPL'), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

5.7.2 Classification

5.7.2.1 Classification of financial assets

The Group classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortized cost.

The Group determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

5.7.2.2 Classification of financial liabilities

The Group classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has opted to measure them at FVTPL.

5.7.3 Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income / (loss).

ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus transaction costs, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statement of profit or loss in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Group's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

5.7.4 Impairment of financial assets

The Group recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost at an amount equal to life time ECLs except for the following, which are measured at 12 month ECLs:

- bank balances for whom credit risk (the risk of default occurring over the expected life of the financial instrument has not increased since the inception.)
- other short term loans and receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade debts are always measured at an amount equal to life time ECLs. Life time ECLs are the ECLs that result from all possible defaults events over the expected life of a financial instrument. 12 month ECLs are portion of ECLs that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the Group in accordance with the contract and cash flows that the Group expects to receive).

The Group considers that a financial asset is in default when contractual payments are 360 days past due except for trade debts from related parties for which default is evaluated on case to case basis. The definition is based on the Group's internal credit risk management policy. Financial assets are written off when there is no reasonable expectation of recovery. The Group categorises a financial asset for write off when a counter party fails to make contractual payments for more than 360 days past due except for trade debts from related parties for which write off is evaluated on case to case basis.

5.7.5 Derecognition

i) Financial assets

The Group derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to consolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to equity.

ii) Financial liabilities

The Group derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of profit or loss and other comprehensive income.

5.7.6 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Group has legally enforceable right to offset the recognized amounts and the Group intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

5.8 Revenue recognition

Revenue recognized in any period is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. For contracts with multiple components to be delivered, management applies judgement to consider whether those promised goods or services are: (i) distinct – to be accounted for as separate performance obligations; (ii) not distinct – to be combined with other promised goods or services until a bundle is identified that is distinct; or (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer.

At contract inception the total transaction price is estimated, which is allocated to the identified performance obligations in proportion to their relative standalone selling prices and revenue is recognized when (or as) those performance obligations are satisfied.

For each performance obligation, the Group determines if revenue will be recognized over time or at a point in time. Where the Group recognizes revenue over time this is due to any of the following reasons: (i) the Group performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract, (ii) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (iii) the Group's performance creates an asset with no alternative use, and the Group has an enforceable right to payment for performance completed to date.

For each performance obligation to be recognized over time, the Group applies a revenue recognition method that faithfully depicts the Group's performance in transferring control of the goods or services to the customer. The Group applies the relevant input method consistently to similar performance obligations as it faithfully depicts actual efforts made by the Group to satisfy performance obligations and to transfer services to end customer. Moreover, information required for input method can be measured reliably. If performance obligations in a contract do not meet the over time criteria, the Group recognizes revenue at a point in time when obligations under the terms of the contract with the customer are satisfied.

Changes in estimates of measures of progress of performance obligations satisfied over time are recognized on a cumulative catch-up basis, which recognizes in the current period the cumulative effect of any changes on current and prior periods based on a performance obligation's percentage of completion.

For each of its contracts, the Company considers whether it is a principal or an agent by evaluating the nature of its promise to the customer. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services (including discretion in establishing the price) before transferring them to the customer and is primarily responsible for fulfilling the promise to provide the goods or services and bears credit risk associated with the transaction.

The Group disaggregates revenue from contracts with customers by contract type, geographical markets and timing of revenue recognition, as management believes this best depicts how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors. The revenue recognition policy relevant to each contract type is as below:

5.8.1 Outsourcing services

Outsourcing services include business process outsourcing services (BPO) and IT services. Revenue is recognized under each category as below:

a) BPO services

The performance obligation of the Group is to perform the various business activities outsourced by the customers. Revenue is recognized over time on the basis of activities performed, as the customer simultaneously receives and consumes the benefits provided by the Group's performance.

b) IT Services

The performance obligation of the Group is to make available the resources to perform various IT services as per the requirement of the customer. Resource efforts are controlled by the customer and revenue is recognized over time on the basis of hours of resources made available to the customer, as the customer simultaneously receives and consumes the benefits provided by the Group's performance.

5.8.2 Hardware trading

Hardware trading represents the sale of hardware. Revenue is recognized at the point in time when obligations under the terms of the contract with the customer are satisfied; generally this occurs when the hardware is delivered to the customer.

5.8.3 Software trading and implementation

For software trading where no implementation is involved, revenue is recognized at the point in time when the software is delivered to the customer.

In case of subscription based services, revenue is recognized over time as the customer simultaneously receives and consumes the benefits provided by subscription services, including access to infrastructure, software updates, and customer support in accordance with IFRS 15, "Revenue from Contracts with Customers" and revenue is typically recognized on a straight-line basis over the subscription period.

For contracts that involve both trading of software license and its implementation, the Group makes judgments in determining whether the software implementation and software license are distinct and thus separate performance obligations or part of the bundle and thus a single performance obligation depending upon the level of customization involved and other key factors surrounding each contract. Where software license and implementation are considered distinct and separate performance obligations, the trading license revenue is recognized at the point in time while the revenue relating to implementation is recorded over time during the implementation period. Where software license and implementation are considered a single performance obligation, the revenue relating to both trading license and implementation is recorded over time during the implementation period. Implementation generally comprises of customization of existing technology, development and integration of tech platforms and enabling digital transformation of companies through specific technologies.

The Group uses input method for measuring percentage of completion (PoC) by taking into account the cost incurred to date as a percentage of total budgeted cost.

The Group has assessed that maintenance and support is a performance obligation that can be considered capable of being distinct and separately identifiable in a contract. These recurring services are substantially the same as the nature of the promise is for the Group to 'stand ready' to perform maintenance and support when required by the customer. Time-based measure of progress is used for such services since it best reflects the Group's efforts in satisfying the performance obligation.

5.8.4 Contract Assets

A contract asset may initially be recognized for revenue earned because the receipt of consideration is conditional on successful completion of the milestones or right to invoice is not established as per contract. Upon completion of the milestone or right to invoice including acceptance by the customer, the amount recognized as contract assets is reclassified to trade debts.

5.8.5 Contract Liabilities

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the related goods or services are transferred. Contract liabilities are recognized as revenue as and when performance obligations are satisfied under the contract.

5.9 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group has elected to apply the practical expedient for not recognising right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

Extension and termination options are included in a number of leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of termination options held are exercisable only by the Group and not by the respective lessor while the extension options are generally exercisable with the mutual consent of both the Group and the lessor.

5.9.1 Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

5.9.2 Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is re-measured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in statement of profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

5.10 Provisions and contingencies

Provisions are recognized in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

5.11 Staff benefits

The Group has the following plans for its employees:

5.11.1 Provident fund

The Holding Company operates a funded recognized provident fund contribution plan which covers all permanent employees. Equal contributions are made on monthly basis both by the Holding Company and the employees at the rate of 10% of basic salary.

5.11.2 Employees' share option scheme

The Group operates an equity settled share based Employees Stock Option Scheme. The compensation committee of the Board of Directors of the Holding Company evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of the Holding Company's shares at a price determined on the date of grant of options.

At the grant date of share options to the employees, the Group initially recognizes employee compensation expense with corresponding credit to equity as employee compensation reserve at the fair value of option at the grant date. The fair value of options determined at the grant date is recognized as an employee compensation expense on a straight line basis over the vesting period. Fair value of options is arrived at using Black Scholes pricing model.

When share options are exercised, the proceeds received, net of any transaction costs, are credited to share capital (nominal value) and share premium.

5.11.3 Gratuity

Gratuity is given to employees of certain subsidiaries i.e. (British American Tobacco SAA Services (Private) Limited, TechVista Systems FZ- LLC, TechVista Information Technology W.L.L., Techvista Systems LLC, Techvista MP and Systems Arabia for Information Technology).

An unfunded gratuity scheme is operated for all permanent employees of the afore-mentioned companies who have attained the minimum qualifying period. The Group's obligation is determined through actuarial valuations carried out periodically under the 'Projected Unit Credit Method'. The latest valuation was carried out as at December 31, 2025. The results of valuation are summarized in note 27. Current service cost, past service cost and interest cost is recognized in the consolidated statement of profit or loss. Actuarial gains and losses arising at each valuation date are recognized fully in the other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately in income.

5.11.4 Interest free loans to employees

The Holding Company provides interest free loans to its employees for purchase of vehicles and other purposes. The loans are initially recognized at fair value which is the present value of future deductions to be made from employees' salaries, discounted at the market interest rate. The difference between fair value of the interest free loan and principal amount at initial recognition is recorded as a deferred employee benefit. The loan is subsequently measured at amortized cost with respective finance income to be recorded in the consolidated statement of profit or loss. In addition, the deferred employee benefit is amortized equally over the life of the loan and the amortization is recorded in the consolidated statement of profit or loss.

5.11.5 Leave Encashment

Leave encashment is given to employees of certain territories which is paid to employees at the time of separation. The leaves are calculated based on unutilized accrued leave balance. For employees whose service is less than one year, the accrued leaves are calculated based on pro-rata basis.

5.11.6 Pension Plan

For permanent employees of British American Tobacco SAA Services (Private) Limited operates a defined contribution pension plan. The Group pays not more than 20% of the salary in respect of each member into the fund and has no further legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expense when they are due.

5.12 Earnings per share

The Group presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit attributable to ordinary shareholders of the Holding Company (after adjustment) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

5.13 Segment reporting

The Chief Operating Decision Maker (CODM), who is identified as the Group's Chief Executive Officer (CEO), plays a crucial role in assessing the company's performance and resource allocation.

The Group's realigned strategy is centered around achieving maximum growth and increasing operational efficiency. By transitioning from a geographical focus to an industry vertical focus, the Group aims to capture synergies through the cross-selling of technologies and solutions across different verticals. This approach allows the Group to leverage its expertise and capabilities more effectively across various sectors.

With a focus on industry verticals, the CODM gains a more transparent view of the Group's operations. This includes recognizing and assessing synergies achieved by introducing and integrating technologies and services across different verticals. The Group can also better understand its competitive footprint within each vertical, identifying areas where it can capitalize on its strengths. Moreover, the emphasis on industry verticals highlights the importance of expanding within sectors that offer higher margins, indicating a strategic approach to revenue generation and profitability.

Shifting toward industry verticals prompts the Group to reevaluate its global resources in alignment with the specific needs and growth potential of each vertical. This means that the Group will strategically allocate its resources, such as talent, technology, and investments, to effectively capitalize on growth opportunities within each sector. This dynamic resource allocation supports the Group's overarching strategy of maximizing growth and efficiency.

Although the Group still reports geographical segments to the CODM, these are no longer the primary focus of the Group's operations and reporting. Instead, the four primary segments now revolve around industry verticals, reflecting the Group's strategic shift:

- Banking Financial Services & Insurance (BFSI): This segment likely includes activities related to banking, financial services, and insurance.
- Retail & CPG (Consumer Packaged Goods): This segment encompasses retail operations and consumer goods.
- Telco (Telecommunications): This segment involves telecommunications services and technologies.
- Technology : This segment includes technology-related solutions , products and services.
- Others: This catch-all category may include any remaining segments that don't fall into the specific verticals mentioned above.

5.14 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the liabilities incurred to the former owners of the acquired business, fair value of any asset or liability resulting from a contingent consideration arrangement, fair values of the assets transferred; and equity interests issued by the Group.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

IFRS 3 allows the acquirer a maximum period of one year from the date of acquisition to finalise the accounting for business combination. Identified assets acquired, liabilities assumed or incurred have been carried at fair value as at the acquisition date. The fair valuation exercise is required to be finalized within a period one year of acquisition date. Any adjustment arising at the time of finalization of this exercise is incorporated with retrospective effect from the date of acquisition.

5.15 Intangibles

Intangible assets acquired from the market are carried at cost less accumulated amortization and any impairment losses.

Expenditure on research (or the research phase of an internal project) is recognized as an expense in the period in which it is incurred;

Development costs incurred on specific projects are capitalized when all the following conditions are satisfied:

- Completion of the intangible asset is technically feasible so that it will be available for use or sale.
- The Group intends to complete the intangible asset and use or sell it.
- The Group has the ability to use or sell the intangible asset.
- Intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The Group's ability to measure reliably the expenditure attributable to the intangible asset during its development.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by the management. Development costs not meeting the criteria for capitalization are expensed as incurred.

After initial recognition, internally generated intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. These are amortized using straight line method at the rates given in Note 8.1.3. Full month amortization is charged in month of acquisition and no amortization is charged in month of disposal.

The Group assesses at each reporting date whether there is any indication that intangible assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in consolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

5.16 Impairment of non-financial assets

The carrying amounts of non-financial assets other than deferred tax asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash generating unit, or CGU").

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statement of profit or loss.

Impairment loss recognized in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.17 Sales Tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included, the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

5.18 Foreign currency transactions

Assets and liabilities in foreign currencies are translated into Pak Rupees at the rate of exchange prevailing at the reporting date. Transactions during the year are converted into Rupees at the exchange rate prevailing at the date of such transaction. All exchange differences are charged to the consolidated statement of profit or loss.

On consolidation, the assets and liabilities of foreign operations are translated into Pak Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average rates prevailing during the year. The exchange differences arising on translation for consolidation are recognized in consolidated other comprehensive income. On disposal of a foreign operation, the component of consolidated other comprehensive income relating to that particular foreign operation is recognized in the consolidated statement of profit or loss.

6. Summary of other accounting policies

Other than material accounting policies applied in the preparation of these consolidated financial statements are set out below for ease of user's understanding of these consolidated financial statements. These policies have been applied consistently for all periods presented, unless otherwise stated.

6.1 Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Group undertakes its activities under joint operations, the Group as a joint operator recognizes in relation to its interest in a joint operation:

1. Its assets, including its share of any assets held jointly;
2. Its liabilities, including its share of any liabilities incurred jointly;
3. Its revenue from the sale of its share of the output arising from the joint operation;
4. Its share of the revenue from the sale of the output by the joint operation; and
5. Its expenses, including its share of any expenses incurred jointly

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses. When Group transacts with a joint operation in which a Group is a joint operator, the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognized in the Group's standalone financial statements only to the extent of other parties' interests in the joint operation. When Group transacts with a joint operation in which Group is a joint operator, the Group does not recognize its share of the gains and losses until it resells those assets to a third party.

The Group has interest in joint operation UUS Joint Venture (Private) Limited, a Group set up specifically for executing multi-year contract "Package 04A – Airport Information Management System (AIMS)", a turnkey project for New Islamabad International Airport by Pakistan Civil Aviation Authority.

6.2 Advances and deposits

Advances are recognized at nominal amount which is the fair value of considerations to be received in future. Trade deposits with no fixed repayment date are measured at cost being amount paid on initial recognition. Fair value of these deposits is not considered to be materially different from cost.

6.3 Other income

Profit on deposit accounts and gain on short term investments and other income is recognized using effective interest rate.

Gains / (losses) arising on revaluation of securities classified as fair value through profit or loss are included in the consolidated statement of profit or loss in the period in which they arise.

6.4 Finance costs

Finance cost is charged to consolidated statement of profit or loss in the year in which it is incurred.

6.5 Dividends and appropriation reserves

Dividends and other appropriation to reserves are recognized in the consolidated financial statements in the period in which these are approved. However, if they are approved after the reporting period but before the financial statements are authorized for issue, they are disclosed in the notes to the financial statements.

6.6 Derivative financial instruments

Derivatives are only used for economic hedging purposes as a forward cover against the Group's specified export receipts, and not as speculative investments. Derivatives are initially recognised at cost on the date a derivative contract is entered and they are subsequently remeasured to their fair value using level 2 valuation techniques at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of item being hedged. The Group has not designated any derivative instrument as hedging instrument. These are presented as current assets or liabilities to the extent these are expected to be settled within 12 months after the end of reporting period. Changes in fair value of any derivative instrument are recognised immediately in the statement of profit or loss and are included in other operating expenses / income.

7. Property and equipment

	Note	2025	2024
		Rupees	
Operating fixed assets	(7.1)	4,095,548,439	3,653,301,482
Capital work in progress	(7.1.4)	127,044,789	1,514,872
		4,222,593,228	3,654,816,354

7.1 Operating fixed assets

	Land - freehold	Building on freehold land	Computers	Computer equipment and installations	Other equipment and installations	Generators and transformer	Furniture and fittings	Vehicles	Office equipment	Leasehold Building - Improvements	Total
	Rupees										
At December 31, 2025											
Cost	592,234,914	735,539,849	3,358,922,659	919,831,486	464,858,994	166,900,909	489,863,452	771,213,964	84,627,978	311,945,096	7,895,939,301
Accumulated Depreciation	-	(123,214,849)	(1,965,829,507)	(597,312,713)	(290,991,406)	(93,639,336)	(203,996,783)	(239,901,939)	(52,534,289)	(232,970,040)	(3,800,390,862)
Net book value	592,234,914	612,325,000	1,393,093,152	322,518,773	173,867,588	73,261,573	285,866,669	531,312,025	32,093,689	78,975,056	4,095,548,439
For the year ended December 31, 2025											
Opening net book value	592,234,914	630,713,501	1,213,816,543	311,528,797	181,092,545	87,718,959	258,699,441	220,292,579	28,923,868	128,280,335	3,653,301,482
Additions (at cost)	-	-	536,068,086	73,252,817	17,547,169	896,876	11,574,659	141,715,913	5,522,944	2,696,554	789,275,018
Transfer from right-of-use asset	-	-	-	-	-	-	-	258,211,993	-	-	258,211,993
Acquisition of subsidiary			53,418,066	74,816,984	19,480,696	-	51,472,902	8,449,286	4,387,033	6,169,948	218,194,915
Disposal	-	-	(28,636,412)	(5,472,604)	-	-	(218,153)	(16,352,205)	(186,344)	-	(50,865,718)
Depreciation	-	(18,388,501)	(382,589,355)	(132,255,060)	(44,252,822)	(15,354,262)	(39,049,695)	(81,051,007)	(6,603,552)	(58,293,237)	(777,837,491)
Exchange differences	-	-	1,016,224	647,839	-	-	3,387,515	45,466	49,740	121,456	5,268,240
Closing net book value	592,234,914	612,325,000	1,393,093,152	322,518,773	173,867,588	73,261,573	285,866,669	531,312,025	32,093,689	78,975,056	4,095,548,439
Rate of depreciation (%)	-	2.5	25	20 - 33	4-20	10	10	20	10	10-25	
At December 31, 2024											
Cost	592,234,914	735,539,849	2,797,056,695	776,586,450	427,831,129	166,004,033	423,646,529	379,143,511	74,854,605	302,957,138	6,675,854,853
Accumulated Depreciation	-	(104,826,348)	(1,583,240,152)	(465,057,653)	(246,738,584)	(78,285,074)	(164,947,088)	(158,850,932)	(45,930,737)	(174,676,803)	(3,022,553,371)
Net book value	592,234,914	630,713,501	1,213,816,543	311,528,797	181,092,545	87,718,959	258,699,441	220,292,579	28,923,868	128,280,335	3,653,301,482
For the year ended December 31, 2024											
Opening net book value	592,234,914	649,102,000	1,222,760,925	428,603,181	198,976,832	104,385,721	290,807,874	48,381,343	33,207,526	172,120,876	3,740,581,192
Additions (at cost)	-	-	524,645,978	71,321,992	43,111,934	-	11,742,657	230,579,703	3,269,040	2,616,448	887,287,752
Disposal	-	-	(19,389,599)	(9,479,388)	-	-	(41,320)	(5,979,594)	(90,155)	-	(34,980,056)
Depreciation	-	(18,388,499)	(497,232,787)	(177,023,356)	(60,996,221)	(16,666,762)	(38,928,356)	(51,063,266)	(7,210,823)	(46,456,989)	(913,967,059)
Exchange differences	-	-	(16,967,974)	(1,893,632)	-	-	(4,881,414)	(1,625,607)	(251,720)	-	(25,620,347)
Closing net book value	592,234,914	630,713,501	1,213,816,543	311,528,797	181,092,545	87,718,959	258,699,441	220,292,579	28,923,868	128,280,335	3,653,301,482
Rate of depreciation (%)	-	2.5	20-33	33	4-20	10	10	20	10	10-25	

7.1.1 The cost of operating fixed assets includes assets amounting to Rs 780.44 million (2024: Rs 822.39 million) with nil book value.

7.1.2 Immovable fixed assets include free-hold land and building situated at E-1, Sehjpal, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt. Total area of land is 21.42 kanals (2024: 21.42 kanals).

7.1.3 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		Rupees	
Cost of revenue	(33)	616,113,809	725,223,102
Selling and distribution expenses	(34)	17,239,081	11,407,303
Administrative expenses	(35)	139,948,196	170,469,672
Research and development expenses	(36)	1,946,979	3,080,858
Intangibles under development		2,589,426	3,786,124
		777,837,491	913,967,059

7.1.4 This represents capital work in progress as follows:

Opening	1,514,872	-
Additions during the year	125,529,917	1,514,872
Balance at the end of the year	127,044,789	1,514,872

7.1.5 Disposal of property and equipment

Details of disposed assets which had a net book value of Rs 500,000 or more, are as follows:

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(Loss)	Mode of disposal	Particulars of buyer
	Rupees						
Laptop - Apple MacBook Pro	534,501	20,786	513,715	-	(513,715)	Written off	Not applicable
Toyota Fortuner	9,344,300	7,789,845	1,554,455	12,600,000	11,045,545	Company Policy	Amir Ashiq - Employee
Hyundai Tucson	9,163,310	4,125,685	5,037,625	7,152,750	2,115,125	Company Policy	Shahid Wasim - Employee
Hyundai Sonata	8,669,000	2,542,907	6,126,093	6,297,732	171,639	Company Policy	S.Husain Ali Zaidi - Employee
Toyota Altis 1.8	6,194,372	2,560,341	3,634,031	3,641,951	7,920	Company Policy	Rehan Elahi - Employee
Aggregate of items of property and equipment with individual net book value below Rs 500,000	225,766,058	191,766,259	33,999,799	51,310,482	17,310,683		
2025	259,671,541	208,805,823	50,865,718	81,002,915	30,137,197		

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(Loss)	Mode of disposal	Particulars of buyer
	Rupees						
Ciso Catalyst 9200L 48-port	1,090,519	201,064	889,455	889,455	-	Company Policy	EP Systems Pvt Limited - Associate
Ciso Catalyst 9200L 48-port	1,090,519	201,064	889,455	889,455	-	Company Policy	EP Systems Pvt Limited - Associate
Ciso Catalyst 9200L 48-port	857,419	348,112	509,307	509,307	-	Company Policy	EP Systems Pvt Limited - Associate
Ciso Catalyst 9200L 48-port	857,419	348,112	509,307	509,307	-	Company Policy	EP Systems Pvt Limited - Associate
Laptop - Apple Macbook Pro	635,835	37,089	598,746	598,746	-	Company Policy	Systems Arabia for Information Technology - Sub subsidiary
Laptop - Apple Macbook Pro	854,875	216,099	638,776	638,776	-	Company Policy	Techvista Systems FZ LLC - Sub subsidiary
Laptop - Apple Macbook Pro	609,367	106,641	502,726	502,726	-	Company Policy	Techvista Systems FZ LLC - Sub subsidiary
Laptop - Apple Macbook Pro	580,000	72,501	507,499	507,499	-	Company Policy	Systems Arabia for Information Technology - Sub subsidiary
Laptop - Apple Macbook Pro	613,333	47,704	565,629	565,629	-	Company Policy	Techvista Systems FZ LLC - Sub subsidiary
Toyota Corolla	2,835,670	1,985,737	849,933	2,717,000	1,867,067	Company Policy	Muhammad Waheed - Employee
MG HS	5,630,000	3,664,631	1,965,369	2,850,000	884,631	Company Policy	Roohi Khan - Employee
Kia Sportage	5,483,870	2,742,440	2,741,430	6,500,000	3,758,570	Company Policy	Zahid Mahmood Janjua - Employee
Aggregate of items of property and equipment with individual net book value below Rs 500,000	106,636,905	82,824,481	23,812,424	29,260,774	5,448,350		
2024	127,775,731	92,795,675	34,980,056	46,938,674	11,958,618		

8. Intangibles

	Note	2025	2024
		Rupees	
Intangibles - owned	(8.1)	11,904,142,292	9,771,819,755
Intangibles under development	(8.2)	87,649,798	109,615,749
		11,991,792,090	9,881,435,504

8.1 Intangibles - owned

		Acquired					Internally Generated						
		Goodwill	License: Country Model Bank	Customer contracts	Customer Relationship	Other intangibles	Customer Lifecycle Management	Digital Wallet	Model Bank (Country Model Bank)	Retail Loan Origination System	Profitability Distribution Service Islamic	KPI Dashboard	Total
		Rupees											
	Note	(8.3)	(8.1.4)	(8.1.5)	(8.2.1)								
At December 31, 2025													
Cost	(8.1.1)	5,351,399,775	5,490,688,866	620,696,906	2,557,300,000	193,911,527	39,796,032	41,910,453	246,786,081	15,254,188	33,075,149	39,973,154	14,630,792,131
Accumulated amortization		-	(1,908,454,829)	(419,235,397)	(42,621,667)	(193,911,527)	(27,060,758)	(28,096,097)	(50,388,481)	(10,468,239)	(20,780,383)	(25,632,461)	(2,726,649,839)
Net book value		5,351,399,775	3,582,234,037	201,461,509	2,514,678,333	-	12,735,274	13,814,356	196,397,600	4,785,949	12,294,766	14,340,693	11,904,142,292
For the year ended December 31, 2025													
Opening net book value		5,302,488,184	4,045,195,843	292,861,509	-	-	26,000,618	27,784,507	16,445,616	9,870,678	23,319,816	27,852,984	9,771,819,755
Transfers from intangibles under development		-	-	-	-	-	-	-	221,690,050	-	-	-	221,690,050
Acquisition of subsidiary	(8.2.1)	20,335,425	-	-	2,557,300,000	526,286	-	-	-	-	-	-	2,578,161,711
Amortization	(8.1.2)	-	(471,574,641)	(91,400,000)	(42,621,667)	(526,286)	(13,265,344)	(13,970,151)	(41,738,066)	(5,084,729)	(11,025,050)	(13,329,592)	(704,535,526)
Exchange differences		28,576,166	8,612,835	-	-	-	-	-	-	-	-	(182,699)	37,006,302
Closing net book value		5,351,399,775	3,582,234,037	201,461,509	2,514,678,333	-	12,735,274	13,814,356	196,397,600	4,785,949	12,294,766	14,340,693	11,904,142,292
At December 31, 2024													
Cost	(8.1.1)	5,302,488,184	5,482,076,031	620,696,906	-	193,385,241	39,796,032	41,910,453	25,096,031	15,254,188	33,075,149	39,973,154	11,793,751,369
Accumulated amortization		-	(1,436,880,188)	(327,835,397)	-	(193,385,241)	(13,795,414)	(14,125,946)	(8,650,415)	(5,383,510)	(9,755,333)	(12,120,170)	(2,021,931,614)
Net book value		5,302,488,184	4,045,195,843	292,861,509	-	-	26,000,618	27,784,507	16,445,616	9,870,678	23,319,816	27,852,984	9,771,819,755
For the year ended December 31, 2024													
Opening net book value		5,353,083,748	4,544,165,908	415,872,020	-	3,377,286	-	-	-	-	-	-	10,316,498,962
Transfers from intangibles under development		-	-	-	-	-	39,796,032	41,910,453	25,096,031	15,254,188	33,075,149	39,973,154	195,105,007
Amortization	(8.1.2)	-	(467,748,954)	(123,010,511)	-	(3,377,286)	(13,795,414)	(14,125,946)	(8,650,415)	(5,383,510)	(9,755,333)	(12,120,170)	(657,967,539)
Exchange differences		(50,595,564)	(31,221,111)	-	-	-	-	-	-	-	-	-	(81,816,675)
Closing net book value		5,302,488,184	4,045,195,843	292,861,509	-	-	26,000,618	27,784,507	16,445,616	9,870,678	23,319,816	27,852,984	9,771,819,755

8.1.1 The cost of the intangibles includes assets amounting to Rs 288.08 million (2024: Rs 193.39 million) with nil book value.

8.1.2 Amortization charge for the year has been allocated as follows:

	Note	2025	2024
		Rupees	
Cost of revenue	(33)	704,535,526	657,552,957
Selling and distribution expenses	(34)	-	54,824
Administrative expenses	(35)	-	322,459
Research & Development Expenses	(36)	-	21,691
Intangibles under development	(8)		15,608
		704,535,526	657,967,539

8.1.3 Amortization methods and useful life

The Group amortizes intangible assets with a limited useful life, using straight-line method at the following rates:

	%
Other intangibles	33
License: Country Model Bank	6.67-10
Digital Wallet	33
Customer contracts	20-50
Customer Relationship	10
Customer Lifecycle Management	33
Model Bank (Country Model Bank)	33
Retail Loan Origination System	33
Profitability Distribution Service Islamic	33
KPI Dashboard	6.67

8.1.4 License: Country Model Bank (CMB License)

This represents CMB licenses purchased by the Group from Temenos as referred to in note 26.1.2. The estimated remaining useful life of these licenses ranges from 6.75 years to 13 years (2024: 7.75 years to 14 years). Furthermore, CMB which is internally generated has estimated remaining useful life of 4.17 years (2024: Nil).

8.1.5 Customer contracts

The customer contracts were acquired as part of business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight- line based on the timing of projected cash flows of the contracts over their estimated useful lives. The remaining estimated useful life of the intangible is 1.51 years (2024: 2.51 years).

8.1.6 Customer relationship

The customer relationship was acquired as part of business combinations. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight- line based on the timing of projected cash flows of the contracts over their estimated useful lives. The remaining estimated useful life of the intangible is 9.83 years (2024: Nil).

8.2 Business Combinations

8.2.1 Summary of acquisition of British American Tobacco SAA Services (Private) Limited 'BAT PK'

On October 31, 2025, the Group acquired 100% control of British American Tobacco SAA Services (Private) Limited pursuant to a Share Purchase Agreement between Systems Limited and British American Tobacco International Holdings (UK) Limited. British American Tobacco SAA Services (Private) Limited is a company incorporated in Pakistan and engaged in the business of transforming traditional and siloed support functions which include but are not limited to Marketing, Finance, HR, Procurement into a centralised, strategic and unified organisation that drives efficiency and value across the entire enterprise.

The acquisition has been accounted for as a business combination under International Financial Reporting Standard (IFRS) 3 'Business Combinations'. A purchase price allocation exercise has been performed by management, assisted by an external expert. The primary element of the valuation exercise assessed the fair value of identifiable intangible assets in the form of customer relationship of Rs 2,557.30 million and resultantly the Group has recognized a goodwill of Rs 20.3 million, in addition to the fair value of the net assets acquired.

Details of purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration	2025
	Rupees
Cash consideration	**3,430,208,761**
Property and equipment	218,194,915
Intangibles	526,286
Right-of-use assets	912,404,602
Intangible: customer relationship	2,557,300,000
Long term deposits	14,867,836
Trade debts	113,197,663
Loans, advances and other receivables	1,357,577
Trade deposits and short term prepayments	34,932,417
Cash and bank balances	1,339,937,420
Provision for gratuity	(179,452,508)
Provision for pension	(310,880,562)
Lease liabilities	(888,697,833)
Trade and other payables	(399,625,977)
Provision for taxation - net	(4,188,500)
Net identifiable assets acquired	**3,409,873,336**
Add: goodwill	20,335,425
Net assets acquired	**3,430,208,761**
Purchase consideration	**3,430,208,761**

(i) Acquired receivables

The fair value of trade receivables acquired is Rs 113.97 million. The gross contractual amount for trade receivables due is also Rs 113.97 million.

(ii) Revenue and profit contribution

The acquired business contributed a revenue of Rs 614.39 million and a net profit of Rs 113.06 million to the Group for the period October 31, 2025 and December 31, 2025.

Revenue and profit value of acquired entity

If the acquisition had occurred on January 01, 2025, consolidated revenue and consolidated profit for the year would have been Rs 84,072.52 million and Rs 10,992.59 million respectively. These amounts have been calculated using the subsidiary results and adjusting them for differences in accounting policies between the Group and subsidiary and the additional amortization charge assuming the fair value adjustments to intangibles had applied from January 01, 2025.

Purchase consideration - cash outflow

Purchase consideration - cash outflow	2025
Outflow of cash to acquire subsidiary, net of cash acquired	Rupees
Cash consideration	3,430,208,761
Less: cash balance acquired	(1,339,937,420)
Net cash outflow for investing activities	2,090,271,341

8.2.2 Customer relationship is identified as an intangible during the business combination. British American Tobacco SAA Services (Private) Limited has provided dedicated delivery services to the seller group and its entities since 2008 through to the transaction date, evidencing a existing customer relationship. Following the acquisition, the Company will continue providing the similar services pursuant to a Master Service Agreement 'MSA' for a ten year period, where the ultimate beneficiary of those services will remain the existing customer.

Valuation techniques used to derive level 3 fair values

Multiperiod excess earnings method : This method assumes that, in addition to the identified intangible, a business uses other contributory assets to generate revenue, each earning an economic return. The residual income remaining after deducting these charges from business income is attributed to the intangible and discounted to determine its value. The fair value of the customer relationship is calculated based on a discount rate of 18.98%, terminal value of 5% and key contract terms as per the MSA. The valuation is considered to be level 3 in the fair value hierarchy.

8.2.3 Acquisition-related costs amounting to Rs 18 million has been recognised in the consolidated statement of profit or loss.

8.3 Intangibles under development

	Customer Lifecycle Management	Digital Wallet	Model Bank (Country Model Bank)	Retail Loan Origination System	Profitability Distribution Service Islamic	KPI Dashboard	Total
	Rupees						
As at December 31, 2025							
Opening balance	-	-	109,615,749	-	-	-	109,615,749
Additions	-	-	199,724,099	-	-	-	199,724,099
Transfers to intangibles			(221,690,050)				(221,690,050)
Closing balance	-	-	87,649,798	-	-	-	87,649,798

	Customer Lifecycle Management	Digital Wallet	Model Bank (Country Model Bank)	Retail Loan Origination System	Profitability Distribution Service Islamic	KPI Dashboard	Total
	Rupees						
As at December 31, 2024							
Opening balance	39,796,032	41,910,453	25,096,031	15,254,188	33,075,149	39,973,154	195,105,007
Additions	-	-	109,615,749	-	-	-	109,615,749
Transfers to intangibles	(39,796,032)	(41,910,453)	(25,096,031)	(15,254,188)	(33,075,149)	(39,973,154)	(195,105,007)
Closing balance	-	-	109,615,749	-	-	-	109,615,749

8.4 Goodwill

This represents goodwill relating to acquisition of following subsidiaries:

		2025	2024
		Rupees	
NDC Group		**4,920,610,638**	4,895,120,593
Techvista Information Technology WLL Qatar		**314,966,802**	312,466,415
Treehouse Consultancy LLC		**95,486,910**	94,901,176
British American Tobacco SAA Services (Private) Limited	**(8.2.1)**	**20,335,425**	-
		5,351,399,775	5,302,488,184

8.4.1 Impairment testing of goodwill

8.4.1.1 NDC Group

The Group includes the goodwill associated with the acquisition of NDC Group in the net assets of the Banking & Financial Services (BFSI) segment. This is because all these companies exclusively offer services and solutions to the BFSI segment. Consequently, the group assesses the impairment of goodwill related to these entities as part of the impairment test for the net assets of the BFSI segment.

Following this approach, the group identifies all directly attributable cash flows linked to the BFSI segment and projects them using assumptions approved by management. The management-approved segment cash flow projections span a five-year period. The present value of the anticipated cash flows for this segment is determined by applying a suitable discount rate of 23.44%, a growth rate of 17%, a terminal growth rate of 5% and an expected yearly increase in employee headcount and related payroll costs to account for growth and inflation.

The average annual growth rate forecasted over the five-year period is based on comparative industry estimates, research papers, and management's expectations regarding market development. The discount rate reflects the specific risks inherent in the market sector and the countries in which the business operates. The terminal growth rate, which is the weighted average growth rate used to extend cash flows beyond the budget period, is consistent with forecasts included in industry and country reports.

8.4.1.2 Techvista Information Technology WLL Qatar

The Group includes the goodwill associated with Techvista Information Technology WLL in the net assets of the Growth segment. The impairment testing of goodwill of Techvista Information Technology WLL is determined on discounted cash flow basis.

These calculations use cash flow projections based on financial budgets approved by management covering a five year period. The present value of the expected cash flows of the above segment is determined by applying a suitable discount rate of 9.02%, growth rate of 6% and terminal growth of 3.4%.

Average annual growth rate forecasted over a 5-year period has been used based on comparative industry estimates, research papers and management's expectation of market development while discount rate reflects specific risks of market sector and country in which the business operates. Terminal growth rate is the weighted average growth rate used to extrapolate cash flows beyond the budget period which is consistent with forecasts included in industry and country reports.

8.4.1.3 Treehouse Consultancy LLC

The Group includes the goodwill associated with Treehouse Consultancy LLC in the net assets of the Banking & Financial Services (BFSI) segment. This is because Treehouse Consultancy LLC exclusively offers services and solutions to the BFSI segment. Consequently, the Group assesses the impairment of goodwill related to Treehouse Consultancy LLC as part of the impairment test for the net assets of the BFSI segment.

These calculations use cash flow projections based on financial budgets approved by management covering a five year period. The present value of the expected cash flows of the above segment is determined by applying a suitable discount rate of 12%, a growth rate of 5% and terminal growth rate of 2%.

Average annual growth rate forecasted over a 5-year period has been used based on comparative industry estimates, research papers and management's expectation of market development while discount rate reflects specific risks of market sector and country in which the business operates. Terminal growth rate is the weighted average growth rate used to extrapolate cash flows beyond the budget period which is consistent with forecasts included in industry and country reports.

8.4.1.4 British American Tobacco SAA Services (Private) Limited

The Group includes the goodwill associated with British American Tobacco SAA Services (Private) Limited in the net assets of the Technology segment. The impairment testing of goodwill of the British American Tobacco SAA Services (Private) Limited is determined on discounted cash flow basis.

These calculations use cash flow projections based on financial budgets approved by management covering a ten year period. The present value of the expected cash flows of the above segment is determined by applying a suitable discount rate of 19.4% and a terminal growth rate of 5%. Revenues are determined by contractually fixed headcount and productivity schedules.

The discount rate reflects specific risks of market sector and country in which the business operates. Terminal growth rate is the weighted average growth rate used to extrapolate cash flows beyond the budget period which is consistent with forecasts included in industry and country reports.

9. Long term investments

	Note	2025	2024
		Rupees	
Ordinary investment-unquoted			
Jomo Technologies (Private) Limited	(9.1)	-	-
Boston Health AI Inc:			
• 900,000 fully paid ordinary shares of USD 0.0001/- each	(9.2)	25,242	-
Equity held 9%			
• Surplus on fair valuation of investment (Level - 3)	(9.2.1)	17,350,163	-
		17,375,405	-
Advance against issuance of shares			
B2B Holdings (Private) Limited	(9.3)	-	101,076,560
Boston Health AI Inc.	(9.2.2)	140,008,000	-
		140,008,000	101,076,560
		157,383,405	101,076,560

9.1 Jomo Technologies (Private) Limited

This represents 25,000,000 fully paid ordinary shares of Rs 10/- each, representing 8.83% (2024: 25,000,000 fully paid ordinary shares of Rs 10/- each, representing 8.83%) shares in Jomo Technologies (Private) Limited measured at fair value through profit or loss. The cost of investment was Rs 150,000,000 which was fully impaired in the year 2023, as a result of deteriorating cashflow position and other relevant factors affecting the company's financial performance.

9.2 This represents an investment in Boston Health AI Inc. (Boston AI), an artificial intelligence company focused on the healthcare sector, incorporated in Delaware, United States.

9.2.1 On 20th January 2025, the Group through its wholly owned sub-subsidiary TechVista Systems FZ-LLC entered into a share purchase agreement with Boston AI. Under the terms of the agreement, the Group subscribed to 900,000 ordinary shares of USD 0.0001/- each, representing 9% share in Boston AI. Since Boston AI's ordinary shares are not listed, the management based on an internally generated model has estimated a fair value of Rs 19.14 (USD 0.0684) per ordinary share as at December 31, 2025. Hence, it has been classified under level 3 of fair value hierarchy as further explained in note 49.6 to these consolidated financial statements. The fair value gain of Rs 17.23 million is included in other comprehensive income.

The significant assumptions used in the valuation technique are as follows:

	%
Equity volatility:	30%
Time to liquidity:	5 years
Risk-free rate:	3.78%
Discount for lack of marketability:	30%
Minority interest discount:	10%

Sensitivity Analysis

Sensitivity analysis of the significant assumptions used in the valuation technique are as follows, with all other variables held constant as at December 31, 2025:

Significant assumptions	Impact on fair value gain +1%	Impact on fair value gain -1%
	(Rupees)	
Equity volatility	14,475	(12,711)
Risk-free rate	284,887	(297,168)
Discount for lack of marketability	(248,158)	248,158
Minority interest discount	(193,012)	193,012
	+1 year	**-1 year**
Time to liquidity	257,415	(263,281)

9.2.2 On October 22, 2025, the Group through its wholly owned sub-subsidiary TechVista Systems FZ-LLC invested for the right to purchase preference shares of Boston AI amounting to USD 500,000 through simple agreement for future equity (safe note). In case of any future equity financing by Boston AI, the safe note will automatically be converted into preference shares. Given the proximity of the transaction closer to the reporting date, and in the absence of evidence of a material change in the investee's condition, the safe note is carried at cost as the best available evidence of fair value.

9.3 B2B Holdings (Private) Limited

This represents amount invested by the Group amounting to Rs 101.08 million (USD 360,000) [2024: Rs 101.08 million (USD 360,000)] against the right to purchase preference shares of B2B Holdings (Private) Limited through simple agreement for future equity. In case of any future equity financing by B2B Holdings (Private) Limited, the safe note will automatically be converted into preference shares. This is carried at cost, is unsecured and carries no interest.

During current year, the management of the Group conducted a thorough review of its investment considering the deteriorating cashflow position and other relevant factors affecting the company's financial performance.

The management identified several indicators that strongly suggest fair value loss on this investment, including but not limited to:

Operational shutdown of the principal business model

The principal operating subsidiary of B2B Holdings (Private) limited is Jugnu, a business-to-business (B2B) commerce marketplace that operated in Pakistan's fast-moving consumer goods (FMCG) supply chain segment.

Jugnu announced the discontinuation of its asset-heavy, self-managed fulfillment centre and inventory model — the core revenue-generating model of the operating company. The company initiated the closure of the existing operations i.e. the asset-heavy marketplace and logistics model, including liquidation of inventory, warehousing infrastructure, and other fixed assets. This constituted a fundamental and irreversible change in the operational viability of the enterprise and qualifies as a significant adverse change in the technological, market, economic, or legal environment under IFRS 9.

Failure to secure follow-on equity financing

The operating company's decision to abandon its primary business model was directly attributed to the inability to raise further equity financing. The SAFE note has not converted to preference shares, as no qualifying equity financing event has occurred since initial recognition. Prospects of a future qualifying event at a valuation that would preserve or restore value to the Group's investment are, in management's assessment, negligible.

Uncertainty regarding going concern of the operating subsidiary

Whilst B2B Holdings has not entered formal liquidation proceedings, the operating company's cessation of its core operations, liquidation of tangible and intangible assets (excluding technology intellectual property), and material workforce restructuring collectively indicate that the recoverable amount of the underlying business is substantially below the carrying amount of the Group's SAFE note investment.

- Management has evaluated all available evidence in estimating the recoverable amount of the investment, including: the absence of any qualifying equity financing event triggering conversion of the SAFE note;
- the cessation of the asset-heavy operations and liquidation of associated physical assets;
- the absence of observable market transactions for comparable instruments that would support a positive residual enterprise value attributable to the Group's position;
- the illiquid and subordinated nature of the SAFE note, which has no contractual path to recovery absent a future fundraise or exit event; and
- management's assessment that the probability of a qualifying conversion event at a value exceeding nil is remote, given the operational status of the investee

Based on this assessment, management has determined that there is no reasonable basis on which a positive recoverable amount can be supported. Accordingly, the full carrying amount of Rs. 101.08 million has been written off and an impairment loss of Rs. 101.08 million has been recognised in the statement of profit or loss for the year ended December 31, 2025, classified within "Impairment loss on financial assets".

9.3.1 Reconciliation of gain / (loss) on re-measurement of long term investments as of the reporting date is as follows:

	2025	2024
	Rupees	
Carrying value as at January 01	**101,076,560**	101,076,560
Unrealized loss for the year	**(101,076,560)**	-
Carrying value as at December 31	**-**	101,076,560

10. Investment in associates

	Note	2025	2024
		Rupees	
SalesFlo (Private) Limited 146,820 fully paid ordinary shares of Rs 10/- each	**(10.1)**	**86,583,557**	74,504,747
SalesFlo Pte LTD. - 196,975 fully paid ordinary shares of SGD 0.01 each	**(10.2)**	**2,776,094**	413,038
E-Processing Systems B.V. 179,507 fully paid ordinary shares of USD 0.01/- each	**(10.3)**	**-**	87,276,577
Techvista Systems South Africa (Pty) Ltd. - 48 unpaid ordinary shares of ZAR 1/- each	**(10.4)**	**-**	-
		89,359,651	162,194,362

10.1 SalesFlo (Private) Limited

This represents 146,820 fully paid ordinary shares of Rs 10/- each, representing 19.69% (2024: 146,820 fully paid shares of Rs 10/- each, representing 19.69%) share in the Group's associate, SalesFlo (Private) Limited (SPL), a company set up in DHA Phase 6, Karachi, to provide services of software designing, development, implementation, maintenance, testing / benchmarking and to provide internet / web based applications. Through the shareholder agreement, SVPL is guaranteed one out of five seats on the board of SPL, and it participates in all significant financial and operating decisions. The group has determined that it has significant influence over this entity.

10.1.1 Movement in investment in associate during the year is as follows:

	Note	2025	2024
		Rupees	
Carrying value as at January 01		**74,504,747**	80,912,736
Share of profit / (loss) from associate	**(10.1.1.1)**	**12,078,810**	(2,677,697)
Share of other comprehensive income / (loss) from associate	**(10.1.1.1)**	**-**	1,298,586
Dividend received		**-**	(5,028,878)
Carrying value as at December 31		**86,583,557**	74,504,747
This comprises of:			
Cost of investment		**468,000,000**	468,000,000
Share of profit from associate accounted for using the equity method		**57,607,653**	45,528,843
Share of other comprehensive income from associate		**528,241**	528,241
Accumulated impairment loss		**(434,523,459)**	(434,523,459)
Dividend received	**(10.1.2)**	**(5,028,878)**	(5,028,878)
		86,583,557	74,504,747

10.1.1.1 Share of loss from associate and other comprehensive income of the associated company is based on un-audited financial statements for the year ended December 31, 2025:

	2025	2024
	Rupees	
Total profit / (loss) for the year	**61,321,536**	(23,595,152)
19.69% (2024: 19.69%) share of profit	**12,078,810**	(2,677,697)
Other comprehensive income for the year	**-**	6,595,153
19.69% (2024: 19.69%) share of OCI	**-**	1,298,586

10.1.2 An impairment test was carried out for SalesFlo (Private) Limited ('Salesflo') by the management during the year ended December 31, 2023 due to the impairment indicators of decrease in the economic performance of Salesflo, significant change in the economic conditions and disposal of discontinued operations affecting future profitability.

The Group reviewed the carrying amount of its investment in equity instruments of Salesflo and its recoverability to determine whether there is an indication that such investment had suffered an impairment loss. The recoverable amount of investment in Salesflo was determined based on 'value in use' of Salesflo. The 'value in use' had been worked out by the management using income approach.

As the recoverable amount of the investment worked out was lower than its carrying value, therefore, an impairment loss was recognized in these consolidated financial statements. The recoverable amount of the investment was determined to be lower than its carrying amount by Rs 2,960 per share and the carrying amount was accordingly reduced by Rs 434.52 million.

10.1.3 Summarised financial information

Set out below is the summarized financial statement information of SalesFlo (Private) Limited which is accounted for using equity method. The information disclosed reflects the amounts presented in the unaudited financial statements of the associated company, for the year ended December 31, 2025.

	2025	2024
	Rupees	
Revenue	**1,007,962,835**	975,303,585
Profit / (Loss) from continuing operations after tax	**61,321,536**	(42,447,369)
Profit from discontinuing operations after tax	**-**	18,852,217
OCI	**-**	6,595,153
Total Comprehensive income / (Loss)	**61,321,536**	(16,999,999)
Non-current assets	**167,428,038**	53,909,783
Current assets	**867,547,805**	760,117,030
Non-current liabilities	**(30,295,696)**	-
Current liabilities	**(262,453,438)**	(133,121,640)
Net assets attributable to owners of the Group	**742,226,709**	680,905,173

10.1.4 Reconciliation to carrying amounts

	2025	2024
	Rupees	
Net assets as on January 01	**680,905,173**	725,177,925
Profit / (Loss) for the year	**61,321,536**	(23,595,238)
Other comprehensive profit / (loss)	**-**	6,595,153
Capital reserve - issue of right shares	**-**	456,960
Dividend paid during the year	**-**	(27,729,627)
NCI derecognized/transferred during the year		-
Net assets attributable to owners of the group	**742,226,709**	680,905,173
Company's percentage in shareholding	**19.69%**	19.69%
Company's share in carrying value of net assets	**146,144,439**	134,065,629
Excess of purchase consideration over share in carrying value of net assets at the date of acquisition	**374,962,577**	374,962,577
Impairment loss	**(434,523,459)**	(434,523,459)
Carrying amount of investment as at December 31	**86,583,557**	74,504,747

10.2 SalesFlo Pte Ltd.

This represents 196,975 fully paid ordinary shares of SGD 0.01/- each, representing 19.69% (2024: 196,975 fully paid shares of SGD 0.01/- each, representing 19.69%) share in the Group's associate, SalesFlo PTE Limited (SFPL).Through the board representation, Techvista Systems FZ-LLC, a sub-subsidiary of the Group, represents one out of four seats on the board of SFPL, and it participates in all significant financial and operating decisions. The Group has determined that it has significant influence over this entity.

10.2.1 Movement in investment in associate during the year is as follows:

	Note	2025	2024
		Rupees	
Carrying value as at January 01		**413,038**	-
Investment made during the year - at cost		**-**	413,038
Share of profit from associate	**(10.2.1.1)**	**2,363,056**	-
Carrying value as at December 31		**2,776,094**	413,038
This comprises of:			
Cost of investment		**413,038**	413,038
Share of profit from associate accounted for using the equity method		**2,363,056**	-
		2,776,094	413,038

10.2.1.1 Share of loss from associate and other comprehensive income of the associated company is based on un-audited financial statements for the year ended December 31, 2025:

	2025	2024
	Rupees	
Total profit for the year	**12,001,303**	**-**
19.69% (2024: 19.69%) share of profit	**2,363,056**	**-**
Other comprehensive income / (loss) for the period	**-**	**-**
19.69% (2024: 19.69%) share of OCI	**-**	**-**

10.2.2 Summarised financial information

Set out below is the summarized financial statement information of SalesFlo PTE Limited which is accounted for using equity method. The information disclosed reflects the amounts presented in the most recent unaudited financial statements of the associated company, for the year ended December 31, 2025.

	2025	2024
	Rupees	
Revenue	**211,634,406**	-
Profit from continuing operations after tax	**12,001,303**	-
Current assets	**132,272,017**	67,125,012
Non-current liabilities	**(1,637,938)**	(1,632,970)
Current liabilities	**(197,518,242)**	(144,873,597)
Net assets attributable to owners of the Group	**(66,884,163)**	(79,381,555)

10.2.3 Reconciliation to carrying amounts

	2025	2024
	Rupees	
Net assets as on January 01	**(79,381,555)**	-
Profit for the year	**12,001,303**	-
Exchange translation differences	**496,089**	-
Transferred from discontinued operations of Salesflo (Private) Limited	**-**	(79,381,555)
Net assets attributable to owners of the group	**(66,884,163)**	(79,381,555)
Company's percentage in shareholding	**19.69%**	19.69%
Company's share in carrying value of net assets	**(13,487,456)**	(15,850,512)
Excess of purchase consideration over share in carrying value of net assets at the date of acquisition	**16,263,550**	16,263,550
Carrying amount of investment as at December 31	**2,776,094**	413,038

10.3 E-Processing Systems B.V.

This represents 179,507 fully paid ordinary shares of USD 0.01/- each, representing 34.30% (2024: 179,507 fully paid shares of USD 0.01/- each, representing 34.30%) share in the Holding Company's associate, E-Processing Systems B.V. , a company set up in Netherlands to make it easier to raise investments and funds from the investors.

10.3.1 Movement in investment in associate during the year is as follows:

	Note	2025	2024
		Rupees	
Carrying value as at January 01		**87,276,577**	201,546,988
Share of loss from associate	**(10.3.1.1)**	**(87,299,708)**	(116,295,490)
Share of other comprehensive income from associate	**(10.3.1.1)**	**23,131**	2,025,079
Carrying value as at December 31		**-**	87,276,577
This comprises of:			
Cost of investment		**889,335,703**	889,335,703
Share of loss from associate	**(10.3.1.1)**	**(707,155,368)**	(619,855,660)
Share of other comprehensive loss	**(10.3.1.1)**	**(6,828,894)**	(6,852,025)
Gain on dilution due to divestment		**119,588,349**	119,588,349
Accumulated impairment loss		**(294,939,790)**	(294,939,790)
		-	87,276,577

10.3.1.1 Share of loss from associate and other comprehensive income of the associated company is based on audited financial statements for the year ended December 31, 2025.

	2025	2024
	Rupees	
Total loss for the period	**(414,908,248)**	(376,360,808)
34.30% share of loss	**(87,299,708)**	(116,295,490)
Other comprehensive income for the period	**74,858**	6,553,654
34.30% share of OCI	**23,131**	2,025,079

10.3.2 An impairment test was carried out for EPBV by the management during the financial year 2023 due to the impairment indicators of decrease in the economic performance of EPBV and significant change in the economic conditions.

The Group reviewed the carrying amount of its investment in equity instruments of EPBV and its recoverability to determine whether there was an indication that such investment has suffered an impairment loss. The recoverable amount of investment in EPBV was determined based on 'value in use' of E-Processing Systems Pakistan (Pvt) Limited, the only wholly owned subsidiary of EPBV. Since, EPBV did not have its own business operations, the assessment of value in use of E-Processing Systems Pakistan served as a reflection of EPBV's value. The 'value in use' was worked out by the management using income approach.

As the recoverable amount of the investment worked out was lower than its carrying value, therefore, an impairment loss was recognized in these consolidated financial statements. The recoverable amount of the investment was determined to be lower than its carrying amount by Rs 1,643 per share and the carrying amount was accordingly reduced by Rs 294.94 million.

10.3.3 Summarised financial information of E-Processing Systems B.V.

Set out below is the summarized financial statement information of E-Processing Systems B.V. which is accounted for using equity method. The information disclosed reflects the amounts presented in the most recent audited financial statements of the associated company, for the year ended December 31, 2025.

	2025	2024
	Rupees	
Revenue	**339,552,814**	315,617,471
Cost of sales	**(214,531,686)**	(156,056,974)
Distribution cost	**(122,026,914)**	(136,184,424)
Administrative expenses	**(344,005,098)**	(269,055,559)
Other income	**5,271,368**	7,132,551
Other operating expenses	**(256,991)**	(61,785,565)
Finance costs	**(34,330,899)**	(60,211,194)
Loss before tax	**(370,327,406)**	(360,543,694)
Taxation	**(44,580,842)**	(15,817,114)
Loss for the year	**(414,908,248)**	(376,360,808)
Other comprehensive income	**74,858**	6,553,654
Total comprehensive loss	**(414,833,390)**	(369,807,154)
Non-current assets	**538,212,553**	609,538,569
Current assets	**542,004,386**	321,039,914
Current liabilities	**(528,902,088)**	(322,368,867)
Non current liabilities	**(12,341,226)**	(998,196,649)
Net assets attributable to owner of Group	**538,973,625**	(389,987,033)

10.3.4 Reconciliation to carrying amounts

	2025	2024
	Rupees	
Net assets as on January 01	**(389,987,033)**	(20,179,879)
Loss for the year	**(414,908,248)**	(376,360,808)
Other comprehensive income	**74,858**	6,553,654
Deposit for issuance of shares	**368,869,048**	-
Conversion of SAFE notes	**974,925,000**	-
Net assets attributable to owners of the group	**538,973,625**	(389,987,033)
Company's percentage in shareholding	**34.3%**	34.3%
Company's share in carrying value of net assets	**(207,782,570)**	(120,505,993)
Excess of purchase consideration over share in carrying value of net assets at the date of acquisition	**502,722,360**	502,722,360
Accumulated impairment loss	**(294,939,790)**	(294,939,790)
Carrying amount of investment as at December 31	**-**	87,276,577

10.3.5 **Commitments**

	2025	2024
	Rupees	
Guarantees issued by financial institutions in favour of customers on behalf of the associate:	**-**	60,000,000

10.4 **TechVista Systems South Africa (Pty) Ltd**

Techvista Systems South Africa (Pty) Ltd, a Private Company, is a 48% (2024: 48%) owned associate of Systems Africa for Information Technologies (Pty) Ltd. The Company has been setup in Republic of South Africa for the purpose of sale of software services and trading software licenses in the region. No payment has been made against share capital as of reporting date. The Company has no operations.

10.5 The investments in associated companies have been made in accordance with the requirements of the Companies Act, 2017.

11. Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the year:

	2025	2024
	Rupees	
Cost	**1,842,077,758**	865,822,711
Accumulated depreciation	**(692,659,692)**	(446,747,310)
Net book value	**1,149,418,066**	419,075,401

These represent buildings on lease. The reconciliation of net book value is as follows:

	Note	2025	2024
		Rupees	
Opening net book value		**419,075,401**	652,229,054
Additions		**303,955,263**	-
Acquistion of Subsidiary		**912,404,602**	-
Transfer to Property, plant and equipment		**(258,211,993)**	-
Depreciation for the year	**(11.1)**	**(229,310,034)**	(199,719,905)
Foreign exchange gain / (loss)		**1,504,827**	(33,433,748)
Closing net book value		**1,149,418,066**	419,075,401
Rate of depreciation (%)		**10-30.77%**	10-25%

11.1 The depreciation charge for the year on right-of-use assets has been allocated as follows:

	Note	2025	2024
		Rupees	
Cost of revenue	**(33)**	**168,668,624**	151,682,748
Selling and distribution expenses	**(34)**	**2,664,118**	1,722,000
Administrative expenses	**(35)**	**57,134,950**	45,387,290
Research and development expenses		**762,342**	864,087
Intangibles under development		**80,000**	63,780
		229,310,034	199,719,905

12. Long term loans

Considered good - secured

	Note	2025	2024
		Rupees	
Due from executives	(12.1)	565,933,316	613,818,425

12.1 Due from executives

	Note	2025			2024
		Rupees			
		Motor Vehicle	Other loans	Total	Total
As at January 01		820,201,388	22,919,709	843,121,097	712,111,946
Loans disbursed during the year:					
Undiscounted amount paid		496,072,023	1,268,552	497,340,575	684,156,657
Deferred employee benefits	(13)	(99,776,856)	-	(99,776,856)	(181,538,547)
		396,295,167	1,268,552	397,563,719	502,618,110
Loans settled during the year		(207,911,465)	-	(207,911,465)	(222,817,797)
Unwinding of discount		114,696,126	1,975,912	116,672,038	122,019,708
Repayments		(296,558,618)	(16,680,254)	(313,238,872)	(270,810,870)
		826,722,598	9,483,919	836,206,517	843,121,097
Receivable within one year		(260,789,282)	(9,483,919)	(270,273,201)	(229,302,672)
		565,933,316	-	565,933,316	613,818,425

12.2 These interest free loans are repayable between 21 to 60 (2024: 21 to 60) months and are granted to the executives of the Company, in accordance with their terms of employment. These are secured either against post dated cheques or by retaining the title of motor vehicles in the name of the company. These loans were initially recognized at fair value using effective interest rates ranging from 9.96% to 17.51% (2024: 11.3% to 17.51%). The difference between cash paid and present value of cash inflows upon initial recognition has been recognized as deferred employee benefits which is amortized on a straight line basis over the period of the loan.

13. Deferred employee benefits

	2025	2024
	Rupees	
As at January 01	289,420,613	249,223,198
Additions during the year	99,776,856	181,538,547
Settlements during the year	(56,995,420)	(57,311,475)
Amortization during the year	(85,686,556)	(84,029,657)
	246,515,493	289,420,613
Current portion of deferred employee benefits	(89,612,845)	(86,166,964)
	156,902,648	203,253,649

14. Long term receivable

	Note	2025	2024
		Rupees	
Opening balance - present value of deferred consideration		931,928,616	1,184,235,536
Unwinding of discount	39	68,009,019	68,175,778
Receipts during the year		(335,583,731)	(307,707,758)
Exchange translation differences		8,044,243	(12,774,940)
		672,398,147	931,928,616
Less: Current portion shown under current assets		(427,670,427)	(361,980,429)
		244,727,720	569,948,187

14.1 This represents payment due from Temenos Headquarters S.A for sale of intellectual property (IP). The IP sale agreement between National Data Consultancy FZE and Temenos Headquarters S.A was entered into on September 30, 2023. The agreement contains deferred payment terms, hence the IP has been recognized at present value of total consideration due as per terms. Deferred consideration has been discounted @ 5.00% based on relevant benchmark rate.

15. Long term deposits

	Note	2025	2024
		Rupees	
Lease buildings			
Opening balance - present value		**30,466,985**	26,910,135
Unwinding of discount	(39)	**5,325,367**	3,556,850
Balance as at 31 December		**35,792,352**	30,466,985
Others			
Deposits with customers		**403,499,098**	327,781,377
Utilities and other deposits		**215,918,307**	127,336,085
		655,209,757	485,584,447

16. Contract assets

	Note	2025	2024
		Rupees	
Unbilled revenue	(16.1)	**12,945,303,629**	9,000,404,054
Retention money		**1,034,451,981**	452,705,229
		13,979,755,610	9,453,109,283

16.1 Unbilled revenue

	Note	2025	2024
		Rupees	
Export		**10,735,467,332**	7,726,289,587
Local		**2,326,553,070**	1,362,034,390
		13,062,020,402	9,088,323,977
Less: Allowance for ECL	(16.2)	**(116,716,773)**	(87,919,923)
	(16.3)	**12,945,303,629**	9,000,404,054

16.2 Allowance for ECL

	2025	2024
	Rupees	
Balance as at January 01	**87,919,923**	79,142,915
Expense for the year - net	**559,473,893**	78,087,583
Balances written off	**(536,215,153)**	(67,370,541)
Foreign exchange differences	**5,538,110**	(1,940,034)
Balance as at December 31	**116,716,773**	87,919,923

16.3 These represent unbilled debtors arising due to recognition of revenue as per IFRS 15 - Revenue from contracts with customers.

17. Trade debts

	Note	2025	2024
		Rupees	
Considered good:			
Export	(17.1)	**15,858,335,489**	14,989,806,511
Local		**2,073,741,555**	3,162,160,747
		17,932,077,044	18,151,967,258
Less: Allowance for ECL	(17.2)	**(356,272,618)**	(581,450,391)
		17,575,804,426	17,570,516,867

17.1 These include unsecured receivables from related parties against export of outsourcing services. As per contracts with related parties, billing terms range from monthly to quarterly basis and payment is generally due within 120 days from the date of billing. The receivables from related parties include past due balances which are not considered impaired. Detail of related party balances along with aging analysis of the amounts is as follows:

	2025					
	AtClose LLC	PartnerLinQ Incorporation	Visionet Canada Incorporation	Visionet EMEA Limited	Visionet Systems Incorporation - USA	Visionet Deutschland GMBH
	Rupees					
Not Past Due	-	328,072,126	24,107,898	279,858,235	3,030,202,887	46,268,838
Past due 0-90 days	-	-	-	6,215,434	-	-
Past due 91-180 days	-	-	-	-	-	-
Past due 181-270 days	-	-	-	-	-	-
Past due 271-360 days	-	-	-	-	-	-
Past due 361 days and above	-	109	-	148,048	-	-
	-	328,072,235	24,107,898	286,221,717	3,030,202,887	46,268,838

	2024					
	AtClose LLC	PartnerLinQ Incorporation	Visionet Canada Incorporation	Visionet EMEA Limited	Visionet Systems Incorporation - USA	Visionet Deutschland GMBH
	Rupees					
Not Past Due	-	472,230,239	2,463,478	271,735,136	3,317,898,529	316,270,378
Past due 0-90 days	56,089,752	-	1,876,253	185,602,677	-	188,565,138
Past due 91-180 days	123,482,880	-	1,407,001	-	-	15,257,366
Past due 181-270 days	-	-	2,916,785	-	-	-
Past due 271-360 days	-	-	1,831,944	-	-	-
Past due 361 days and above	-	-	3,727,434	136,900	-	-
	179,572,632	472,230,239	14,222,895	457,474,713	3,317,898,529	520,092,882

17.1.1 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	Note	2025	2024
		Rupees	
Visionet Systems Incorporation - USA		**3,843,095,159**	3,603,087,803
Visionet Deutschland GmbH		**875,975,443**	513,695,825
Visionet EMEA Limited		**766,413,583**	630,939,261
AtClose LLC		**181,895,108**	318,976,658
PartnerLinQ Incorporation		**975,802,829**	577,215,423
Visionet Canada Incorporation		**24,495,107**	14,222,895

17.2 Allowance for ECL

Balance as at 01 January		**581,450,391**	277,466,315
Expense for the year	(37)	**332,741,584**	360,204,106
Balances written off during the year		**(560,208,365)**	(19,443,090)
Foreign exchange differences		**2,289,008**	(36,776,940)
Balance as at 31 December		**356,272,618**	581,450,391

18. Loans, advances and other receivables

Current maturity of long term loans		**270,273,201**	245,985,614
Advances to staff:			
against salary	(18.1)	**377,667,584**	255,652,986
against expenses		**94,679,011**	163,324,031
		472,346,595	418,977,017
less: expected credit loss		**(28,044,863)**	-
		444,301,732	418,977,017
Advances to suppliers		**107,280,882**	290,337,650
Loans to related parties		**709,207,623**	735,765,519
Elimination on account of Joint Operation	(18.2)	**(392,758,923)**	(508,209,235)
	(18.3)	**316,448,700**	227,556,284
Other receivables from related parties			
Visionet Deutschland		**89,662,645**	42,241,380
Visionet EMEA Limited		**2,703,264**	2,396,745
Visionet Systems Incorporation - USA		**24,532,935**	1,550,109
PartnerLinQ Inc.		**17,222,444**	9,339,675
AtClose		**1,548,207**	-
Visionet Canada		**1,403,799**	50,142
	(18.4)	**137,073,294**	55,578,051
Other receivables	(18.5)	**940,741,189**	56,707,591
		2,216,118,998	1,295,142,207

18.1 This includes advance given to the chief operating officer of the Group amounting to Nil (2024: Rs 5.2 million).

18.2 This represents loan provided to UUS Joint Venture (Private) Limited for meeting working capital requirements. This amount is unsecured and carries interest at one-year KIBOR (2024: one-year KIBOR) on the outstanding loan balance at the end of each month.

18.3 This represents loan provided to OneLoad Processing Systems (Private) Limited (Subsidiary of E-Processing Systems B.V) for meeting working capital requirements of Rs 250.99 million (2024: Rs 243.73 million) and accrued interest of Rs 65.45 million (2024: Rs 36.17 million) netted of by expected credit loss of Nil (2024: Rs 52.34 million). The loan is unsecured and carries mark-up at one-month KIBOR (2024: one-month KIBOR) on the outstanding loan balance. Disbursements of principal are payable within one year and mark-up is payable on quarterly basis. Further, subsequent to the reporting date, the board of directors of Systems Limited and E-Processing Systems B.V approved the conversion of the outstanding loan along with accrued interest into 108,361 preferred shares of E-Processing Systems B.V.

18.4 These represent other receivables from related parties against expenses incurred on behalf of them. These are in the ordinary course of business and carry no interest.

18.5 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	2025	2024
	Rupees	
Visionet Deutschland GmbH	**89,662,645**	34,474,841
Visionet Systems Incorporation - USA	**24,532,935**	-
Visionet EMEA Limited	**2,703,264**	2,477,021
Visionet Canada Incorporation	**1,403,799**	50,142
PartnerLinQ Incorporation	**17,222,444**	9,339,675
AtClose	**1,548,207**	-
OneLoad Processing Systems (Private) Limited	**316,448,700**	279,896,630

18.6 The aging analysis of other receivables from related parties are as follows:

	2025		2024	
	Less than one year	More than one year	Less than one year	More than one year
	Rupees			
Visionet Deutschland GmbH	**47,421,265**	**42,241,380**	19,040,596	23,200,784
Visionet EMEA Limited	**306,519**	**2,396,745**	2,396,745	-
Visionet Systems Incorporation - USA	**22,982,826**	**1,550,109**	1,550,109	-
Visionet Canada Incorporation	**1,353,657**	**50,142**	50,142	-
AtClose	**1,548,207**	**-**	-	-
PartnerLinQ Incorporation	**7,882,769**	**9,339,675**	9,339,675	-

19. Trade deposits and short term prepayments

	Note	2025	2024
		Rupees	
Security deposits	**(19.1)**	**1,414,719,647**	565,825,309
Prepayments		**872,898,783**	877,212,317
		2,287,618,430	1,443,037,626

19.1 These include margin amount of Rs 1,057.86 million (2024: Rs 225.45 million) held under lien by the banks against guarantees issued by them on behalf of the Group.

20. Short term investments

	Note	2025	2024
		Rupees	
Fair value through profit and loss			
Mutual fund units	**(20.1)**	**4,892,325,673**	2,764,394,367
Amortized cost			
Term deposit receipts (TDRs)	**(20.2)**	**549,339,559**	177,382,800
		5,441,665,232	2,941,777,167

20.1 The details of investment in mutual funds are as follows:

	2025	2024
	Rupees	
Lakson Islamic Money Market Fund		
Number of units: 2,847,286 (2024 : 909,308)	**302,426,172**	100,000,000
Meezan Balanced Fund		
Number of units: Nil (2024: 5,176)	**-**	122,718
Meezan Sovereign Fund		
No. of Units : 183 (2024 : Nil)	**9,984**	-
Meezan Rozana Amdani Fund		
Number of units: Nil (2024 : 792)	**-**	39,624
NBP Islamic Income Fund		
Number of units: Nil (2024: 604)	**-**	6,656
NBP Islamic Sarmaya Izafa Fund		
Number of units: Nil (2024: 16,483)	**-**	504,527
HBL Islamic Money Market Fund		
Number of units: Nil (2024: 5,034,611)	**-**	551,581,892
Meezan Islamic Fund		
Number of units: Nil (2024: 2,034)	**-**	252,085
AL Habib Islamic Cash Fund		
Number of units: 952,469 (2024: 1,390,481)	**100,266,596**	150,023,638
AWT Islamic Income Fund		
Number of units: 44 (2024: 1,304,114)	**4,902**	150,204,094
Alfalah Islamic Money Market Fund		
Number of units: Nil (2024: 5,575,713)	**-**	606,513,798
MCB Alhamra Cash Management Fund		
Number of units: 2,860,371 (2024:3,428,097)	**301,596,371**	372,875,509
MCB Alhamra Islamic Money Market Fund		
Number of units: Nil (2024 : 507)	**-**	50,423
Meezan Islamic Income Fund		
Number of units: 117 (2024: 105)	**6,306**	5,981
JS Islamic Money Market Fund		
Number of units: Nil (2024: 1,440,092)	**-**	150,043,203
Atlas Islamic Money Market Fund		
Number of units: 1,422,573 (2024: 274,130)	**756,072,667**	150,000,000
NBP Islamic Daily Dividend Fund		
Number of units: Nil (2024 : 8,903)	**-**	89,032
NBP Islamic Stock Fund		
Number of units: Nil (2024: 7,849)	**-**	173,041
Meezan Cash Fund		
Number of units: 2,791,861 (2024: 1,807,412)	**150,350,379**	100,116,578
NBP Islamic Money Market Fund		
Number of units: 9,391,223 (2024: 319)	**100,284,170**	3,520
ABL Islamic Cash Fund		
Number of units: Nil (2024: 102,092)	**-**	1,021,228
ABL Islamic Income Fund		
Number of units: Nil (2024: 924)	**-**	10,445
Faysal Islamic Cash Fund		
Number of units: 3,957,134 (2024: 3,962,874)	**414,588,308**	430,641,975
ABL Islamic Stock Fund		
Number of units: Nil (2024 : 3,255)	**-**	87,363
ABL Islamic Fixed Term Plan IV		
No. of Units : 111,650,340 (2024 : Nil)	**1,119,395,142**	-
AWT Islamic Income Money Market Fund		
No. of Units : 1,213,362 (2024 : Nil)	**150,366,557**	-
Pak Qatar Asset Allocation Plan		
No. of Units : 3,525,855 (2024 : Nil)	**442,223,348**	-
UBL - Al Ameen Islamic Cash Plan-I		
No. of Units : 8,570,478 (2024 : Nil)	**905,171,935**	-
Alfalah Islamic GHP Islamic Income Fund		
Number of units: Nil (2024 : 10)	**-**	1,130
UBL Al Ameen Islamic Asset Allocation fund		
Number of units: 197 (2024 : 197)	**4,352**	3,607
Alfalah Islamic Rozana Amdani Fund Class A		
Number of units: Nil (2024: 222)	**-**	22,300
ANB Capital SAR Trade Fund		
Number of units: 76,106 (2024 : Nil)	**149,558,484**	-
	4,892,325,673	2,764,394,367

20.2 The details of investments in TDRs are as follows:

	Note	2025	2024
		Rupees	
Habib Metropolitan Bank Limited	(20.2.1)	77,382,800	177,382,800
Habib Bank Limited	(20.2.2)	415,075,649	-
Central Bank of Egypt	(20.2.3)	56,881,110	-
		549,339,559	177,382,800

20.2.1 These carried markup at rates ranging from 5.47% to 10% (2024:10.82 % to 19.50%) per annum and had maturities of 30 days (2024: 30-90 days) from the date of initial recognition. This represents TDRs amounting to Nil (2024: Rs 77.38 million) which were pledged against export re-finance facility and letter of guarantee availed from Habib Metropolitan Bank Limited.

20.2.2 These carry markup rates ranging from 3.5% to 3.8% (2024: Nil) per annum and maturities amounting to Rs 247.99 million (2024: Nil) are of 180 days and Rs 138.23 million (2024 : Nil) lof 90 days from the date of initial recognition.

20.2.3 This TDR carried markup at rate of 3% (2024: Nil) per annum and had maturity of 30 days from the date of initial recognition.

21. Cash and bank balances

	Note	2025	2024
		Rupees	
Cash in hand		37,094	127,070
Cheques in hand		150,538,264	90,182,250
		150,575,358	90,309,320
Balances with banks:			
Local currency:			
Current accounts		509,992,070	1,087,055,561
Saving accounts	(21.1)	1,716,015,414	843,586,364
		2,226,007,484	1,930,641,925
Foreign currency - current accounts		11,128,138,458	5,799,766,422
	(21.2)	13,504,721,300	7,820,717,667

21.1 These carry markup at the rate of 2.60% to 11.50% (2024: 6.00% to 20.51%) per annum.

21.2 These balances include Rs 52.67 million (2024: Rs 1,011.77 million) in respect of restricted bank balance under lien as security for guarantees on behalf of the Group. For the purpose of the consolidated statement of cashflows, this restricted bank balance has been excluded from cash and cash equivalents (refer note 48).

22. Issued, subscribed and paid up share capital

2025	2024		2025	2024
Number of Shares			Rupees	
599,960,320	591,486,630	Ordinary shares of Rs 2/- each fully paid in cash	1,199,920,639	1,182,973,259
814,331,615	814,331,615	Ordinary shares of Rs 2/- each as bonus shares	1,628,663,230	1,628,663,230
59,112,500	59,112,500	Ordinary shares of Rs 2/- each issued for consideration otherwise than cash	118,225,000	118,225,000
1,473,404,435	1,464,930,745		2,946,808,869	2,929,861,489

22.1 Reconciliation of ordinary shares

2025	2024		2025	2024
Number of Shares			Rupees	
1,464,930,745	1,457,106,995	Balance at January 01	2,929,861,489	2,914,213,989
8,473,690	7,823,750	Stock options exercised	16,947,380	15,647,500
1,473,404,435	1,464,930,745	Balance at December 31	2,946,808,869	2,929,861,489

22.2 The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Holding Company. All shares rank equally with regard to the Holding Company's residual assets.

22.3 Pursuant to the approval of shareholders by way of special resolution dated April 28, 2025 and upon completion of the requisite corporate and regulatory formalities, the Company undertook a sub-division of its ordinary shares, whereby the face value of each share was reduced from Rs 10 to Rs 2. The sub-division did not result in any change to the aggregate paid-up capital or to the rights and privileges attached to the shares. In accordance with IAS 33 – Earnings Per Share (EPS), the basic and diluted EPS for all periods presented have been retrospectively adjusted to reflect the effect of the share sub-division as if it had occurred at the beginning of the earliest comparative period presented.

23. Capital reserves

	Note	2025	2024
Share premium reserve	(23.1)	**6,298,648,999**	5,433,976,215
Employee compensation reserve	(23.2)	**846,074,126**	766,101,046
Translation reserve on foreign operations	(23.3)	**2,211,361,276**	2,468,598,715
		9,356,084,401	8,668,675,976

23.1 This reserve shall be utilized only for the purpose as specified in section 81(2) of the Companies Act 2017.

23.2 This represents balance amount after exercise of share options by the employees under the Employee Stock Option Scheme approved by the SECP. According to the scheme, 100% options become exercisable after completion of vesting period from the date of grant. The options have a vesting period of 2 years and an exercise period of 3 years from the date the option is vested.

23.2.1 The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	2025		2024	
	Weighted average exercise price	**Number of options**	**Weighted average exercise price**	**Number of options**
	Rupees	Number	Rupees	Number
Outstanding at January 01	**73.41**	**33,210,505**	69.19	28,157,185
Granted during the year	**-**	**-**	-	-
- stock options awarded in March 2024	**-**	**-**	65.03	14,679,570
- stock options awarded in December 2024	**-**	**-**	79.43	250,000
- stock options awarded in March 2025	**91.42**	**8,207,500**	-	-
Forfeited share options	**68.68**	**(2,302,000)**	62.04	(2,052,500)
Exercised during the year:				
- stock options awarded in March 2021[1]	**34.62**	**(55,000)**	34.62	(3,765,685)
- stock options awarded in September 2021[2]	**49.72**	**(270,000)**	49.72	(352,500)
- stock options awarded in March 2022[3]	**57.84**	**(2,923,185)**	57.84	(2,711,815)
- stock options awarded in August 2022[4]	**52.72**	**(156,250)**	52.72	(993,750)
- stock options awarded in April 2023[5]	**75.98**	**(5,069,250)**	-	-
Outstanding at 31 December	**80.03**	**30,642,320**	73.41	33,210,505
Vested and exercisable at 31 December	**67.63**	**8,967,750**	55.00	7,158,435

** The number of options in the corresponding figures have been restated to incorporate the effect of share split as referred to in note 22.3.*

1. The weighted average share price at the date of the exercise of these options was Rs. 103.65 (2024: nil).

2. The weighted average share price at the date of the exercise of these options was Rs 118.52 (2024: 86.26).

3. The weighted average share price at the date of the exercise of these options was Rs 121.49 (2024: 88.79).

4. The weighted average share price at the date of the exercise of these options was Rs 124.01 (2024: 101.57).

5. The weighted average share price at the date of the exercise of these options was Rs 117.86 (2024: Nil).

23.2.2 The weighted average remaining contractual life for the share options outstanding as at December 31, 2025 is 3.09 years (2024: 3.48 years).

23.2.3 The weighted average fair value of options granted during the year was Rs. 46.43 (2024: Rs. 34.38)

23.2.4 The range of exercise prices for options outstanding at the end of the year is Rs 34.62 to Rs.91.42 (2024: Rs 34.62 to Rs 79.43).

23.2.5 The following table lists the inputs to the model used for the plan:

	2025	2024
Dividend yield	**1.29%**	1.41%
Expected volatility	**30%**	29% - 30%
Risk–free interest rate	**11.88%**	17.24% & 12.36%
Expected life of share options (years)	**2.68**	2.30 to 2.38
Weighted average share price	**Rs. 113.36**	Rs. 79.19 & Rs 110.55
Model used	**Black Scholes**	Black Scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. Had we changed the expected volatility to the model by +/-1%, the impact on the fair value as determined on the grant date would not be material.

23.3 Translation reserve on foreign operations

	2025	2024
	Rupees	
As at January 01	**2,468,598,715**	2,664,151,531
Movement recognized in other comprehensive income	**(257,237,439)**	(195,552,816)
As at December 31	**2,211,361,276**	2,468,598,715

24. Long term advances

	Note	2025	2024
		Rupees	
Long term advances		**8,330,680**	14,754,443
Less : Current portion shown under current liabilities		**(2,028,020)**	-
	(24.1)	**6,302,660**	14,754,443

24.1 These represent advances received from staff and will be adjusted as per Group's car policy against sale of vehicles.

25. Lease liabilities

	2025	2024
	Rupees	
Present value of lease rentals	**1,308,045,277**	518,845,818
Less: Current portion shown under current liabilities	**(231,651,227)**	(174,362,132)
	1,076,394,050	344,483,686

	Lease Rentals	Finance cost for future periods	Principal outstanding
	2025		
	Rupees		
Not later than one year	**436,373,509**	**204,722,282**	**231,651,227**
Later than one year but not later than five years	**1,448,830,006**	**624,187,309**	**824,642,697**
Later than five years	**278,494,372**	**26,743,019**	**251,751,353**
	2,163,697,887	**855,652,610**	**1,308,045,277**

	Lease Rentals	Finance cost for future periods	Principal outstanding
	2024		
	Rupees		
Not later than one year	235,495,069	48,397,596	174,362,132
Later than one year but not later than five years	327,872,001	35,790,240	344,483,686
Later than five years	-	-	-
	563,367,070	84,187,836	518,845,818

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2025	2024
	Rupees	
As at January 01	**518,845,818**	741,299,163
Additions	**269,569,569**	-
Acquisition of Subsidiary	**888,697,833**	-
Termination of Lease	**(200,124,759)**	-
Accretion of interest	**79,432,593**	74,330,785
Payments	**(251,856,115)**	(257,561,444)
Exchange differences	**3,480,338**	(39,222,686)
As at December 31	**1,308,045,277**	518,845,818
Salient features of the leases are as follows:		
Discount rate	**4.67% - 22.85%**	9.7% - 15.36%
Period of lease	**39 months**	48-120 months

Amount recognised in statement of profit or loss:

	2025	2024
	Rupees	
The following amounts are recognised in profit or loss:		
Interest expense on lease liabilities	**79,432,593**	74,330,785
Expenses relating to short term leases	**177,594,622**	181,372,491
Total amount recognised in profit or loss	**257,027,215**	255,703,276

Cash outflow for leases

The Group had total cash outflows for leases of Rs 429.45 million (2024: Rs 438.93 million). The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs 303.96 million (2024: Nil) and Rs 269.57 million (2024: Nil) respectively.

26. Other long term liability - unsecured

	Note	2025	2024
		Rupees	
Opening Balance		**1,903,507,615**	2,824,802,629
Finance cost		**84,389,577**	117,674,866
Payments during the year		**(803,322,840)**	(1,026,162,240)
Exchange difference		**2,079,978**	(12,807,640)
Closing balance		**1,186,654,330**	1,903,507,615
Less : Current portion shown under current liabilities		**(758,348,886)**	(718,641,105)
		428,305,444	1,184,866,510

26.1 This represents the following;

26.1.1 This includes payment due to Temenos Headquarters S.A for purchase of Country Model Bank - CMB APAC license. The CMB APAC purchase agreement between the Company and Temenos Headquarters S.A was entered into on December 31, 2023. The agreement contains deferred payment terms, hence the CMB APAC license has been recognized at present value of total consideration due as per terms. Deferred consideration has been discounted at 5.14% based on relevant benchmark.

26.1.2 This includes payment due to Temenos Headquarters S.A for purchase of intellectual property (IP). The IP purchase agreement between National Data Consultancy FZE and Temenos Headquarters S.A was entered into on September 30, 2022. This agreement was novated to TechVista FZ LLC on April 1st, 2024. The agreement contains deferred payment terms, hence the IP has been recognized at present value of total consideration due as per terms. Deferred consideration has been discounted at 5.19% based on relevant benchmark.

27. Retirement Benefits

		2025	2024
		Rupees	
Defined benefits plan - gratuity	(27.1)	**1,208,057,319**	675,541,299
Provision for Pension		**348,522,123**	-
		1,556,579,442	675,541,299

27.1 Defined benefits plan - gratuity

	2025	2024
	Rupees	
Opening Balance	**675,541,299**	474,227,448
Aquisition of subsidiary	**179,452,508**	-
Charge for the year	**422,771,747**	303,826,082
Re-measurement loss / (gain) charged to the other comprehensive income	**100,925,335**	(76,550,594)
Benefit paid during the year	**(170,580,701)**	(12,636,831)
Exchange Difference	**(52,869)**	(13,324,806)
	1,208,057,319	675,541,299

27.2 Staff Retirement Benefits - Gratuity

The latest actuarial valuation of gratuity scheme was carried out as at December 31, 2025. The projected unit credit method has been used for actuarial valuation done by certified actuary SHMA Consulting.

27.3 Expense recognised in statement of profit or loss is as follows

	2025	2024
	Rupees	
Current service cost	**394,170,535**	287,021,309
Interest cost	**34,471,671**	16,804,773
Past service cost	**(5,870,459)**	-
	422,771,747	303,826,082

27.4 Remeasurement of plan obligation

	2025	2024
	Rupees	
Actuarial losses from changes in financial assumptions	**26,686,372**	(1,788,056)
Experience adjustments	**59,101,025**	-
Transitional liability	**15,137,938**	(74,762,538)
	100,925,335	(76,550,594)

27.5 Actuarial assumptions

	2025	2024
Discount rate used for interest cost	**4.2% - 11.75%**	
Discount rate used for year end obligation	**4% -11.75%**	
Salary increase rate	**1.80% - 11.25%**	
Mortality rates	**SLIC 2001 - 2005**	
Retirement assumption	**Age 58 - 65**	
The average duration of retirement benefit	**4.60 - 18.62 years**	

27.6 Salary Risk

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomics factors), the benefit amount increases as salary increases.

27.7 Demographic risks

Mortality Risk - The risk that actual mortality experiences are different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawals Risk - The risk of withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitle benefit of the beneficiary.

27.8 Sensitivity analysis

	2025	2024
	Rupees	
Discount Rate + 100 bps	**1,090,101,507**	595,318,359
Discount Rate - 100 bps	**1,338,654,954**	659,626,736
Salary Rate + 100 bps	**1,340,362,841**	663,314,226
Salary Rate - 100 bps	**1,085,814,426**	591,451,436

27.9 Maturity Analysis

FY 2026	187,852,219
FY 2027	1,072,000
FY 2028	1,668,000
FY 2029	186,727,000
FY 2030 & onwards	190,840,000

28. Trade and other payables

	Note	2025	2024
		Rupees	
Creditors	(28.1)	1,247,517,147	2,318,388,551
Accrued liabilities		6,975,407,758	4,532,994,294
Provident fund contribution payable	(28.2)	220,781,054	93,243,169
Withholding income tax payable		673,501,718	670,016,346
Payable to related parties	(28.3)	317,346,804	335,313,258
Sales tax payable		1,157,430,711	731,953,257
Subscription money payable		5,788,886	5,788,886
Provision for onerous contracts		111,653,989	27,817,118
		10,709,428,067	8,715,514,879

28.1 These are non-interest bearing and are normally settled on terms of between 30 and 60 days.

28.2 All investments out of provident fund have been made in the collective investment schemes, listed equity and listed debt securities in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

28.3 This represents payable to the following related parties:

	2025	2024
	Rupees	
- Visionet Systems Incorporation - USA	84,101,548	241,504,887
- Visionet EMEA	225,866,696	93,807,053
- Solution Technologies (Soltech)	7,378,560	-
- AtClose LLC	-	1,318
	317,346,804	335,313,258

29. Contract Liabilities

	Note	2025	2024
		Rupees	
		5,546,452,035	3,875,428,986
Less: Non-current portion		(2,848,186,391)	-
	(29.1)	2,698,265,644	3,875,428,986

29.1 These represent mobilization advances received from the customers against professional / software development services, licenses, license support services and other fees.

30. Short term borrowings from financial institutions - secured

	Note	2025	2024
		Rupees	
Export Finance Scheme (EFS)			
Habib Metropolitan Bank Limited	(30.1)	999,999,787	999,999,857
Habib Bank Limited	(30.2)	124,998,997	180,058,083
Bank Al Habib Limited	(30.3)	790,744,456	99,741,307
Samba Bank	(30.4)	99,999,778	-
Running Finance Facility			
MCB Bank Limited	(30.5)	2,548,731,140	1,395,352,801
Habib Bank Limited	(30.6)	1,373,071,671	-
		5,937,545,829	2,675,152,048
Accrued mark-up on borrowings		18,456,225	9,395,836
		5,956,002,054	2,684,547,884

30.1 This represents islamic export finance scheme (IEFS) obtained during the year against sub-limit of islamic export re-finance (IERF) of Rs 2,000 million. The rate of mark-up is SBP EFS rate for tenor upto 120 days which is 2.5% per annum. These borrowings are secured against first pari passu hypothecation charge of Rs 2,950 million over current assets.

30.2 This represents Export Finance scheme (EFS) availed as a sub-limit against the aggregate sanctioned limit of Rs 700 million. The rate of mark-up is SBP EFS rate for tenor upto 120 days which is 2.5% per annum. These borrowings are secured against lien on export contracts with 10% margin and first pari passu charge on present and future current assets amounting to PKR 934 million with 25% margin.

30.3 This represents islamic export finance scheme (IEFS) obtained against the aggregate sanctioned limit of Rs 500 million. The rate of mark-up is SBP EFS rate for tenor upto 90 days is 3% per annum and above 90 days is 2.5% per annum and above 120 day is 2% per annum. These borrowings are secured against ranking hypothecation charge over current assets of the Company amounting Rs 667 million.

30.4 This represents islamic export finance scheme (IEFS) obtained against the aggregate sanctioned limit of Rs 500 million. The rate of mark-up is SBP EFS rate for tenor upto 90 days is 3% per annum. These borrowings are secured against ranking hypothecation charge over current assets of the Company amounting Rs 667 million.

30.5 This represents running finance (RF) facility availed by the Company from MCB against an aggregate sanctioned limit of Rs. 2,800.725 million (2024: Rs. 2,796.61 million). The rate of mark-up is 3 months EIBOR rate plus 1.5% (2024: 3 Months EIBOR rate plus 1.5%) per annum. These borrowings were secured against charge over all present and future current assets of the Company along with a demand promissory note and an undated security cheque issued by the Company towards the bank. For the purpose of the statement of cashflows, this has been excluded from cash and cash equivalents (refer note 48).

30.6 This represents running finance (RF) facility availed by the Company from HBL against an aggregate sanctioned limit of Rs 1,400.51 million (2024: Nil). The rate of mark-up is 1 year EIBOR rate plus 1.4% (2024: 1 year EIBOR rate plus 1.4%) per annum. These borrowings were secured through the assignment of project cash flows, a letter of comfort from the parent company Systems Limited, and general securities. The facility was not availed in the previous year. For the purpose of the statement of cashflows, this has been excluded from cash and cash equivalents (refer note 48).

31. Contingencies and commitments

31.1 Contingencies

Income tax

31.1.1 Tax Year 2017 – under section 161

The Deputy Commissioner Inland Revenue (the "DCIR") issued order dated November 29, 2018 under section 161(1A) of the Income Tax Ordinance, 2001 (the "Ordinance") for the tax year 2017 whereby tax amounting to Rs 6.53 million for non-deduction of withholding tax was levied. The Company preferred an appeal before Commissioner Inland Revenue (Appeals) ["CIR(A)"], which was decided against the Company through order dated March 11, 2019. Being aggrieved, the Company filed an appeal before the Appellate Tribunal Inland Revenue ("ATIR"), which is pending adjudication. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

31.1.2 Tax Year 2016 - under section 177

The Deputy Commissioner Inland Revenue ('DCIR') issued a show cause notice under section 122 on the basis of audit of undertaking filed under clause 94 part IV of Second Schedule to the Income tax ordinance, 2001 (the 'Ordinance'), which was duly replied by the Company. Consequently, the DCIR passed an order dated June 30, 2022 under section 122/177 of the Ordinance and has raised the income tax demand of Rs 29 million on issue of proration of certain expenses. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) who through order dated February 7, 2023, remanded back the matter to the assessing officer for fresh consideration. Both the Company and the department have filed an appeal before the honorable ATIR which has not been fixed for hearing till date. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

31.1.3 Tax Year 2014 - under section 122(5A)

The Deputy Commissioner Inland Revenue ("DCIR") issued an order dated March 28, 2016 under section 122(5A) of the Ordinance for tax year 2014, on the basis of wrong proration of expenses and capital gains and created an aggregated demand of Rs 48.59 million. The company preferred an appeal against the order, before the CIR(A) who decided the case in favor of the Company. However, the tax department has filed second appeal before the ATIR, which is pending adjudication. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

31.1.4 Tax Year 2022 - under section 4C

The Deputy Commissioner Inland Revenue ("DCIR") issued an order dated January 30, 2025 under section 4C of the Ordinance for tax year 2022, on the basis of incorrect computation of income under the said section and created an aggregated demand of Rs 23.22 million. The company requested for the rectification of the subject order u/s 221 of the Ordinance by providing a detailed reply, however, no rectification order has been passed by the learned DCIR till date. The Company has preferred an appeal against the order, before the CIR(A). Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

31.1.5 Tax Year 2018 - under section 122(1)

The Assistant Commissioner Inland Revenue (the "ACIR") issued an order dated June 29, 2024 under section 122 of the Income Tax Ordinance, 2001 (the "Ordinance") for tax year 2018 whereby the expense pertaining to bad debts aggregating to Rs 60.09 million was disallowed for the said tax year under section 29 read with section 174(2) of the Ordinance and further ordered that the initial allowance on office equipment claimed by the Company in the income tax computation for the said tax year is not in line with the Ordinance and hence, tax depreciation of Rs 19.84 million was disallowed. The Company preferred an appeal against the order, before the Appellate Tribunal Inland Revenue (the "ATIR") who decided the case in favor of the Company through its order dated November 25, 2024 under section 122(1) of the Ordinance saying ACIR has erred in disallowing bad debts written off amounting to Rs 60.09 million without appreciating the underlying legal and factual position and that the office equipment is eligible for the initial allowance claimed by the Company. The Commissioner Inland Revenue ["CIR"] filed an appeal against this order in the Honorable Lahore High Court, which is pending adjudication. Based on the view of its legal counsel and as decision of ATIR in place already in favor of the Company, the management expects a favorable outcome in this regard.

Sales tax

31.1.6 **Tax Period from January 2016 to December 2016**

The Company was selected for Sales Tax Audit through computer ballot for the tax period January 2016 to December 2016 and on the basis of audit proceedings, the DCIR passed order dated July 30, 2020 under section 11(2) of the Sales Tax Act, 1990 on various issues including suppression of sales, non-chargeability of sales tax on advance from customers, other income, late filing of sales tax returns etc. and created impugned sales tax demand amounting to Rs 655.84 million. Being aggrieved, the Company preferred an appeal before the CIR(A).

During the year 2021, the CIR(A) vide order dated January 29, 2021 annulled the demand of Rs 651.44 million with the direction to reassess the matters and confirmed the balance demand of Rs 3.70 million against which the Company has preferred an appeal before ATIR. Based on the view of its legal counsel, the management expects a favorable outcome in this regard.

31.1.7 Guarantees issued by the financial institutions on behalf of the Group amount to Rs 879.88 million (2024: Rs 682.28 million). This includes guarantee of Nil (2024: Rs 77.38 million) given on behalf of UUS Joint Venture (Private) Limited, a joint operation of the Company.

31.1.8 The Group has issued Performance Guarantee to National Bank of Pakistan Hong Kong against services contract amount Rs 3.91 million (USD 13,950) [Rs 3.91 million (2024: USD 13,950)] and National Bank of Pakistan Kingdom of Saudi Arabia against services contract Rs 14 million (USD 50,000) [Rs 14 million (2024: USD 50,000)] obtained from Bank Al Habib Limited for a 100% cash margin withheld by bank as security.

31.1.9 Guarantee issued by the financial institution on behalf of the Group amounts to PKR 2,343.14 million (AED 30.77 million) [2024: PKR 2,116.97 million (AED 27.80 million)] for customers in UAE.

31.2 **Commitments**

31.2.1 The Group has availed facilities for opening letters of credits amounting to Rs. 80.67 million (2024: Rs. 18.70 million) as at year end. These are secured by lien over import documents.

31.2.2 The Group has commitments in respect of short-term lease rentals against properties of Rs 26.54 million (2024: Rs 43.40 million).

32. Revenue from contracts with customers - net

32.1 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Note	2025		
		Export	Local	Total
		Rupees		
Types of goods or services				
Outsourcing services:				
Business process outsourcing		1,503,495,346	704,929,005	2,208,424,351
IT services		57,298,235,429	5,122,865,006	62,421,100,435
Software and hardware trading		3,983,450,287	3,953,151,814	7,936,602,101
Software implementation		9,107,297,797	2,605,952,594	11,713,250,391
Less: Sales tax	(32.1.1)	(2,613,517,794)	(1,273,974,890)	(3,887,492,684)
Total revenue from contracts with customers		69,278,961,065	11,112,923,529	80,391,884,594
Timing of revenue recognition - net				
Goods and services transferred at a point in time		2,702,939,509	2,062,140,754	4,765,080,263
Goods and services transferred over time		66,576,021,556	9,050,782,775	75,626,804,331
Total revenue from contracts with customers		69,278,961,065	11,112,923,529	80,391,884,594

	Note	2024		
		Export	Local	Total
		Rupees		
Types of goods or services				
Outsourcing services:				
Business process outsourcing		953,079,956	685,935,314	1,639,015,270
IT services		45,868,224,898	3,537,371,617	49,405,596,515
Software and hardware trading		5,327,889,940	3,878,815,078	9,206,705,018
Software implementation		8,799,684,537	1,746,788,853	10,546,473,390
Less: Sales tax	(32.1.1)	(2,244,114,966)	(1,080,654,067)	(3,324,769,033)
Total revenue from contracts with customers		58,704,764,365	8,768,256,795	67,473,021,160
Timing of revenue recognition - net				
Goods and services transferred at a point in time		4,704,027,284	2,622,523,452	7,326,550,736
Goods and services transferred over time		54,000,737,081	6,145,733,343	60,146,470,424
Total revenue from contracts with customers		58,704,764,365	8,768,256,795	67,473,021,160

32.1.1 This includes Rs. 2,613.51 million (2024: Rs 2,244.11 million) in respect of Value Added Tax chargeable under respective foreign jurisdictions.

32.2 The amount of revenue recognized from amounts included in contract liabilities at the beginning of the year is Rs 2,917.65 million (2024: Rs 4,023.86 million).

32.3 Transaction prices of remaining performance obligations

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at December 31 are as follows:

	2025	2024
	Rupees	
Within one year	**22,395,074,415**	10,321,363,691
More than one year	**18,936,013,331**	1,328,017,772
	41,331,087,746	11,649,381,463

The Group makes sales against credit terms. In case of credit sales, payment is generally due within 90-120 days from the date of billing to the customer.

33. Cost of revenue

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	**(33.1)**	**45,331,488,721**	37,297,814,429
Technical consultancy		**1,642,095,483**	1,670,745,423
Printing and stationery		**21,044,323**	960,871
Computer supplies		**33,415,214**	26,457,978
Rent, rates and taxes		**74,156,304**	80,583,463
Electricity, gas and water		**136,812,967**	197,298,392
Traveling and conveyance		**1,078,066,293**	1,281,577,818
Repair and maintenance		**19,862,465**	8,505,091
Postage, telephone and telegrams		**177,001,046**	224,467,962
Vehicle running and maintenance		**734,760,165**	722,019,058
Entertainment		**67,609,600**	6,727,465
Fee and subscriptions		**684,103,102**	641,705,676
Insurance		**24,016,185**	26,140,588
Provision for onerous contract		**92,691,833**	(20,126,682)
Depreciation of property and equipment	**(7.1.3)**	**616,113,809**	725,223,102
Amortization	**(8.1.2)**	**704,535,526**	657,552,957
Depreciation of right-of-use asset	**(11.1)**	**168,668,624**	151,682,748
Others		**39,536,951**	15,811,237
		51,645,978,611	43,715,147,576
Purchase of software and hardware		**6,336,641,094**	7,600,172,279
		57,982,619,705	51,315,319,855

33.1 This includes employees retirement benefit expense amounting to Rs 1,837.26 million (2024:Rs 1,178.11 million) and share based payment expense amounting to Rs 137.82 million (2024: Rs 211.69 million).

34. Selling and distribution expenses

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	(34.1)	2,557,486,902	1,987,496,278
Technical consultancy		10,781,272	35,102,724
Printing and stationery		1,208,281	814,115
Computer supplies		1,166,962	524,317
Rent, rates and taxes		619,951	-
Electricity, gas and water		5,240,987	7,840,612
Traveling and conveyance		150,547,917	140,569,486
Repair and maintenance		226,539	516,226
Postage, telephone and telegrams		11,662,492	10,903,996
Vehicle running and maintenance		22,985,722	21,349,664
Entertainment		13,470,167	6,779,810
Insurance		1,548,019	747,106
Fee and subscriptions		117,516,665	127,107,474
Shows, seminars and advertising		178,602,821	127,748,285
Depreciation of property and equipment	(7.1.3)	17,239,081	11,407,303
Amortization	(8.1.2)	-	54,824
Depreciation of right-of-use asset	(11.1)	2,664,118	1,722,000
Others		4,428,168	1,614,647
		3,097,396,064	2,482,298,867

34.1 This includes employees retirement benefit expense amounting to Rs 59.55 million (2024: Rs 35.79 million) and share based payment expense amounting to Rs 20.32 million (2024: Rs 16.74 million).

35. Administrative expenses

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	(35.1)	4,295,098,337	2,999,849,594
Printing and stationery		18,550,149	19,834,021
Computer supplies		29,691,483	81,656,119
Rent, rates and taxes		102,818,367	100,789,028
Electricity, gas and water		30,996,519	34,371,024
Traveling and conveyance		160,637,285	145,032,396
Repair and maintenance		99,504,957	178,541,429
Postage, telephone and telegrams		111,799,771	87,581,669
Vehicle running and maintenance		107,605,303	106,624,817
Legal and professional		205,628,470	130,030,782
Auditors' remuneration	(35.2)	130,744,945	91,536,809
Entertainment		46,547,295	27,454,672
Donations	(35.3)	68,698,123	67,722,000
Fee and subscriptions		498,084,141	458,823,032
Insurance		68,619,123	37,737,144
Depreciation of property and equipment	(7.1.3)	139,948,196	170,469,672
Amortization	(8.1.2)	-	322,459
Depreciation of right-of-use asset	(11.1)	57,134,950	45,387,290
Others		55,712,842	36,630,689
		6,227,820,256	4,820,394,646

35.1 This includes employees retirement benefit expense amounting to Rs 125.02 million (2024: Rs 138.07 million) and share based payment expense amounting to Rs 118.25 million (2024: Rs 110.83 million).

35.2 Auditors' remuneration

The aggregate fee charged for services by auditors of various entities of the Group is as follows:

	2025	2024
	Rupees	
A. F. Ferguson & Co.:		
Services rendered for Holding Company		
• Statutory audit fee	11,500,000	8,723,750
• Half yearly review	2,500,000	1,856,250
• Other certifications	800,000	1,282,962
• Tax services	14,093,949	9,700,243
• Out of pocket	1,640,367	1,161,108
• Code of corporate governance	400,000	345,000
Audit fee relating to subsidiaries	56,135,141	33,332,654
	87,069,457	56,401,967
Other auditors	43,675,488	35,134,842
	130,744,945	91,536,809

35.3 This includes donations to the following parties:

Pakistan Children's Heart Foundation	12,000,000	12,000,000
Million Smiles Foundation	18,000,000	22,300,000

The directors of the Holding Company or their spouses do not have any interest in the donees.

36. Research & development expenses

	Note	2025	2024
		Rupees	
Salaries, allowances and amenities	36.1	57,819,630	80,111,572
Printing and stationery		-	18,500
Computer supplies		395,842	107,447
Electricity, gas and water		707,191	528,659
Traveling and conveyance		12,416,707	851,755
Repair and maintenance		24,399	39,297
Postage, telephone and telegrams		425,261	876,827
Vehicle running and maintenance		2,264,018	2,191,778
Insurance		52,388	12,305
Fee and subscriptions		5,152,003	3,467,385
Rent, rates and taxes		115,269	88,305
Depreciation of property and equipment		1,946,979	3,080,858
Amortization		-	21,691
Depreciation of right-of-use asset		762,342	864,087
Entertainment		234,932	4,452
		82,316,961	92,264,918

36.1 This includes employees retirement benefit expense amounting to Rs 4.38 million (2024: Rs 2.39 million) and share based payment expense amounting to Rs 1.72 million (2024: Rs 1.48 million).

36.2 Research and development expenditure include costs associated with ongoing projects aimed at developing innovative solutions and enhancing existing technologies. The projects include core banking system projects, artificial intelligence-driven tools, improvements to SAP-based systems, and blockchain and metaverse applications.

37. Impairment losses on financial assets

	Note	2025	2024
		Rupees	
Allowance for ECLs			
- Contract assets	(16.1.3)	559,473,893	78,087,583
- Trade debts	(17.2)	332,741,584	360,204,106
- Security deposits / assets written off		2,000,000	-
- Loans, advances & other receivable		(24,295,483)	47,394,715
- Long term investment		101,567,674	-
		971,487,668	485,686,404

38. Other operating expenses

	2025	2024
	Rupees	
Security deposits / assets written off	-	5,083,691
Others	23,906,244	-
	23,906,244	5,083,691

39. Other income

	Note	2025	2024
		Rupees	
Profit on deposit accounts		84,596,108	115,042,604
Profit on term deposit receipts and sukuks		39,648,013	44,483,855
Income on mutual funds	(39.1)	205,458,464	220,787,150
Exchange gain / (Loss)		271,117,027	(264,477,256)
Effect of discounting of long term security deposits		5,325,367	3,556,850
Effect of unwinding of long term receivable		68,009,019	68,175,778
Interest on loan to associated undertakings		29,282,653	44,991,852
Gain on disposal of property and equipment		30,137,197	11,958,618
Gain on derivative financial instruments		12,447,617	19,484,138
Liabilities written back		25,803,324	289,659,309
Others		80,398,376	49,893,147
		852,223,165	603,556,045

39.1 This represents the following:

Dividend income	7,082,909	61,959,308
Gain / (loss) on mutual funds	198,375,555	158,827,842
	205,458,464	220,787,150

40. Finance costs

	Note	2025	2024
		Rupees	
Guarantee commission		22,126,259	22,584,886
Markup on short term borrowing		48,630,675	150,227,710
Bank charges		102,871,112	100,440,413
Finance cost on lease liabilities		79,432,593	74,330,785
Mark-up on unwinding of other long term liability	(26)	84,389,577	117,674,866
		337,450,216	465,258,660

41. Levy and taxation

	Note	2025	2024 (Restated)
		Rupees	
Levy	(41.1)	821,342,898	474,934,619
Taxation	(41.2)	586,325,375	356,349,091
		1,407,668,273	831,283,710

41.1 Levy

Current year	(41.1.1)	857,578,454	632,099,976
Prior year		(36,235,556)	(157,165,357)
		821,342,898	474,934,619

41.1.1 This includes Rs 399.81 million (2024: Rs 267.75 million) pertaining to levy in foreign jurisdictions.

41.2 Taxation

	2025	2024 (Restated)
	Rupees	
Current tax - current	673,582,308	392,325,797
Current tax - prior year	3,948,026	-
Deferred	(91,204,959)	(35,976,706)
	586,325,375	356,349,091

41.3 Reconciliation of tax charge for the year

	2025	2024
	Rupees	
Profit before taxation	**11,626,909,309**	7,816,361,864
Tax on profit	**3,371,803,700**	2,266,744,941
Tax effect of income under FTR and MTR	**(2,244,785,373)**	(1,615,427,239)
Deferred tax asset (recognized) / reversed during the year	**(35,646,000)**	36,095,041
Tax effect of non-recognition of deferred taxes	**69,046,340**	45,387,815
Tax effect of super tax for the year	**109,564,177**	62,915,262
Tax effect of exempt incomes	**(30,461,620)**	-
Tax effect of permanent differences	**65,076,322**	-
Prior year current tax adjustment	**3,948,026**	-
Tax effect of losses adjusted during the year	**(38,208,658)**	-
Tax effect of other comprehensive income	**-**	(3,083,241)
Tax effect of current tax charged at lower rate	**(700,008,400)**	(478,454,115)
Others	**15,996,861**	7,668,259
	586,325,375	356,349,091

41.4 Deferred tax

	2025	2024
	Rupees	
Taxable temporary differences		
Depreciation on property and equipment	**(2,514,883)**	(2,148,949)
Customer contracts	**(78,569,989)**	(114,215,989)
	(81,084,872)	(116,364,938)
Deductible temporary differences		
Provision for gratuity	**36,982,946**	16,863,162
Provision for leave encashment	**4,607,916**	15,240,718
Provision for doubtful debts	**20,218,538**	-
Provision for contract assets	**17,581,574**	-
Provision for others	**-**	3,258,302
	79,390,974	35,362,182
Exchange differences	**120,465**	(2,616,234)
Deferred tax liability	**(1,573,433)**	(83,618,990)

41.4.1 The Group has not recognized the following deferred tax assets in respect of deductible temporary differences:

	2025	2024
	Rupees	
Unused business losses and deductible temporary differences amounting to Rs 3,425.86 million (2024: Rs 2,579.84 million)	**535,402,426**	394,792,951
E-Processing Systems B.V. (deductible temporary difference amounting to Rs 270.50 million (2024: Rs 183.22 million)	**67,625,057**	45,805,913
SalesFlo (Private) Limited (deductible temporary difference amounting to Rs 381.41 million (2024: Rs 393.49 million)	**57,212,467**	59,024,288
Jomo Technologies (Private) Limited (deductible temporary difference amounting to Rs 150 million (2024: Rs 150 million)	**43,500,000**	43,500,000
	703,739,950	543,123,152

41.4.2 The Group has not recognized deferred tax assets / (liabilities) in respect of the following taxable / (deductible) temporary differences relating to unappropriated profits and translation reserves of its subsidiaries:

	2025	2024
	Rupees	
Revenue reserve - unappropriated profit		
SUS JV (Private) Limited	(34,199,688)	(44,079,231)
Systems Ventures (Private) Limited	1,220,121,264	970,499,288
National Data Consultant (Private) Limited	-	309,760,012
Techvista Information Technology W.L.L.	(439,002,177)	35,369,000
Systems Arabia for Information Technology	(524,356,340)	(309,761,564)
SYS Egypt for Information Technology Services	(258,915,510)	(89,709,150)
Systems International IT Pte. Ltd.	76,945,186	409,839,679
Systems Africa for Information Technologies Pty. Ltd.	111,264,547	147,604,499
National Data Consultancy FZE	(2,748,769,016)	-
NDC Tech APAC Pte. Ltd.	(3,124,961)	-
Sys Bahrain - PKR	211,421,167	145,584,384
Sys Malaysia	(22,752,767)	(2,573,760)
Systems APAC	(147,750,147)	-
TechVista Systems FZ - LLC	(7,443,996,737)	(4,755,456,075)
	(10,003,115,179)	(3,182,922,918)
Translation reserve on foreign operations		
Systems Ventures (Private) Limited	-	(30,770,840)
Techvista Information Technology W.L.L.	72,677,637	69,282,445
Systems Arabia for Information Technology	22,044,618	27,009,519
SYS Egypt for Information Technology Services	52,941,163	64,387,619
Systems International IT Pte. Ltd.	208,702,332	(201,415,812)
Systems Africa for Information Technologies Pty. Ltd.	(247,517)	(1,342,051)
National Data Consultancy FZE	257,183,817	-
NDC Tech APAC Pte. Ltd.	3,124,961	-
Sys Bahrain - PKR	1,313,019	194,288
Sys Malaysia	(5,658,975)	-
Sys Bahrain for Information Technology W.L.L	1,313,019	-
TechVista Systems FZ - LLC	(1,058,171,830)	-
Systems APAC	30,369,653	-
	(414,408,103)	(1,178,962,641)
	(10,417,523,282)	(4,361,885,559)

Temporary differences of Rs 414.40 million (2024: Rs 1,178.81 million) have arisen as a result of the translation of the financial statements of the Holding Company's subsidiaries in foreign jurisdictions. However, a deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future.

The subsidiaries of the Holding Company have undistributed earnings of Rs 10,003.11 million (2024: Rs 3,182.92 million) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the Holding Company is able to control the timing of distributions from its subsidiaries and is not expected to distribute these profits in the foreseeable future.

42. Reconciliation of liabilities arising from financing activities

	Opening balance as at January 1, 2025	Cash flows	Other cashflows	Closing balance as at December 31, 2025
Short term borrowings	**1,289,195,083**	**735,943,771**	**9,060,389**	**2,034,199,243**

42.1 During the year, the Company declared final dividend of Rs 1,758.70 million (2024: 1,749.02 million) as disclosed in statement of changes in equity against which payment of Rs 1,751.32 million (2024: 1,737.36 million) has been made. The remaining amount of Rs 7.38 million (2024: 11.66 million) is transferred to unclaimed dividend.

	Opening balance as at January 1, 2024	Cash flows	Other cashflows	Closing balance as at December 31, 2024
Short term borrowings	2,119,000,000	(743,107,221)	(86,697,696)	1,289,195,083

43. Operating segment information

The four primary segments revolve around industry verticals, reflecting the company's strategic focus:

- Banking Financial Services & Insurance (BFSI): This segment likely includes activities related to banking, financial services, and insurance.
- Retail & CPG (Consumer Packaged Goods): This segment encompasses retail operations and consumer goods.
- Telco (Telecommunications): This segment involves telecommunications services and technologies.
- Technology : This segment includes technology-related solutions , products and services.
- Others: This catch-all category may include any remaining segments that don't fall into the specific verticals mentioned above.

	BFSI		Retail & CPG		Technology		Telco		Others		Total	
	Rupees											
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue	**23,904,651,723**	20,506,562,526	**7,762,313,143**	7,675,939,851	**9,519,807,327**	8,056,909,121	**20,308,291,511**	15,489,461,642	**18,896,820,890**	15,744,148,020	**80,391,884,594**	67,473,021,160
Cost of revenue	**(17,683,024,552)**	(17,119,009,937)	**(4,970,433,686)**	(5,088,381,118)	**(6,470,282,872)**	(5,760,646,588)	**(15,227,025,817)**	(11,451,384,445)	**(13,631,852,778)**	(11,895,897,767)	**(57,982,619,705)**	(51,315,319,855)
Gross profit	**6,221,627,171**	3,387,552,589	**2,791,879,457**	2,587,558,733	**3,049,524,455**	2,296,262,533	**5,081,265,694**	4,038,077,197	**5,264,968,112**	3,848,250,253	**22,409,264,889**	16,157,701,305
Research & Development Expenses	**(102,127,948)**	(43,633,113)	**2,817,433**	(7,883,076)	**3,482,256**	(8,854,872)	**7,452,382**	(17,261,419)	**6,058,916**	(14,632,438)	**(82,316,961)**	(92,264,918)
Distribution expenses	**(921,015,530)**	(754,426,229)	**(299,071,956)**	(282,394,007)	**(366,785,950)**	(296,409,677)	**(782,452,389)**	(569,849,585)	**(728,070,239)**	(579,219,369)	**(3,097,396,064)**	(2,482,298,867)
Administrative expenses	**(1,851,852,023)**	(1,465,025,910)	**(601,332,973)**	(548,383,024)	**(737,483,008)**	(575,600,157)	**(1,573,248,217)**	(1,106,595,150)	**(1,463,904,035)**	(1,124,790,405)	**(6,227,820,256)**	(4,820,394,646)
	(2,874,995,501)	(2,263,085,252)	**(897,587,496)**	(838,660,107)	**(1,100,786,702)**	(880,864,706)	**(2,348,248,224)**	(1,693,706,154)	**(2,185,915,358)**	(1,718,642,212)	**(9,407,533,281)**	(7,394,958,431)
Profit before taxation and unallocated income and expenses	**3,346,631,670**	1,124,467,337	**1,894,291,961**	1,748,898,626	**1,948,737,753**	1,415,397,827	**2,733,017,470**	2,344,371,043	**3,079,052,754**	2,129,608,041	**13,001,731,608**	8,762,742,874

	2025	2024
	Rupees	
Unallocated income and expenses:		
Other operating expenses	**(23,906,244)**	(5,083,691)
Impairment losses on financial assets	**(971,487,668)**	(485,686,404)
Exchange gain / (loss)	**271,117,027**	(264,477,256)
Other income	**581,106,138**	868,033,301
Share of loss of associate	**(72,858,438)**	(118,973,681)
Finance cost	**(337,450,216)**	(465,258,660)
	(553,479,401)	(471,446,391)
Profit before taxation and levy	**12,448,252,207**	8,291,296,483
Levy	**(821,342,898)**	(474,934,619)
Profit before taxation	**11,626,909,309**	7,816,361,864
Taxation	**(586,325,375)**	(356,349,091)
Profit for the year	**11,040,583,934**	7,460,012,773

43.1 Allocation of assets and liabilities

	BFSI		Retail & CPG		Technology		Telco		Others		Unallocated		Total	
	Rupees													
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Segment operating assets														
Property and equipment	**1,210,261,749**	1,046,544,341	**552,364,832**	492,772,511	**553,655,689**	551,774,612	**1,077,673,264**	856,522,871	**828,637,694**	707,202,019	**-**	-	**4,222,593,228**	3,654,816,354
Intangibles	**9,335,557,141**	9,466,975,695	**19,452,303**	66,227,760	**2,538,534,905**	69,514,751	**50,892,439**	133,642,573	**47,355,302**	145,074,725	**-**	-	**11,991,792,090**	9,881,435,504
Long term investments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**157,383,405**	101,076,560	**157,383,405**	101,076,560
Investment in associates	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**89,359,651**	162,194,362	**89,359,651**	162,194,362
Right-of-use asset	**325,070,919**	117,585,218	**151,158,787**	56,959,579	**151,512,040**	63,779,632	**294,913,387**	99,005,486	**226,762,933**	81,745,486	**-**	-	**1,149,418,066**	419,075,401
Long term loans	**160,053,569**	172,226,700	**74,425,308**	83,428,516	**74,599,237**	93,417,827	**145,205,053**	145,013,024	**111,650,149**	119,732,358	**-**	-	**565,933,316**	613,818,425
Deferred taxation - net	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Deferred employee benefits	**44,374,183**	57,029,414	**20,634,106**	27,625,678	**20,682,327**	30,933,438	**40,257,494**	48,018,152	**30,954,538**	39,646,967	**-**	-	**156,902,648**	203,253,649
Long term receivable	**244,727,720**	569,948,187	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**244,727,720**	569,948,187
Long term deposits	**244,777,009**	197,386,689	**56,400,488**	47,101,458	**69,170,333**	49,439,179	**147,558,793**	95,047,152	**137,303,134**	96,609,969	**-**	-	**655,209,757**	485,584,447
Contract assets	**4,908,968,969**	3,335,622,074	**409,120,906**	231,078,538	**975,866,007**	311,675,682	**4,396,782,431**	3,342,556,785	**3,289,017,297**	2,232,176,204	**-**	-	**13,979,755,610**	9,453,109,283
Trade debts	**3,173,528,655**	5,704,888,952	**190,277,826**	1,003,444,296	**5,970,608,480**	5,371,798,472	**5,195,940,734**	3,513,475,253	**3,045,448,731**	1,976,909,894	**-**	-	**17,575,804,426**	17,570,516,867
Current portion of long term receivable	**427,670,427**	361,980,429	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**427,670,427**	361,980,429
Loans, advances and other receivables	**1,207,079,414**	673,462,766	**138,659,319**	101,603,871	**170,053,691**	106,646,635	**362,769,939**	205,028,868	**337,556,635**	208,400,067	**-**	-	**2,216,118,998**	1,295,142,207
Trade deposits and short term prepayments	**780,013,283**	530,586,807	**207,170,765**	149,125,947	**254,077,069**	156,527,308	**542,014,244**	300,924,796	**504,343,069**	305,872,768	**-**	-	**2,287,618,430**	1,443,037,626
Short term investments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**5,441,665,232**	2,941,777,167	**5,441,665,232**	2,941,777,167
Income tax refunds due from the governments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**721,298,512**	483,693,293	**721,298,512**	483,693,293
Current portion of deferred employee benefits	**25,343,720**	24,176,941	**11,784,893**	11,711,577	**11,812,434**	13,113,863	**22,992,529**	20,356,724	**17,679,269**	16,807,859	**-**	-	**89,612,845**	86,166,964
Derivative financial instruments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**10,986,607**	-	**10,986,607**	-
Cash and bank balances	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**13,504,721,300**	7,820,717,667	**13,504,721,300**	7,820,717,667
Total operating assets	**22,087,426,758**	22,258,414,213	**1,831,449,533**	2,271,079,731	**10,790,572,212**	6,818,621,399	**12,277,000,307**	8,759,591,684	**8,576,708,751**	5,930,178,316	**19,925,414,707**	11,509,459,049	**75,488,572,268**	57,547,344,392
Segment operating liabilities														
Long term advances	**1,782,477**	4,139,838	**828,856**	2,005,383	**830,793**	2,245,498	**1,617,113**	3,485,699	**1,243,421**	2,878,025	**-**	-	**6,302,660**	14,754,443
Lease liabilities	**304,418,744**	96,656,089	**141,555,474**	46,821,277	**141,886,284**	52,427,421	**276,177,158**	81,383,385	**212,356,390**	67,195,514	**-**	-	**1,076,394,050**	344,483,686
Other long term liability - unsecured	**428,305,444**	1,184,866,510	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**428,305,444**	1,184,866,510
Deferred taxation - net	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**1,573,433**	83,618,990	**1,573,433**	83,618,990
Retirement Benefits	**440,221,644**	189,545,058	**204,704,161**	91,817,720	**205,182,547**	102,811,512	**399,381,330**	159,594,895	**307,089,760**	131,772,116	**-**	-	**1,556,579,442**	675,541,301
Trade and other payables	**5,922,835,421**	3,430,136,548	**590,358,116**	621,809,215	**768,504,203**	932,713,823	**1,808,593,647**	1,709,975,343	**1,619,136,680**	2,020,879,950	**-**	-	**10,709,428,067**	8,715,514,879
Provision for taxation	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**598,985,626**	307,963,940	**598,985,626**	307,963,940
Unclaimed dividend	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**37,698,807**	30,322,411	**37,698,807**	30,322,411
Contract Liabilities	**-**	-	**-**	-	**2,848,186,391**	-	**-**	-	**-**	-	**-**	-	**2,848,186,391**	-
Contract liabilities - non current portion	**1,276,874,782**	1,381,462,189	**15,946,966**	352,578,346	**96,943,484**	107,524,571	**561,893,108**	458,313,144	**746,607,304**	1,575,550,736	**-**	-	**2,698,265,644**	3,875,428,986
Short term borrowings from financial institutions - secured	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**5,956,002,054**	2,684,547,884	**5,956,002,054**	2,684,547,884
Derivative financial instruments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	1,461,010	**-**	1,461,010
Current portion of long term advances	**573,551**	1,451,021	**266,703**	702,891	**267,326**	787,051	**520,342**	1,221,744	**400,098**	1,008,752	**-**	-	**2,028,020**	5,171,459
Current portion of lease liabilities	**65,514,089**	48,922,961	**30,464,215**	23,698,823	**30,535,408**	26,536,400	**59,436,205**	41,192,605	**45,701,310**	34,011,343	**-**	-	**231,651,227**	174,362,132
Current portion of other long term liability - unsecured	**758,348,886**	718,641,105	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**758,348,886**	718,641,105
Total operating liabilities	**9,198,875,038**	7,055,821,319	**984,124,491**	1,139,433,655	**4,092,336,436**	1,225,046,276	**3,107,618,903**	2,455,166,815	**2,932,534,963**	3,833,296,436	**6,594,259,920**	3,107,914,235	**26,909,749,751**	18,816,678,736

43.2 Geographical segments

	North America		Europe		Middle East Africa		APAC		Pakistan		Total	
	Rupees											
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue from contracts with customers	**14,770,892,403**	13,890,468,779	**4,239,284,522**	3,021,162,743	**47,110,018,385**	39,552,614,777	**2,771,316,271**	2,299,537,669	**11,500,373,013**	8,709,237,192	**80,391,884,594**	67,473,021,160
Cost of revenue	**(9,933,810,196)**	(9,256,603,318)	**(2,616,740,334)**	(1,824,392,057)	**(33,937,187,728)**	(29,784,091,664)	**(1,793,519,987)**	(1,666,082,968)	**(9,701,361,460)**	(8,784,149,848)	**(57,982,619,705)**	(51,315,319,855)
Gross profit	**4,837,082,207**	4,633,865,461	**1,622,544,188**	1,196,770,686	**13,172,830,657**	9,768,523,113	**977,796,284**	633,454,701	**1,799,011,553**	(74,912,656)	**22,409,264,889**	16,157,701,305
Research & Development Expenses	**2,435,075**	(35,736,344)	**(29,426,402)**	(7,817,982)	**(32,726,614)**	(31,312,542)	**2,389,242**	(3,179,567)	**(24,988,262)**	(14,218,483)	**(82,316,961)**	(92,264,918)
Distribution expenses	**(195,707,562)**	(289,884,198)	**(91,451,332)**	(63,417,491)	**(2,159,821,166)**	(1,805,390,506)	**(286,422,068)**	(202,425,706)	**(363,993,936)**	(121,180,966)	**(3,097,396,064)**	(2,482,298,867)
Administrative expenses	**(1,035,204,592)**	(1,222,000,049)	**(234,557,973)**	(267,334,949)	**(4,173,327,890)**	(2,947,818,711)	**(211,912,684)**	(80,062,371)	**(572,817,117)**	(303,178,566)	**(6,227,820,256)**	(4,820,394,646)
	(1,228,477,079)	(1,547,620,591)	**(355,435,707)**	(338,570,422)	**(6,365,875,670)**	(4,784,521,759)	**(495,945,510)**	(285,667,644)	**(961,799,315)**	(438,578,015)	**(9,407,533,281)**	(7,394,958,431)
Profit / (loss) before taxation and unallocated income and expenses	**3,608,605,128**	3,086,244,870	**1,267,108,481**	858,200,264	**6,806,954,987**	4,984,001,354	**481,850,774**	347,787,057	**837,212,238**	(513,490,671)	**13,001,731,608**	8,762,742,874

	2025	2024
	Rupees	
Unallocated income and expenses:		
Other operating expenses	**(23,906,244)**	(5,083,691)
Impairment losses on financial assets	**(971,487,668)**	(485,686,404)
Exchange (loss) / gain	**271,117,027**	(264,477,256)
Other income	**581,106,138**	868,033,301
Impairment loss on investment in associates	**-**	-
Share of loss of associate	**(72,858,438)**	(118,973,681)
Finance cost	**(337,450,216)**	(465,258,660)
	(553,479,401)	(471,446,391)
Profit before taxation and levy	**12,448,252,207**	8,291,296,483
Levy	**(821,342,898)**	(474,934,619)
Profit before taxation	**11,626,909,309**	7,816,361,864
Taxation	**(586,325,375)**	(356,349,091)
Profit for the year	**11,040,583,934**	7,460,012,773

44. Transactions with related parties

The related parties and associated undertakings comprise subsidiary, associated companies, companies in which directors are interested, staff retirement funds and directors and key management personnel (Note 45). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Amounts due from and to related parties are shown under respective notes to the consolidated financial statements. Transactions with subsidiaries have been eliminated and other significant transactions with related parties are as follows:

Undertaking	Relation	Basis of relationship	Nature of transaction	Note	2025	2024
					Rupees	
Oneload Processing Systems (Private) Limited	Associated company	Wholly owned by Associate: E-Processing Systems B.V.	Disbursements against loan	(44.4)	**7,269,417**	14,382,444
			Receipts against loan		**-**	28,075,817
			Finance income		**29,282,653**	45,048,880
			Property and equipment sold to the party during the year		**-**	2,797,524
Visionet Systems Incorporation - USA	Associated company	Common shareholding of directors	Revenue	(44.1)	**13,076,135,216**	11,715,433,494
			Expenses incurred on behalf of the party by the Company		**171,364,859**	320,023,661
			Expenses incurred on behalf of the Group by the party		**210,355,649**	320,194,705
Visionet Deutschland GMBH	Associated company	Common shareholding of directors	Revenue	(44.2)	**771,039,637**	854,718,441
			Expenses incurred on behalf of the party by the Company		**18,236,838**	18,786,962
			Payment of licenses made by the company on behalf of the party		**48,327,887**	-
Systems Limited Employees' Provident Fund		Staff retirement fund	Contribution		**1,573,496,878**	1,394,742,412
			Payments made on behalf of the party by the Company		**773,000,203**	648,870,376
Visionet EMEA Limited	Associated company	Common shareholding of directors	Revenue	(44.3)	**920,398,586**	897,495,928
			Expenses incurred on behalf of the party by the Company		**9,630,064**	10,059,927
			Expenses incurred on behalf of the Company by the party		**39,186,219**	103,299,289
			Consultancy fee by the party		**90,514,689**	-
Visionet Canada Inc.	Associated company	Common shareholding of directors	Revenue	(44.5)	**36,019,299**	8,027,621
			Expenses incurred on behalf of the Company by the party		**1,340,585**	52,734
AtClose	Associated company	Common shareholding of directors	Revenue	(44.6)	**-**	310,280,397
			Expenses incurred on behalf of the party by the Company		**200,000**	-
PartnerLinQ, Inc.	Associated company	Common shareholding of directors	Revenue	(44.7)	**1,567,082,796**	1,475,756,319
			Expenses incurred on behalf of the Company by the party		**7,852,949**	9,327,684
Salesflo (Private) Limited	Associated company	19.69% Shareholding owned by Systems Ventures Private Limited	Revenue		**2,869,565**	-
			Dividend Income		**-**	5,028,878
Key management personnel	Key management personnel	Key management personnel			**1,315,639,389**	992,263,975

44.1 Visionet Systems Incorporation - USA (VSI) is affiliate of the Group and incorporated in United States of America (USA). The registered address of VSI is Cedarbrook Corporate Center, 4 Cedarbrook Drive, Bldg. B Cranbury, NJ 08512-3641.

44.2 Visionet Deutschland GMBH is affiliate of the Group and incorporated in Germany. The registered address is Maximilian Street 13, 80539, Munich, Germany.

44.3 Visionet EMEA Limited UK is affiliate of the Group and incorporated in the United Kingdom. The registered address is 1st floor, 3 Shortlands Hammersmith London W6 8DA GBR.

44.4 Oneload Processing Systems (Private) Limited is wholly owned subsidiary of E-Processing Systems B.V., which is an associated company of the Group. The registered office of the company is situated at Suite # 201, 202, 2nd Floor Office Block, Penta Square CCA, Sector C, DHA Phase 5, Lahore, Pakistan.

44.5 Visionet Canada Inc. is affiliate of the Group and incorporated in Canada. The registered address is 2425 Matheson Blvd E, Mississauga, ON L4W5K4, Canada.

44.6 AtClose is affiliate of the Group and incorporated in USA. The registered address is Cedarbrook Corporate Center, 4 Cedarbrook Drive, Bldg. B Cranbury, NJ 08512-3641.

44.7 PartnerLinQ, Inc. is affiliate of the Group and incorporated in USA. The registered address is Cedarbrook Corporate Center, 4 Cedarbrook Drive, Bldg. B Cranbury, NJ 08512-3641.

45. Remuneration of chief executive officer, directors and executives

The aggregate amounts charged in the accounts for the year for remuneration including certain benefits to the Chief Executive Officer, Directors and Executives of the Group are as follows :

	Chief Executive Officer		Non Executive Directors		Other Executives	
	2025	2024	2025	2024	2025	2024
	NOS					
Number of persons	**1**	1	**6**	6	**6,886**	6,001
	Rupees					
Managerial remuneration	**135,264,139**	121,769,812	**-**	-	**27,806,327,378**	33,428,726,084
Retirement benefits	**9,014,002**	8,116,365	**-**	-	**1,717,502,229**	1,659,566,245
Bonus	**612,129,429**	305,858,658	**-**	-	**688,906,826**	1,249,974,992
Fees	**-**	-	**11,600,000**	5,600,000	**-**	-
	756,407,570	435,744,835	**11,600,000**	5,600,000	**30,212,736,433**	36,338,267,321

45.1 In addition to the above remuneration, the Chief Executive Officer and certain executives are also provided with Group maintained cars, free medical and mobile phone facilities in accordance with their entitlement.

45.2 Fees represent the amounts paid to Non Executive Directors for attending meetings of the Board and its sub-committees.

45.3 During the year, the Chief Executive Officer and Other Executives were granted 2,375,000 (2024: 2,499,750) and 5,832,500 (2024: 12,227,500) share options respectively, which have a vesting period of two years. Further, the impact of benefits available to the Chief Executive and other executives recognized by the Group on account of share-based payment plans aggregated to Rs 43.19 million (2024: Rs 33.09 million) and Rs 104.11 million (2024: Rs 155.77 million), respectively.

45.4 During the current year, the chief executive officer and certain executives of the Group exercised stock option under employee stock option scheme according to which 1,738,185 (2024: 3,000,000) and 6,735,500 (2024: 4,823,750) shares respectively were issued to them.

45.5 During the year, vehicles costing Rs 91.42 million were provided to Chairman of the Company and Rs 39.6 million were provided to other executives.

45.6 The key management personnel with whom the Company had entered into transactions or had arrangements/ agreements in place during the year have been disclosed below:

Name	Designation	% age of shareholding in the Company
Aezaz Hussain	Director	2.97%
Arshad Masood	Director	13.09%
Zubyr Soomro	Director	0.00%
Omar Saeed	Director	0.00%
Maheen Rehman	Director	0.00%
Romana Abdullah	Director	0.00%
Muhammad Asif Peer	Chief Executive Officer	7.06%
Roohi Khan	Chief Financial Officer	0.03%
Asif Akram	Chief Operational Officer	0.13%
Zeeshan Khawar	Chief Internal Auditor	0.00%
Toima Asghar	Chief Human Resource Officer	0.04%
Khurram Majeed	General Manager Middle East Africa	0.51%
Ahmed Kandil	General Manager Systems Misr	0.00%
Rao Hamid Khan	General Manager KSA	0.02%

46. Earnings per share - basic and diluted

Earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders of the Group by weighted average number of shares outstanding during the year as follows:

46.1 Basic earnings per share

	2025	2024
	Rupees	
Profit for the year	**11,040,583,934**	7,460,012,773

	2025	2024
	Number of shares	
Weighted-average number of ordinary shares outstanding during the year	**1,468,907,491**	1,459,998,235
Basic earnings per share (Rupees)	**7.52**	5.11

46.2 Diluted earnings per share

	2025	2024
	Rupees	
Profit for the year	**11,040,583,934**	7,460,012,773

	2025	2024
	Number of shares	
Weighted-average number of ordinary shares (basic)	**1,468,907,491**	1,459,998,235
Effect of share options	**14,100,326**	10,127,040
Weighted average number of ordinary shares - diluted	**1,483,007,817**	1,470,125,275
Diluted earnings per share (Rupees)	**7.44**	5.07

47. Cash generated from operations

	Note	2025	Restated 2024
		Rupees	
Profit before taxation		11,626,909,309	7,816,361,864
Adjustments to reconcile profit before tax to net cash flows:			
Levy		821,342,898	474,934,619
Depreciation on property and equipment	7.1.3	777,837,491	913,967,059
Depreciation on right-of-use assets	11.1	229,310,034	199,719,905
Amortization of intangibles	8.1.2	704,535,526	657,967,539
Amortization of deferred employee benefits	13	85,686,556	84,029,657
Share based payment expense		383,788,094	446,602,210
Allowance for ECLs / provision for doubtful debts:			
- contract assets	37	559,473,893	78,087,583
- trade debts	37	332,741,584	360,204,106
- Loans, advances and other receivables	37	(24,295,483)	47,394,715
- Long term investment	37	101,567,674	-
- security deposit	37	2,000,000	-
Security deposits written off		-	5,083,691
Finance costs	40	253,060,639	347,583,794
Gain on investments classified as fair value through			
profit or loss	39	(198,375,555)	(158,827,842)
Provision for gratuity	27	422,771,747	303,826,082
Provision for pension		37,641,561	-
Share of loss from associates	10	72,858,438	118,973,681
Unwinding of long term receivable	39	(68,009,019)	(68,175,778)
Unwinding of long term liabilities	40	84,389,577	117,674,866
Exchange (gain) / loss	39	(271,117,027)	265,536,769
Profit on deposit accounts	39	(84,596,108)	(115,042,604)
Profit on term deposit receipts and sukuks	39	(39,648,013)	(44,483,855)
Dividend income on mutual funds	39	(7,082,909)	(61,959,308)
Interest on loan to related parties	39	(29,282,653)	(44,991,852)
Gain on disposal of property and equipment		(30,137,197)	(11,958,618)
Liabilities written back	39	(25,803,324)	(289,659,309)
Effect of discounting of long term loans	39	(116,672,038)	(122,019,708)
Effect of discounting of long term security deposits	39	(5,325,367)	(3,556,850)
Gain on derivative financial instrument		(10,986,607)	(19,484,138)
		15,584,583,721	11,297,788,278
Working capital changes			
Contract Assets		(5,086,120,220)	(1,585,823,680)
Long term deposits		(149,432,107)	(216,518,802)
Trade debts		118,720,513	(5,499,208,752)
Loans paid to employees - net		(97,488,124)	(133,216,515)
Long term receivable - secured		-	-
Advances and other receivables		(871,036,144)	510,334,397
Trade deposits and short term prepayments		(200,121,025)	(203,070,772)
Trade and other payables		1,359,985,734	1,669,443,431
Contract Liabilities		1,671,023,049	(762,305,371)
		(3,254,468,324)	(6,220,366,064)
		12,330,115,397	5,077,422,214

48. Cash and cash equivalents

	Note	2025	2024
		Rupees	
Cash and bank balances	21.2	13,504,721,300	6,808,948,255
Short term investments	20.2.2	272,498,963	100,000,000
Restricted cash	21.3	(52,674,480)	-
Short term borrowings from financial institutions - secured	30.7	(3,921,802,811)	(1,395,352,801)
		9,802,742,972	5,513,595,454

49. Financial risk management

Financial instruments comprise deposits, unbilled revenue, interest accrued, trade debts, advances to employees against salaries, loans, other receivables, cash and bank balances and short term investments, trade and other payables and mark-up accrued on short term borrowings.

The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The Board of Directors has the overall responsibility for the establishment and oversight of Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies.

This note represents information about the Group's exposure to each of the above risks, it's objectives, policies and processes for measuring and managing risk, and it's management of capital.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the Group's activities.

49.1 Market risk

49.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Monetary items, including financial assets and financial liabilities, denominated in currency other than functional currency of the Group are periodically restated to Pak rupee equivalent and the associated gain or loss is taken to the statement of profit or loss.

	2025	2024
USD		
Trade debts	18,626,731	22,343,967
Contract assets	5,231,375	3,441,773
Bank balance	20,325,909	3,354,468
Other receivable	2,594,904	240,523
Other payable	(5,798,462)	(9,371,080)
	40,980,457	20,009,651
AUD		
Trade debts	106,326	286,588
Contract assets	198,666	137,681
Trade payable	(182,320)	(53,465)
Other receivable	-	58,167
Bank	774,490	877,233
	897,162	1,306,204

	2025	2024
AED		
Trade debts	**77,381,080**	57,466,080
Contract assets	**76,492,647**	66,700,114
Bank	**40,756,977**	32,208,409
Other receivable	**779,618**	1,081,049
Other payable	**(24,182,608)**	(21,229,527)
	171,227,714	136,226,125
QAR		
Trade debts	**13,694,343**	7,629,628
Contract assets	**6,356,459**	3,314,826
Bank	**1,448,567**	2,095,427
Other receivable	**210,199**	5,884
Trade payable	**(3,843,621)**	(1,737,730)
	17,865,947	11,308,035
GBP		
Trade debts	**2,126,206**	1,807,899
Contract assets	**913,358**	71,596
Bank	**805,782**	-
Other payable	**(602,338)**	(268,867)
	3,243,008	1,610,628
EUR		
Trade debts	**225,431**	1,895,969
Contract assets	**33,812**	25,414
Other payable	**-**	(21,249)
Other receivable	**249,245**	119,232
	508,488	2,019,366
EGP		
Trade debts	**13,385,205**	11,686,266
Contract assets	**3,827,008**	16,419,666
Bank	**16,006,314**	5,517,781
Trade Payable	**(7,222,788)**	(2,901,352)
	25,995,739	30,722,361
CAD		
Trade debts	**117,921**	73,462
Other receivable	**6,866**	259
	124,787	73,462
SAR		
Trade debts	**41,894,165**	50,112,522
Contract assets	**52,280,377**	23,375,753
Bank	**18,807,408**	9,871,203
Trade payable	**(19,108,177)**	(19,621,159)
Other receivable	**738,190**	533,006
	94,611,963	64,271,325
ZAR		
Trade debts	**2,006,956**	2,229,989
Contract assets	**602,510**	241,281
Bank	**3,182,194**	2,810,001
Other receivable	**-**	39,579
Trade payable	**(86,317)**	(229,244)
	5,705,343	5,091,606
MYR		
Bank	**1,543,854**	1,117,114
Trade debts	**310,556**	-
Trade payable	**(7,054)**	-
Contract assets	**1,232,052**	110,692
	3,079,408	1,227,806

	2025	2024
BHD		
Trade debts	**63,091**	238,774
Contract assets	**495,900**	299,933
Bank	**135,327**	14,060
Trade payable	**(64,353)**	(69,948)
Other receivable	**68,402**	97,186
	698,367	580,005
SGD		
Trade debts	**3,691,519**	2,369,188
Contract assets	**1,916,729**	1,871,842
Bank	**43,921**	1,007,413
Trade payable	**(1,187,876)**	(825,968)
Other receivable	**594,193**	89,414
	5,058,486	4,511,889

The following analysis demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant, of the Group's profit before tax.

	Changes in Rate	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
		2025	2025	2024	2024
		Rupees			
USD	10%	**1,147,862,601**	**1,147,862,601**	685,765,877	685,765,877
	-10%	**(1,147,862,601)**	**(1,147,862,601)**	(685,765,877)	(685,765,877)
AUD	10%	**16,803,844**	**15,291,498**	17,547,863	15,968,555
	-10%	**(16,803,844)**	**(15,291,498)**	(17,547,863)	(15,968,555)
AED	10%	**1,306,467,458**	**1,188,885,387**	1,115,917,973	1,015,485,355
	-10%	**(1,306,467,458)**	**(1,188,885,387)**	(1,115,917,973)	(1,015,485,355)
QAR	10%	**137,389,132**	**123,650,219**	103,422,711	93,080,440
	-10%	**(137,389,132)**	**(123,650,219)**	(103,422,711)	(93,080,440)
GBP	10%	**122,326,262**	**122,326,262**	63,371,908	63,371,908
	-10%	**(122,326,262)**	**(122,326,262)**	(63,371,908)	(63,371,908)
EUR	10%	**16,724,170**	**16,724,170**	59,138,116	59,138,116
	-10%	**(16,724,170)**	**(16,724,170)**	(59,138,116)	(59,138,116)
SAR	10%	**706,751,364**	**565,401,091**	427,825,516	342,260,413
	-10%	**(706,751,364)**	**(565,401,091)**	(427,825,516)	(342,260,413)
EGP	10%	**15,337,486**	**11,886,552**	6,453,939	5,001,803
	-10%	**(15,337,486)**	**(11,886,552)**	(6,453,939)	(5,001,803)
CAD	10%	**2,550,646**	**2,550,646**	1,424,428	1,424,428
	-10%	**(2,550,646)**	**(2,550,646)**	(1,424,428)	(1,424,428)
ZAR	10%	**9,642,030**	**9,642,030**	48,458,153	48,458,153
	-10%	**(9,642,030)**	**(9,642,030)**	(48,458,153)	(48,458,153)
MYR	10%	**10,668,031**	**10,668,031**	6,948,449	6,948,449
	-10%	**(10,668,031)**	**(10,668,031)**	(6,948,449)	(6,948,449)
BHD	10%	**51,560,436**	**51,560,436**	42,712,566	42,712,566
	-10%	**(51,560,436)**	**(51,560,436)**	(42,712,566)	(42,712,566)
SGD	10%	**8,548,841**	**8,548,841**	-	-
	-10%	**(8,548,841)**	**(8,548,841)**	-	-

The following exchange rates were applicable during the year:

	2025	2024
Reporting date rate:		
USD	**280.1**	278.4
AUD	**187.3**	172.9
AED	**76.3**	75.8
QAR	**76.9**	76.4
GBP	**377.2**	349.2
EUR	**328.9**	289.6
SAR	**74.7**	74.1
EGP	**5.9**	5.5
CAD	**204.4**	193.9
BHD	**738.3**	732.0
MYR	**69.1**	62.2
ZAR	**16.9**	14.8
SGD	**218.1**	204.3
Average rate:		
USD	**281.1**	278.5
AUD	**181.2**	183.6
AED	**76.8**	75.8
QAR	**77.3**	76.4
GBP	**375.6**	355.7
EUR	**328.6**	301.2
SAR	**74.9**	74.2
EGP	**5.7**	6.3
CAD	**203.3**	203.3
BHD	**738.3**	732.4
MYR	**69.1**	62.9
ZAR	**15.7**	15.2
SGD	**215.1**	

The Group is not exposed to other price risk as its investments are fixed with respect to price and maturity.

49.1.2 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has no significant long-term interest-bearing assets. The Group's interest rate risk arises from short term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	2025	2024
	Rupees	
Fixed Rate instruments		
Financial assets		
Short term investments	**549,339,559**	177,382,800
Variable rate instruments		
Financial assets		
Bank balances - deposit accounts	**1,716,015,414**	843,586,364
Loans to related parties	**316,448,700**	279,896,630
	2,032,464,114	1,123,482,994
Financial liabilities		
Short term borrowings	**5,956,002,054**	2,684,547,884
Net Exposure	**(3,923,537,940)**	(1,561,064,890)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the date of statement of financial position would not affect the profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

The impact of changes in average effective interest rate for the year is given below:

		Increase/ Decrease in rate	Effect on profit before tax	Effect on Equity
			Rupees	
Financial assets				
	2025	**+1**	**20,324,641**	14,430,495
		-1	**(20,324,641)**	(14,430,495)
	2024	**+1**	**11,234,830**	7,976,729
		-1	**(11,234,830)**	(7,976,729)
Financial liabilities				
	2025	**+1**	**59,560,021**	42,287,615
		-1	**(59,560,021)**	(42,287,615)
	2024	**+1**	**26,845,479**	19,060,290
		-1	**(26,845,479)**	(19,060,290)

49.1.3 Other price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. There is other price risk of changes in the fair value of investment in mutual funds as a result of changes in the levels of net asset value of units held by the Group. As at 31 December 2025, had there been increase / decrease in net asset value by 1%, with all other variables held constant, the profit before tax for the year and equity would have been higher / lower by Rs 1.98 million (2024: Rs 0.29 million) and Rs 1.41 million (2024: 0.21 million).

49.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter-parties failed completely to perform as contracted. The Group does not have significant exposure to any individual third party. To reduce exposure to credit risk, the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also continuously monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. Outstanding customer receivables are regularly monitored.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry.

The credit risk on liquid funds is limited because the counter parties are banks and mutual funds with reasonably high credit ratings. The Group believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counter parties and subscribers in case of trade debts.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate. The table below shows the bank balances and short term investments held with some major counterparties at the reporting date:

	Rating			Rupees	
Particulars	Short term	Long term	Agency	2025	2024
Bank balances					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**2,149,974,019**	901,422,310
Bank Islami Pakistan Limited	A1	A+	PACRA	**12,978,172**	7,660,184
United Bank Limited	A1+	AAA	JCR-VIS	**141,731,654**	118,683,403
The Saudi National Bank	F2	A-	Moody's	**1,359,732,409**	721,806,104
Bank Albilad	A3	A3	Moody's	**173,440**	171,948
Bank Alinma	P1	A1	Moody's	**152,151,103**	8,688,394
Habib Bank AG Zurich Dubai	A1+	AA+	PACRA	**135,038,463**	665,331,536
Habib Bank Limited Dubai	A1+	AA+	VIS	**534,801,466**	549,595,111
MCB AE	A1+	AAA	PACRA	**3,268,601,518**	2,591,326,017
Investec Bank PLC	F2	BBB+	Fitch	**-**	151,638,942
Habib Bank Limited Singapore	A1+	AAA	JCR-VIS	**-**	205,764,105
Commercial Bank of Qatar	F2	A-	S&P	**299,328,887**	335,670,343
Faysal Bank Limited	A1+	AA	PACRA	**126,052,912**	20,911,781
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	**506,029,985**	88,850,957
FINCA Microfinance Bank Limited	A3	BBB+	PACRA	**9,345,920**	1,590,997
Meezan Bank Limited	A1+	AAA	JCR-VIS	**33,219,027**	7,082,947
Bank Alfalah Limited	A1+	AA+	PACRA	**-**	1,122,654
Habib Bank Limited	A1+	AAA	JCR-VIS	**194,956,182**	293,007,333
MCB Bank Limited	A1+	AAA	PACRA	**243,522,048**	80,003,021
MCB Islamic Bank Limited	A1	AA+	PACRA	**76,540,536**	-
JS Bank Limited	A1+	AA-	PACRA	**-**	22,397
Westpac Banking Corporation	F1	A+	Fitch	**145,240,110**	-
Commercial International Bank Egypt	B	B-	Fitch	**147,989,559**	77,113,786
OCBC Singapore	A1+	AA-	S&P	**-**	3,012,688
OCBC Malaysia	A1+	AAA	RAM	**107,168,382**	69,473,320
U Microfinance Bank Limited	A1+	AA+	PACRA	**2,206,303**	726,039,711
Investec Bank Limited (South Africa)	B	B-	Fitch	**53,651,791**	41,447,515
Samba Bank Limited	A1	AA	PACRA	**999,779**	-
Bank Al-Habib Limited	A1+	AAA	PACRA	**183,880,426**	2,170,169
Samba Bank	A-1	AA	JCR-VIS	**-**	200,115
Dubai Islamic Bank	A1+	AA	JCR-VIS	**2,579,255,272**	4,404,135
Abu Dhabi Islamic Bank	F1	A+	Fitch Ratings	**332,922,410**	51,256,641
Allied Bank Limited	A1+	AAA	PACRA	**4,161,589**	4,939,783
HSBC Bank Middle East Limited	F1+	A+	Fitch Ratings	**1,067,640**	-
United Overseas Bank Limited	F1+	AA-	Fitch Ratings	**535,004,833**	-
National Bank of Kuwait	F1	A+	Fitch Ratings	**16,420,107**	-
				13,354,145,942	7,730,408,347
TDRs					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**77,382,800**	177,382,800
Habib Bank Limited	A1+	AAA	JCR-VIS	**415,075,649**	-
Commercial International Bank	F1+	AA	Fitch Ratings	**56,881,110**	-
				549,339,559	177,382,800

The expected loss rates of trade debts are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the consumer price index of the countries in which it sells its services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

49.2.1

	Local private customers			Local government customers			Export customers			Total	
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Trade debts	Loss allowance
	%	Rupees		%	Rupees		%	Rupees		Rupees	
December 31, 2025											
Not Past Due	0.44%	924,065,980	4,044,029	5.02%	183,715,308	9,214,037	0.19%	12,946,037,355	24,635,459	14,053,818,643	37,893,525
Past due 0-90 days	3.89%	86,342,429	3,355,861	17.17%	30,048,518	5,159,199	1.42%	1,595,644,878	22,632,015	1,712,035,825	31,918,438
Past due 91-180 days	13.30%	21,778,723	2,897,059	0.00%	-	-	9.75%	267,251,513	26,054,115	289,030,236	28,951,174
Past due 181-270 days	32.27%	14,705,937	4,745,901	0.00%	-	-	7.14%	243,245,509	17,377,531	257,951,446	22,123,432
Past due 271-360 days	98.14%	2,175,408	2,135,020	86.83%	20,344,162	17,665,523	30.12%	62,886,838	18,941,900	85,406,408	38,742,443
Past due 361 days and above	100.00%	16,845,744	16,845,744	100.00%	947,277	947,277	100.00%	109,197,720	109,197,719	126,990,741	126,990,740
		1,065,914,221	34,023,614		235,055,265	32,986,036		15,224,263,813	218,838,739	16,525,233,299	286,619,752
Financial institutions [1]		772,772,069	57,406,988		-	-		634,071,676	12,245,878	1,406,843,745	69,652,866
Gross trade debts		1,838,686,290	91,430,602		235,055,265	32,986,036		15,858,335,489	231,084,617	17,932,077,044	356,272,618

	Local private customers			Local government customers			Export customers			Total	
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance	Trade debts	Loss allowance
	%	Rupees		%	Rupees		%	Rupees		Rupees	
December 31, 2024											
Not Past Due	2.32%	851,007,369	19,728,052	7.07%	232,124,374	16,420,608	0.32%	11,477,660,003	37,101,979	12,560,791,746	73,250,639
Past due 0-90 days	11.97%	51,363,821	6,147,250	21.18%	42,113,604	8,921,103	4.93%	1,770,616,782	87,343,020	1,864,094,207	102,411,373
Past due 91-180 days	31.59%	15,375,590	4,857,271	38.50%	31,493,717	12,124,901	8.05%	273,416,480	22,015,498	320,285,787	38,997,670
Past due 181-270 days	72.40%	31,085,747	22,505,571	70.06%	7,444,613	5,215,609	3.13%	125,336,075	3,925,927	163,866,435	31,647,107
Past due 271-360 days	91.20%	26,359,555	24,039,328	98.02%	19,410,311	19,025,192	7.08%	40,207,881	2,845,992	85,977,747	45,910,512
Past due 361 days and above	100.00%	54,535,374	54,535,374	100.00%	25,291,425	25,291,425	58.49%	97,952,961	57,297,496	177,779,760	137,124,295
		1,029,727,456	131,812,846		357,878,044	86,998,838		13,785,190,182	210,529,912	15,172,795,682	429,341,596
Financial institutions [1]		1,774,555,247	72,538,944		-	-		1,204,616,329	79,569,851	2,979,171,576	152,108,795
Gross trade debts		2,804,282,703	204,351,790		357,878,044	86,998,838		14,989,806,511	290,099,763	18,151,967,258	581,450,391

[1] For financial institutions, ECL has been computed on the basis of their credit ratings issued by external credit rating agencies.

The Group has applied the IFRS's simplified approach and has calculated ECLs based on lifetime expected credit losses except for cases otherwise disclosed. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

49.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The following are the contractual maturities of financial liabilities:

The following are the contractual maturities of financial liabilities as at 31 December 2025:

	Carrying amount	Contractual cash flows	Less than one year	One to five years	More than five years
	Rupees				
Lease Liabilities	1,308,045,277	2,163,697,887	436,373,509	1,448,830,006	278,494,372
Unclaimed Dividend	37,698,807	37,698,807	37,698,807	-	-
Short term borrowings from financial institutions - secured	5,937,545,829	5,937,545,829	5,937,545,829	-	-
Mark-up accrued on short term borrowings - secured	18,456,225	18,456,225	18,456,225	-	-
Other long term payable	1,186,654,330	1,186,654,330	758,348,886	428,305,444	-
Trade and other payables	8,878,495,638	8,878,495,638	8,878,495,638	-	-
	17,366,896,106	18,222,548,716	16,066,918,894	1,877,135,450	278,494,372

The following are the contractual maturities of financial liabilities as at 31 December 2024:

	Carrying amount	Contractual cash flows	Less than one year	One to five years	More than five years
	Rupees				
Lease Liabilities	518,845,818	563,367,070	235,495,069	327,872,001	-
Unclaimed Dividend	30,322,411	30,322,411	30,322,411	-	-
Short term borrowings from financial institutions - secured	2,675,152,048	2,675,152,048	2,675,152,048	-	-
Mark-up accrued on short term borrowings - secured	9,395,836	9,395,836	9,395,836	-	-
Derivative financial instruments	1,461,010	1,461,010	1,461,010	-	-
Other long term payable	1,903,507,615	2,866,540,636	912,128,579	1,954,412,057	-
Trade and other payables	7,313,545,276	7,313,545,276	7,313,545,276	-	-
	12,452,230,014	13,459,784,287	11,177,500,229	2,282,284,058	-

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	2025	2024
		Rupees	
Interest free loans to employees		**836,206,517**	859,804,039
Contract Assets		**13,979,755,610**	9,453,109,283
Trade debts		**17,575,804,426**	17,570,516,867
Trade deposits		**2,069,929,404**	1,051,409,756
Loans to related parties		**316,448,700**	227,556,284
Other receivables		**940,741,189**	56,707,591
Short term investment		**549,339,559**	177,382,800
Bank balances		**13,354,145,942**	7,730,408,347
		49,622,371,347	37,126,894,967
The aging of trade debts at the reporting date is:			
Not Past Due		**15,243,026,901**	14,684,500,616
Past due 0-90 days		**1,792,643,984**	2,120,106,405
Past due 91-180 days		**353,901,781**	423,768,283
Past due 181-270 days		**258,679,225**	358,300,845
Past due 271-360 days		**133,201,732**	165,559,939
Past due 361 days and above		**150,623,421**	399,731,170
	(17)	**17,932,077,044**	18,151,967,258

The aging of contract assets - secured at the reporting date is:

	Note	2025	2024
		Rupees	
Unbilled revenue			
0 - 90 days		**7,814,974,529**	6,067,091,278
91 - 180 days		**1,849,262,078**	903,261,410
181 - 270 days		**1,115,559,606**	1,029,447,066
271 - 365 days		**580,633,132**	321,879,392
One year and above		**941,244,352**	766,644,831
	(16.1)	**12,301,673,697**	9,088,323,977

As at year end, 33.35% of revenue (2024: 32.03%) was represented by two customer (2024: two customer) amounting to Rs 26,813.32 million (2024: Rs 21,614.14 million). The management believes that the Group is not exposed to customer concentration risk as one of the major customers representing 15.93% of the Group revenue is a related party.

49.4 Fair values of financial assets and liabilities

Fair value of available-for-sale financial assets is derived from quoted market prices in active markets, if available.

The carrying values of other financial assets and financial liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

49.5 Financial instruments by categories

	2025		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
Assets as per statement of financial position	Rupees		
Long term receivable	-	672,398,147	672,398,147
Interest free loans to employees	-	836,206,517	836,206,517
Contract Assets	-	13,979,755,610	13,979,755,610
Trade debts	-	17,575,804,426	17,575,804,426
Loans to related parties	-	316,448,700	316,448,700
Other receivables	-	940,741,189	940,741,189
Security deposits	-	1,414,719,647	1,414,719,647
Short term investments	4,892,325,673	549,339,559	5,441,665,232
Derivative financial instruments	10,986,607	-	10,986,607
Cash and bank balances	-	13,504,721,300	13,504,721,300
Long term deposits	-	655,209,757	655,209,757
Trade deposits and prepayments	-	2,287,618,430	2,287,618,430
	4,903,312,280	52,732,963,282	57,636,275,562

	2024		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
Assets as per statement of financial position	Rupees		
Long term receivable	-	931,928,616	931,928,616
Interest free loans to employees	-	859,804,039	859,804,039
Contract Assets	-	9,453,109,283	9,453,109,283
Trade debts	-	17,570,516,867	17,570,516,867
Loans to related parties	-	279,896,630	279,896,630
Other receivables	-	56,707,591	56,707,591
Security deposits	-	565,825,309	565,825,309
Interest accrued	-	-	-
Short term investments	2,764,394,367	177,382,800	2,941,777,167
Cash and bank balances	-	7,820,717,667	7,820,717,667
Long term deposits	-	485,584,447	485,584,447
Trade deposits and prepayments	-	1,443,037,626	1,443,037,626
	2,764,394,367	39,644,510,875	42,408,905,242

	2025 Financial liabilities at amortized cost	2024 Financial liabilities at amortized cost
Liabilities as per statement of financial position		
Lease liabilities	1,308,045,277	518,845,818
Other long term liability - unsecured	1,186,654,330	1,903,507,615
Mark-up accrued on short term borrowings	18,456,225	9,395,836
Short term borrowings	5,956,002,054	2,684,547,884
Unclaimed Dividend	37,698,807	30,322,411
Trade and other payables	8,878,495,638	7,313,545,276
Long term advances	6,302,660	14,754,443
	17,391,654,991	12,474,919,283

49.6 Fair value hierarchy

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values. The table below analyses financial instruments carried at fair value by valuation method. The different level have been defined as follows:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	Fair value measurement using			
	"Quoted price in active market (Level 1)"	"Significant observable inputs (Level 2)"	"Significant unobservable inputs (Level 3)"	Total
	Rupees			
As at 31 December 2025				
Fair value through other comprehensive income				
- Long term investments	-	-	17,375,405	17,375,405
Fair value through profit and loss				
- Mutual Fund units	4,892,325,673	-	-	4,892,325,673
- Derivative financial instruments	-	10,986,607	-	10,986,607
	4,892,325,673	10,986,607	17,375,405	4,920,687,685
As at 31 December 2024				
Fair value through profit and loss				
			-	
- Mutual Fund units	2,764,394,367	-	-	2,764,394,367
- Derivative financial instruments	-	1,461,010	-	1,461,010
	2,764,394,367	1,461,010		2,765,855,377

There were no transfers between Level 1, Level 2 and Level 3 during 2025 and 2024.

Refer note 8.4 for disclosure of assumptions and inputs used in the valuation of level 3 financial instruments

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. A change of 1% in value arrived at reporting date would have no effect on the profit or loss.

49.7 Capital risk management

The Group's policy is to safeguard the Group's ability to remain as a going concern and ensure a strong capital base in order to maintain investors', creditors' and market's confidence and to sustain future development of the business. The Board of Directors monitors the returns on capital, which the group defines as net operating income divided by total shareholders' equity. The Group's objectives when managing is:

1. to safeguard the group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

2. to provide an adequate return to shareholders by pricing products.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

Consistent with the industry norms, the Group monitors its capital on the basis of gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the balance sheet less cash and cash equivalent. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt (as defined above).

The debt - to- equity ratio as to 31 December is as follows

	2025	2024
	Rupees	
Lease Liabilities	**1,308,045,277**	518,845,818
Other long term liability - unsecured	**1,186,654,330**	2,622,148,720
Trade and other payables	**8,878,495,638**	7,313,545,276
Short term borrowings from financial institutions - secured	**5,956,002,054**	2,675,152,048
Mark-up accrued on short term borrowings - secured	**18,456,225**	9,395,836
Less: Cash and cash equivalents	**(9,802,742,972)**	(5,513,595,454)
Net debt	**7,544,910,552**	7,625,492,244
Total capital	**48,578,822,517**	38,730,665,656
Capital and net debt	**56,123,733,069**	46,356,157,900
Capital gearing ratio	**13.44%**	16.45%

In accordance with the terms of agreement with the lenders of short term borrowing facilities (as disclosed in note 30 to these consolidated financial statements), the Group is required to comply with financial covenants. The Group has complied with these covenants throughout the reporting period.

50. Shariah screening disclosure

	2025		2024	
	Rupees			
	Conventional	Shariah compliant	Conventional	Shariah compliant
Short term borrowings - secured	**3,921,802,811**	**2,034,199,243**	1,575,410,884	1,099,741,164
Short term investments	**471,956,759**	**4,969,708,473**	-	2,941,777,167
Cash and bank balances	**7,758,559,525**	**5,595,586,417**	5,866,315,948	1,864,092,399
Mark-up paid	**3,920,572**	**42,303,101**	71,858,312	78,369,398
Revenue from contracts with customers - net	**-**	**80,391,884,594**	-	67,473,021,160
Other income				
- Profit on deposit accounts	**21,193,715**	**63,402,393**	88,464,629	26,577,975
- Profit on term deposit receipts and sukuks	**28,196,336**	**11,451,677**	1,890,592	42,593,263
- Income on mutual funds	**-**	**205,458,464**	-	220,787,150
- Gain on derivates financial instruments	**-**	**12,447,617**	4,158,084	15,326,054
- Exchange gain / (loss)	**-**	**271,117,027**	-	(264,477,256)
- Gain on disposal of property and equipment	**-**	**30,137,197**	-	11,958,618
- Interest income from related parties	**29,282,653**	**-**	44,991,852	-
- Liabilities written back	**-**	**25,803,324**	-	289,659,309
- Others		**80,398,376**	-	49,893,147
- Mark-up on short term borrowings	**1,475,135**	**47,155,540**	59,303,314	78,369,398

Relationship with Shariah–compliant financial institutions

The Group has relationships with banks, having Islamic window of operations, in respect of bank balances amounting to Rs 5,821.07 million (2024:Rs 1,864.09 million) and availed borrowing facilities amounting to Rs 2,034.19 million (2024: Rs 1,099.74 million). The Group also has relationships with Shariah compliant financial institutions, Asset Management Companies (AMCs), in respect of investment in mutual funds amounting to Rs 4,969.7 million (2024: Rs 2,941.77 million).

51. Number of employees

	2025	2024
	Rupees	
Total number of employees at the end of the year were as follows:		
Regular	**7,249**	6,632
Contractual	**1,022**	1,335
	8,271	7,967
Average number of employees during the year were as follows:		
Regular	**6,967**	6,176
Contractual	**1,194**	1,474
	8,161	7,650

52. Subsequent events

Subsequent events after the reporting date other than those mentioned else where in these financial statements are as follows:

52.1 The Board of Directors of the Company, in its meeting held on December 5, 2025, approved a proposal for the acquisition of Confiz Limited through a Scheme of Amalgamation under the applicable provisions of the Companies Act, 2017. The proposed transaction is to be effected through a share swap arrangement, whereby shareholders of the target company will be issued ordinary shares of the Company in accordance with the share exchange ratio specified in the approved scheme.

Pursuant to the said proposal, the Company obtained an initial order from the Honorable Court on January 26, 2026 directing the convening of a meeting of shareholders to consider and approve the proposed Scheme of Amalgamation. Accordingly, an Extraordinary General Meeting (EOGM) of the shareholders was held on February 27, 2026, in which the Scheme of Amalgamation was approved by the requisite majority.

As per the approved Scheme of Amalgamation, upon the scheme becoming effective and subject to final sanction of the Honorable Court which is still pending and completion of other regulatory formalities, all assets, liabilities and obligations of Confiz shall stand merged with, transferred to, vested in and be assumed by the Company from January 1, 2026, following which the Company will continue as the surviving entity.

As the shareholder approval and related court proceedings occurred after December 31, 2025 and do not provide evidence of conditions that existed at the reporting date, the proposed amalgamation represents a non-adjusting event after the reporting period in accordance with IAS 10. Accordingly, no adjustment has been made in these financial statements.

52.2 The Board of Directors in their meeting held on April 6, 2026 have proposed a final cash dividend for the year ended December 31, 2025 of Rs 2 (2024: Rs 6 pre split) per share for approval of the members at the Annual General Meeting to be held on May 11, 2026. These financial statements for the year ended December 31, 2025 do not include the effect of this appropriation.

53. Date of authorization for issue

These consolidated financial statements were authorized for issue on April 6, 2026 by the Board of Directors of the Holding Company.

54. Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant re-arrangement / reclassifications have been made in these consolidated financial statements except for

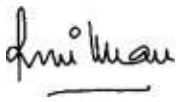
- Accrued markup on borrowings previously shown as a separate line item on the face of statement of financial position is now classified within "Short term borrowings from financial institutions - secured" 9,395,836
- Unwinding of discount on employee loans previously included in "Other Income" is now classified to "Salaries, allowances and amenities" within cost of sales where amortization of deferred employee benefits is recognized as follows:
  Cost of revenue 122,019,708
- Withholding income tax payable previously net off in "Income tax refunds due from the government" 'is now classified to "Withholding income tax payable" under "Trade and other payables" 96,571,971

55. General

Figures have been rounded off to the nearest of rupees, unless otherwise stated.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

Form of Proxy
49th Annual General Meeting

I/We _____ son / daughter of Mr._____ a member of Systems Limited (the "Company") and holder of _____ number of shares as per registered folio no. _____ do hereby appoint Mr. / Ms. _____ son / daughter of Mr._____ or failing him / her Mr. / Ms. _____ son / daughter of Mr. _____ who is also a member of the Company vide registered folio no. _____ as my / our proxy to attend, speak and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on May 11th, 2026 at 11:00 a.m. at Head Office of the company and at any adjournments thereof.

IN WITNESS WHEREOF signed on this the ____ day of _____ 2026

Affix Revenue Stamp

_____

Member's Name:

WITNESSES:

1 _____

Name:
Address:
CNIC

2 _____

Name:
Address:
CNIC

NOTES

1. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote his/her behalf. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.

2. The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in writing. If a member is a corporation, its common seal should be affixed to the instrument

Affix
Correct
Postage

The Company Secretary

Systems Limited

E-1, Sehjpal Near DHA Phase-VIII
(Ex-Air Avenue), Lahore Cantt.

systems

Pakistan

Lahore (Head Office)

E-1, Sehjpal Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt, 54700

Lahore (BPO Office)

Commercial building
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DHA Lahore Cantt

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Karachi

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Islamabad

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Sector A DHA Phase II, Islamabad

Islamabad

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