

AVANCEON

Tomorrow's solutions, today.

Quarterly Report March 31, 2025



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Company Information

Directors

Khalid Hamid Wain	Director / Chairman
Bakhtiar Hameed Wain	Director / Chief Executive Officer
Tanveer Karamat	Director
Amir Wain	Director
Faaria Rehman Salahuddin	Director
Omer Iqbal Khan	Director
Selina Saadia Rashid Khan	Director
Ahsan Khalil (ACA-PPFA)	Chief Financial Officer / Company Secretary

Audit Committee

Faaria Rehman Salahuddin	Chairman
Amir Wain	Member
Khalid Hamid Wain	Member

Human Resource & Remuneration Committee

Faaria Rehman Salahuddin	Chairman
Selina Saadia Rashid Khan	Member
Khalid Hamid Wain	Member

Auditors

Crowe Hussain Chaudhury
& Co Chartered Accountants

Legal Advisor

Chima & Ibrahim
Advocates & council

Web Presence

www.avanceon.ae | www.avanceon.com

www.avanceon.qa | www.octopusdtl.com

Bankers

Faysal Bank Limited, Pakistan
 Habib Bank Limited, Pakistan & United Arab Emirates
 National Bank of Fujairah, United Arab Emirates
 Habib Bank AGA, Zurich, United Arab Emirates Bank of
 Singapore, United Arab Emirates
 MCB Bank Limited, Pakistan
 United Bank Limited, Pakistan & United Arab Emirates
 National Bank of Pakistan Limited, Pakistan Standard
 Chartered Bank Limited, Pakistan
 JS Bank Limited, Pakistan

Qatar International Islamic Bank QIIB,
 Qatar Islamic Bank QIB, Qatar

Share Registrar

FAMCO Share Registration Services (Pvt) Limited
 8-F, Near to Hotel Faran,
 Nursery, Block-6, P.E.C.H.S,
 Shahra-e-Faisal, Karachi.
 Phone: +92 (21) 3438 0101-5
 Fax No: +92 (21) 3438 0106
www.famco.com.pk

Registered Office

The Avanceon Building
 19-KM, Main Multan Road,
 Lahore 54660, Punjab, Pakistan
 Phone: +92 (42) 111 940 940
 Fax No: +92 (42) 375 151 28
 Email: support@avanceon.ae

Regional Headquarters – South Asia

Lahore, Punjab, Pakistan

The Avanceon Building

19-KM , Main Multan Road, Lahore,

54660 Punjab, Pakistan

Phone: +92 (42) 111 940 940

Email: marketing@avanceon.ae

Karachi, Sindh, Pakistan

MA Tabba Foundation Building,

First Floor, Gizri Road Block 9,

Clifton Karachi, Sindh 75600

Phone: +92 (21) 111 940 940

Email: support.sea@avanceon.ae

Islamabad, Pakistan

Manzoor Plaza (The Hive Building),

First Floor, Plot 14-E Fazal-e-Haq Road,

G-6/2, Blue Area, Islamabad 44000

Phone: +92 51 573 3031

Email: marketing@avanceon.ae

Phone: +92 51 573 3031

Regional Headquarters – Middle East

Avanceon FZE – Dubai, UAE

FZS1 BD04 JAFZA P.O. Box 18590

Dubai, United Arab Emirates

Phone: +971 4 88 60 277

Email: marketing@avanceon.ae

Abu Dhabi, UAE

In Partnership with Ali & Sons

Ali & Sons Bldg., Zayed 2nd Street

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Abu Dhabi, U.A.E.

Phone: +971 4 88 60 277

Email: support.me@avanceon.ae

Doha, Qatar

Avanceon Automation Control WLL

Office No. 12, M Floor, Al-Jaber Engg.

HO Building, P.O. Box 15976, Fox Hills,

Lusail, Doha, Qatar.

Phone: +974 4040 9835

Email: marketing@avanceon.ae

Jeddah, Saudia Arabia

Jeddah, Saudia Arabia

Kuwait St. Faisaliyah District

P.O. Box 1298

Jeddah, KSA.

Phone: +966-12-6912204 x 127

Email: marketing@avanceon.ae

Riyadh, Saudia Arabia

Avanceon Saudi for Energy Company

3141 Anas Ibn Malik-Al Malqa Dist.

Unit no. 718, Riyadh 13521 – 8292

Kingdom of Saudi Arabia

Phone: +966-5674 16724

Email: marketing@avanceon.ae

Interim Director's Report

Directors of Avanceon Limited (the "Company") are pleased to present the Directors' Report for the three months ended March 31, 2025.

		For the first quarter ended	
		Mar. 31, 2025	Mar. 31, 2024
		----- (Rupees in '000) -----	
OPERATING RESULTS (CONSOLIDATED)			
	Revenues	2,520,851	1,973,544
	Profit before tax	284,586	39,431
	Provision for taxation	(12,956)	(28,859)
	Profit after taxation	271,631	10,571
OPERATING RESULTS (STANDALONE)			
	Revenues	423,099	532,516
	Profit before tax	55,713	88,306
	Provision for taxation	(11,032)	(17,908)
	Profit after taxation	44,681	70,398

EARNINGS PER SHARE (CONSOLIDATED) FOR THE FIRST QUARTER ENDED March 31, 2025

The basic earnings per share after tax is Rs. 0.64 (2024: Rs. (0.05) - restated)

EARNINGS PER SHARE (STANDALONE) FOR THE FIRST QUARTER ENDED March 31, 2025

The basic earnings per share after tax is Rs. 0.11 (2024: Rs. 0.17 - restated)

We are pleased to report that the company's (Consolidated & Standalone) first quarter ending March 31, 2025 results with the shareholders.

Avanceon Limited:

The company's revenues locked at PKR 423 million, marking a slight decrease over the same three-month period of the previous year. This has mainly been the reason of spike orders that struck the first Quarter 2024 with a relatively high number and margin. Moreover the first Quarter 2025 activity remained a little low due to our few backlog orders started with a delay attributable to approval from clients and establishment of L/C, this will have a major impact in QTR-2 2025. On a wider schema of things revenue streams seams have strengthened, and the company anticipates exceeding its year-end target for December 2025.

Fixed costs experienced a slight increase, largely driven by annual appraisal adjustments and inflationary pressures, however it remained within the planned target, reflecting our cost management and rigorous

performance monitoring practices.

Moreover, the company incurred an exchange gain of PKR 44 million in Q1-2025, compared to an exchange loss of PKR 28 million in Q1-2024. This shift is attributed to the relative instability of the PKR against the USD during the reporting period.

Considering the opening backlog of orders and new orders closing in to the tune of USD 3.1m in Pakistan compliments with a healthy pipeline of orders, the company anticipates closing the year 2025 with a strong bottom line and Profit After Tax (PAT), contributing to enhanced shareholder value and overall stakeholder wealth.

Avanceon Group:

The company's revenues at group level locked at PKR 2.5 billion, marking a 28% increase over the same three-month period of the previous year, Gross margins also increased significantly, recorded at 39%. In reviewing the financial performance of the group for Q1-2025, overall revenues improved significantly expectations, primarily due to the timing of revenue recognition on certain projects within our Middle Eastern entities. However, we are confident in realigning these projects to support target revenues in the upcoming reporting periods.

Group gross margins remained stable in comparison to Q1-2024, while fixed costs experienced a moderate increase, largely driven by annual appraisal adjustments and inflationary pressures.

Moreover, the group recorded an exchange loss of PKR 15 million in Q1-2025, in contrast to an exchange loss of PKR 28 million in Q1-2024. This shift is due to the relative instability of the PKR against the USD during the reporting period.

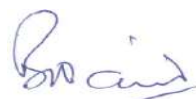
With our start of the year 2025 with a backlog of USD 75m and Qtr-1 order gen locking in at US\$ 9.7m for the group with provides a solid foundation to achieve our year-end revenue targets in alignment with our 'Road to 100' plan. This strong pipeline positions the company for continued growth in the upcoming periods.

COMMUNICATION

Communication with the shareholders is given a high priority. Financial reports are shared with shareholders within the time specified in the current Companies Ordinance. The Company also has a website, www.avanceon.ae, which contains up to date information on Company's activities and financial reports.

for and on behalf of the BOARD OF DIRECTORS

April, 30 2025
Lahore, Pakistan



BAKHTIAR HAMEED WAIN
Chief Executive Officer



TANVEER KARAMAT

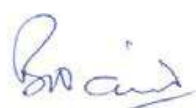
Director

Avanceon Limited
**Condensed Standalone
Interim Financial Statements**
for the first quarter ended March 31, 2025

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Mar. 31, 2025	Dec 31, 2024		Mar. 31, 2025	Dec 31, 2024
Note	(Rupees in '000)			(Rupees in '000)	
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON CURRENT ASSETS		
Authorised capital			Property and equipment	648,387	668,446
500,000,000 (2024: 500,000,000)			Work in progress	174,480	89,640
ordinary shares of Rs 10 each	5,000,000	5,000,000	Intangible Assets		
			Long term investments	1,351,795	1,351,795
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			Deposit for Long term investments	4,242,668	4,212,078
417,571,424 (2024: 415,022,831)			Long term loans and deposits	9,127	5,505
ordinary shares of Rs 10 each	4,175,714	4,150,228		6,426,456	6,327,464
CAPITAL RESERVES					
Share Premium	508,910	508,910			
Employees' share compensation reserve	370,740	370,740			
Surplus on revaluation of property, plant & equipment	327,620	328,199			
	1,207,271	1,207,849			
REVENUE RESERVES					
Un-appropriated profit	2,568,557	2,523,297			
	7,951,541	7,881,374			
NON CURRENT LIABILITIES					
Long term diminishing musharaka	82,527	99,573			
CURRENT LIABILITIES			CURRENT ASSETS		
Current portion of long term diminishing musharaka	53,748	53,748	Stock in trade	124,086	100,907
Finances under mark up arrangements			Trade debts	2,628,601	2,606,195
and other credit facilities - secured	666,580	532,486	Advances, deposits, prepayments		
Contract Liabilities	226,030	119,369	and other receivables	1,366,785	1,302,084
Unclaimed / Unpaid Dividend	149,018	149,239	Contract Assets	408,229	580,728
Creditors, accrued and other liabilities	1,795,937	2,016,392	Short term Investments		
Provision for taxation	87,817	84,548	Cash and bank balances	59,042	19,351
	2,979,130	2,955,781		4,586,743	4,609,265
CONTINGENCIES AND COMMITMENTS					
	11,013,199	10,936,729		11,013,199	10,936,729

The annexed notes from 1 to 8 form an integral part of these condensed financial statements.


Chief Executive Officer

Bakhtiar Hameed Wain


Chief Financial Officer

Ahsan Khalil

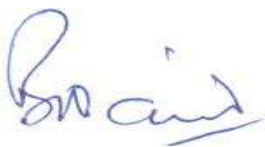

Director

Tanveer Karamat

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	Note	for the first quarter ended	
		Mar. 31, 2025	Mar. 31, 2024
(Rupees in '000)			
Revenues		423,099	532,516
Cost of revenue		(284,576)	(290,307)
Gross profit / (Loss)		138,523	242,208
Administrative and selling expenses		(90,378)	(90,027)
Other charges	4	(2,167)	(30,140)
Other income	5	44,576	731
		(47,969)	(119,437)
Profit / (Loss) from operations		90,554	122,772
Finance costs		(34,842)	(34,466)
Profit / (Loss) before tax		55,713	88,306
Taxation		(11,032)	(17,908)
Profit / (Loss) for the period		44,681	70,398
			Restated
Earnings/(Loss) per share - basic		0.11	0.17
Earnings/(Loss) per share - diluted		0.10	0.16

The annexed notes from 1 to 8 form an integral part of these condensed financial statements.



Chief Executive Officer

Bakhtiar Hameed Wain



Chief Financial Officer

Ahsan Khalil




Director

Tanveer Karamat

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	for the first quarter ended	
	Mar. 31, 2025	Mar. 31, 2024
	(Rupees in '000)	
Profit / (loss) for the period	44,681	70,398
Other comprehensive income		
Total comprehensive income / (loss) for the period	44,681	70,398

The annexed notes from 1 to 8 form an integral part of these condensed financial statements.



Chief Executive Officer

Bakhtiar Hameed Wain



Chief Financial Officer

Ahsan Khalil



Director

Tanveer Karamat

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

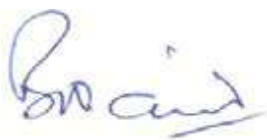
	Mar. 31, 2025	Mar. 31, 2024
	(Rupees in '000)	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit/(loss) before tax	55,713	88,306
Adjustments for:		
Depreciation on property and equipment	25,755	32,379
Unrealised exchange (gain) / loss	(44,209)	28,615
Finance cost	34,842	34,466
Loss on bank deposits	139	(12)
	16,526	95,448
Profit before working capital changes	72,239	183,754
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
- Stock in trade	(23,178)	(24,255)
- Trade debts	(8,788)	(64,837)
- Contract Assets	172,499	204,742
- Advances, deposits, prepayments and other receivables	(64,700)	(24,450)
Increase / (decrease) in current liabilities		
- Creditors, accrued and other liabilities	(193,651)	(68,095)
- Contract Liabilities	106,661	(84,862)
	(11,158)	(61,758)
Cash generated from operations	61,081	121,996
Finance cost paid	(36,159)	(46,120)
Income Taxes paid	(7,763)	(56,113)
Net cash generated from operating activities	(43,922)	(102,233)

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

Continued...

Net cash generated from operating activities	(43,922)	(102,233)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	(5,696)	(1,228)
Additions in intangible assets - Capital work in progress	(84,840)	
Paid against short-term investment		(2)
Loss on bank deposits	(139)	12
Net change in long term advances and deposits	(3,621)	(150)
Net cash generated from / (used in) investing activities	(94,296)	(1,367)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Finances under mark-up arrangements and other credit facility obtained	134,094	3,216
Dividend paid	(220)	(10)
Repayment of diminishing musharka	(17,045)	(14,034)
Net cash used in financing activities	116,828	(10,828)
Net increase/(decrease) in cash and cash equivalents	39,691	7,567
Cash and cash equivalents at the beginning of period	19,351	84,586
Cash and cash equivalents at the end of period	59,042	92,154

The annexed notes from 1 to 8 form an integral part of these condensed financial statements.


Chief Executive Officer

Bakhtiar Hameed Wain


Chief Financial Officer

Ahsan Khalil

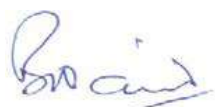

Director

Tanveer Karamat

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	CAPITAL RESERVES				REVENUE	TOTAL
	Share Capital	Share Premium	Employees' Share Compensatio	Surplus on Revaluation of Property &	Un-appropriated profit / (loss)	
						(Rupees in '000)
Balance as on January 01, 2024	3,762,978	451,420	168,683	330,636	3,113,645	7,827,362
Profit for the period					539,096	539,096
Other comprehensive income				(2,437)	2,437	
				(2,437)	541,533	539,096
Issuance of shares against ESOS	9,956	57,490	(57,375)			10,071
20% dividend for the period ended December 31, 2023					(754,587)	(754,587)
Employee share option reserve			259,433			259,433
10% bonus share issue for the period ended December 31, 2023	377,294				(377,294)	
	387,250	57,490	202,057		(1,131,881)	(485,084)
Balance as on December 31, 2024	4,150,228	508,910	370,740	328,199	2,523,297	7,881,374
Profit for the period					44,681	44,681
Transfer from revaluation surplus on account of incremental dep.				(579)	579	
				(579)	45,260	44,681
Issuance of shares against ESOS	25,486					25,486
20% dividend for the period ended December 31, 2023						
Employee share option reserve						
10% bonus share issue for the period ended December 31, 2023						
	25,486					25,486
Balance as on March 31, 2025	4,175,714	508,910	370,740	327,620	2,568,557	7,951,541

The annexed notes from 1 to 8 form an integral part of these condensed financial statements.



Chief Executive Officer

Bakhtiar Hameed Wain



Chief Financial Officer

Ahsan Khalil



Director

Tanveer Karamat

AVANCEON LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED MARCH 31, 2025

1 Legal Status and Nature of Business

1.1 Avanceon Limited (the Company) was incorporated in Pakistan on March 26, 2003 as a private limited Company which was converted to a public Company on March 31, 2008 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to provide industrial automation, process control and systems integration solutions to trade in products of automation and control equipment and provide related

1.2 The Company is domiciled in Pakistan and its registered office is situated at 19 KM, Multan Road, Lahore 54500. Following are the business units of the Company along with their respective locations:

BUSINESS UNIT	LOCATION
Head office	The Avanceon Building, 19 KM, Multan Road, Lahore 54500.
REGIONAL OFFICES	
Karachi	MA Tabba Foundation Building, First Floor, Gizri Road Block 9 Clifton Karachi, Sindh 75600.
Islamabad	Manzoor Plaza (The Hive Building), First Floor, Plot 14-E Fazal-e-Haq Road, G-6/2, Blue Area, Islamabad 44000.

1.3 These are the unconsolidated financial statements of the Company in which investments in subsidiaries have been carried at cost, consolidated financial statements have been presented separately.

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. The accounting and reporting standards applicable in Pakistan comprise of :

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except for freehold land and building on freehold land which are stated at revalued amounts.

3 Changes in Accounting Standards, Interpretations and Pronouncements

3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

The following standards, amendments, and interpretations are effective for the year ended December 31, 2024. These standards, amendments and interpretations are either irrelevant to the Company's operations or are not expected to significantly impact the Company's financial statements other than certain additional

Standard or Interpretation		Effective Date - Annual Periods
		Beginning on or After
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7	Amendments to IAS 7 "Statement of Cash Flows"	January 1, 2024
IFRS 7	Amendments to IFRS 7 "Financial Instruments Disclosures"- Supplier Finance Arrangements	January 1, 2024
IFRS 16	Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation		Effective Date - Annual Periods
		Beginning on or
IAS 21	Amendments to lack of exchangeability	January 01, 2025
IFRS 7 & 9	Amendments to Classification and Measurement of Financial	January 01, 2026
IFRS 7 & 9	Contracts referencing Nature-dependent Electricity	January 01, 2026
IFRS 1, 7, 9, 10 and IAS 7	Annual Improvements to IFRS Accounting Standards	January 01, 2026

3.3 Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by the Securities and Exchange Commission of Pakistan (SECP) as at December 31, 2024:

IFRS 1	First Time Adoption of IFRS
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	IFRS 19 'Subsidiaries Without Public Accountability: Disclosures'
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-Related Disclosures

4 Other Charges

	for the first quarter ended	
	Mar. 31, 2025	Mar. 31, 2024
	(Rupees in '000)	
Donations	2,029	1,525
Loss on bank deposit	139	
Exchange Loss		28,615
	2,167	30,140
5 Other Income		
Income on bank deposits		12
Exchange gain	44,209	
Others	366	718
	44,576	731

6 Contingencies And Commitments

6 Contingencies

(i) There are no contingencies to report as at March 31, 2025 (2023: Nil)

6 Commitments

(i) Bank guarantees issued amounting to Rs. 102.35 million (2024: Rs. 150.21 million) against the

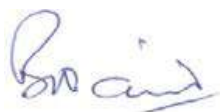
(ii) Letters of credit includes Rs.85.34 million (2024: 105.56 million) which relates to import acceptance bills.

7 Date Of Authorization For Issue

The condensed interim consolidated financial information was authorised for issue on _30th April 2025_ by the Board of Directors of the Holding Company.

8 General

Figures have been rounded off to the nearest thousand rupees.



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



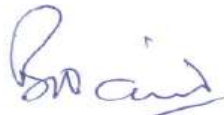
Director
Tanveer Karamat

Avanceon Limited
**Condensed Consolidated
Interim Financial Statements**
for the first quarter ended March 31, 2025


AVANCEON GROUP
CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	Note	for the first quarter ended	
		Mar. 31, 2025	Mar. 31, 2024
(Rupees in '000)			
Revenues		2,520,851	1,973,544
Cost of revenue		(1,542,895)	(1,277,243)
Gross Profit / (Loss)		977,956	696,301
Administrative and selling expenses		(560,564)	(500,497)
Other expenses	3	(2,203)	(37,874)
Other income	4	16,088	2,251
		(546,680)	(536,120)
Profit / (Loss) from operations		431,276	160,182
Finance costs		(146,690)	(120,751)
Profit / (Loss) before tax		284,586	39,431
Taxation		(12,956)	(28,859)
Profit / (Loss) for the period		271,631	10,571
Attributable to:			
Equity holders of the Holding Company		266,818	(19,186)
Non-Controlling Interest		4,813	29,757
		271,631	10,571
Combined earnings per share			Restated
Basic		0.64	(0.05)
Diluted		0.62	(0.04)

The annexed notes 1 to 8 form an integral part of these consolidated condensed financial statements.



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil

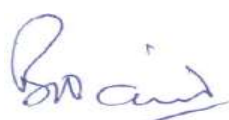


Director
Tanveer Karamat


AVANCEON GROUP
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	for the first quarter ended	
	Mar. 31, 2025	Mar. 31, 2024
	(Rupees in '000)	
Profit / (Loss) for the period	271,631	10,571
Other comprehensive income		
- Exchange difference on translating foreign operations	90,304	(38,217)
Total comprehensive income for the period	361,935	(27,646)
Attributable to:		
Equity holders of the Holding Company	357,122	(57,403)
Non-Controlling Interest	4,813	29,757
	361,935	(27,646)

The annexed notes 1 to 8 form an integral part of these consolidated condensed financial statements.



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Tanveer Karamat

AVANCEON GROUP

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)

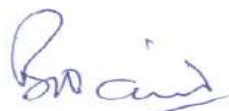
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	for the first quarter ended	
	Mar. 31, 2025	Mar. 31, 2024
	(Rupees in '000)	
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/ (loss) before tax	284,586	39,431
Adjustments for:		
Depreciation on property and equipment	46,453	43,372
Exchange gain	(15,609)	36,215
Amortization	14,518	
Provision for gratuity	57,423	
Finance costs	146,690	120,751
Employees' share option expense	2,937	
Provision for ECL - trade debts		52
Loss on bank deposits	124	(90)
	252,536	200,300
	537,122	239,731
Profit before working capital changes		
(Increase) / decrease in current assets		
- Stock in trade	(263,264)	(215,664)
- Trade debts	1,578,630	2,626,394
- Contract Assets	(205,207)	89,201
- Advances, deposits, prepayments and other receivables	(554,988)	(605,627)
(decrease) / Increase in current liabilities		
- Creditors, accrued and other liabilities	(598,326)	(1,355,615)
- Contract Liabilities	(264,849)	851,151
	(308,004)	1,389,839
Cash (used in) / generated from operations	229,118	1,629,570
Finance costs paid	(152,277)	(132,405)
Gratuity paid	(51,272)	(57,561)
Taxes paid	(6,491)	(12,559)
Net cash (used in) / generated from operating activities	19,078	1,427,045

AVANCEON GROUP
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	for the first quarter ended	
	Mar. 31, 2025	Mar. 31, 2024
	(Rupees in '000)	
Net cash (used in) / generated from operating activities	19,078	1,427,045
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	(100,306)	(3,243)
Additions in intangible assets - capital work in progress	(65,824)	(50,607)
Additions in Intellectual property	(39,603)	
Long term investments made	3,379	(87,553)
Decrease / (Increase) in short term investments	(992)	(3,515)
Loss on bank deposit	(124)	90
Net change in long term advances and deposits	(4,254)	(11,032)
Net cash (used in) / generated from investing activities	(207,724)	(155,860)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend paid	(1,157)	(241)
Long term loan (repaid)/ received	(5,326)	34,318
Finances under mark up arrangements and other credit facilities	(25,475)	271,651
Repayment of diminishing mosharka	(18,381)	
Repayment of lease liabilities	6,066	(27,351)
Net cash (used in) / generated from financing activities	(44,274)	278,377
Net (decrease) / increase in cash and cash equivalents	(232,920)	1,549,562
Cash and cash equivalents at the beginning of year	756,748	1,131,258
Cash and cash equivalents at the end of period	523,828	2,680,820

The annexed notes 1 to 8 form an integral part of these consolidated condensed financial statements.



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Tanveer Karamat

AVANCEON GROUP CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED MARCH 31, 2025

	CAPITAL RESERVES							REVENUE RESERVES	Non-Controlling Interest	TOTAL
	Share capital	Share premium reserve	Gain on dilution of interest	Employee share compensation reserve	Statutory Reserve	Exchange revaluation reserve	Surplus on Revaluation of Property, Plant and Equipment	Un-appropriated (loss) / profit		
	(Rupees in '000)									
Balance as on January 01, 2024	3,762,978	450,915	631,367	177,949	3,227	2,671,849	330,636	4,440,188	620,608	13,089,717
Profit for the period								2,008,811	52,643	2,061,454
Other comprehensive income						(32,751)	(2,437)	2,437		(32,751)
						(32,751)	(2,437)	2,011,248	52,643	2,028,702
Issuance of shares against ESOS	9,956	57,490		147,445				-		214,890
Adjustment of NCI								(13,357)	13,357	
Employee share option reserve				82,829				-		82,829
20% dividend for the period ended December 31, 2023				-				(754,587)		(754,587)
10% bonus share issue for the period ended December 31, 2023	377,293	-						(377,293)		
	387,250	57,490		230,274				(1,145,237)	13,357	(456,867)
Balance as on December 31, 2024	4,150,228	508,405	631,367	408,223	3,227	2,639,098	328,199	5,306,198	686,608	14,661,553
Profit for the period								266,818	4,813	271,631
Other comprehensive income						90,304	(579)	579		90,304
						90,304	(579)	267,396	4,813	361,935
Issuance of shares against ESOS	25,486									25,486
Balance as on March 31, 2025	4,175,714	508,405	631,367	408,223	3,227	2,729,402	327,621	5,573,594	691,421	15,048,974

The annexed notes 1 to 8 form an integral part of these consolidated condensed financial statements.



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Tanveer Karamat

AVANCEON GROUP

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED MARCH 31, 2025

1 Legal Status and Nature of Business

1.1 Legal status and operations

The Group comprises:

	Note	Status within the Group
- Avanceon limited (AVL)		Holding Company
- Avanceon Free Zone Establishment, UAE (AFZE)	1.3	Subsidiary of AVL
- Avanceon Automation and Control W.LL (AVAC)	1.4	Subsidiary of AVL
- Avanceon Saudi Energy Company (AVSEC)	1.5	Subsidiary of AVL
- Octopus Digital limited (ODL)	1.6	Subsidiary of AVL
- Avanceon QFZ LLC (AVQFZ)	1.7	Subsidiary of AVL
- Empiric AI (Private) Limited (EAL)	1.8	Subsidiary of ODL
- Octopus Digital FZ (ODFZ)	1.9	Subsidiary of ODL

- 1.2** Avanceon limited (the Company) was incorporated in Pakistan on March 26, 2003 as a private limited Company which was converted to a public Company on March 31, 2008 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. Following are the business units of the holding Company along with their respective locations.

BUSINESS UNIT	LOCATION
Head office	The Avanceon Building, 19 km, Multan Road, Lahore
REGIONAL OFFICES	
Karachi	MA Tabba Foundation Building, First Floor, Gizri Road Block 9 Clifton Karachi, Sindh 75600.
Islamabad	Manzoor Plaza (The Hive Building), First Floor, Plot 14-E Fazal-e-Haq Road, G-6/2, Blue Area, Islamabad 44000.

- 1.3** AFZE is a Free Zone Establishment with limited liability formed pursuant to Law No. 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued thereunder by the Jebel Ali Free Zone Authority and was registered with the Jebel Ali Free Zone Authority under Registration No. 816 on February 28, 2004. Its registered office is situated in the Jebel Ali Free Zone, Dubai, United Arab Emirates. The principal activities of AFZE are to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. The Establishment is wholly owned subsidiary of the Group.
- 1.4** AVAC is an Establishment with limited liability registered under the Ministry of Commerce and Industry, state of Qatar on May 22, 2017 with Registration No. 99027. Its registered office is situated in Al Jaber Engg. HO Building, PO Box: 15976, Fox Hills, Lusail, Doha - Qatar. The principal activities of AVAC are to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. The Group owns 49% equity shares of AVAC. However, based on an agreement signed between the holding Company and other shareholders, the Group has control over its financials and operating decision making of AVAC.

- 1.5** AVSEC is a Single Person Mixed Limited Liability Company registered in Kingdom of Saudi Arabia and operating under Commercial Registration No. 1010676690 dated 12/05/1442 hijra, corresponding to 27/12/2021. AVSEC is engaged in repairs and maintenance of power and control stations, installation of control equipment for industrial operation, design and programming of special projects, registering for providing cloud services and management of energy efficiency projects. The registered office of AVSEC is in Riyadh, Saudi Arabia. AVSEC is the wholly owned subsidiary of the Group.
- 1.6** ODL was incorporated in Pakistan on December 29, 2017 as a private limited company under the Companies Act, 2017, which was converted into a public Company on November 11, 2020. ODL is a subsidiary of the Group and is listed on Pakistan Stock Exchange Limited. The prime business of ODL is to carry out Information Technology enabled services which include but are not limited to online data / information storage, online monitoring and review of employees efficiency, online monitoring of cost and production efficiency, online monitoring and maintenance of plant and machinery, sale and trade of related softwares and equipment etc. The Group owns 74.32% equity shares of ODL.
- 1.7** AQFZ is incorporated as a limited liability Company under the Companies regulations of Qatar Free Zone Authority under FZA License No. FZA 194 obtained on November 05, 2020. The registered office of the Company is at Zone No. PA-WH-04, Area-Ras Bufontas Free Zone, Street No. PO Box: 45976, Doha-Qatar. The primary objective is to manufacturing of measuring, testing, navigating and control equipment. AVQFZ is the wholly owned subsidiary of the Group
- 1.8** EAI is incorporated as a private limited company under the Companies Act, 2017 of Pakistan on May 19, 2020. The registered office of the Company is located in Pakistan. The primary objective of the Company is to analyze potential opportunities and to provide digital and technology services and products both within Pakistan and internationally. EAI is the wholly owned subsidiary of ODL. The Group owns 74.32% equity shares of ODL.
- 1.9** ODFZ is a Limited Liability Company incorporated pursuant to the regulations of the Dubai Development Authority, Government of Dubai, United Arab Emirates, and was issued Commercial License No. 103074 on June 16, 2023. Its registered office is located at DMC-BLD05-VD-G00-792, Ground Floor, DMC5 Building, Dubai Media City, Dubai, United Arab Emirates. The principal activities of the Entity are to provide software consultancy, software customer service, software development, software solutions, and software support services. The management of the Entity is vested with its Director, Mr. Bakhtiar Hameed Wain, a Pakistani national. ODFZ is the wholly owned subsidiary of ODL. The Group owns 74.32% equity shares of ODL.

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. The accounting and reporting standards applicable in Pakistan comprise of :

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

AVANCEON GROUP

NOTES TO THE CONSOLIDATED CONDENCED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED MARCH 31, 2025

3 Other Expenses

	<u>for the first quarter ended</u>	
	<u>Mar. 31,</u>	<u>Mar. 31, 2024</u>
	<u>(Rupees in '000)</u>	
Donations	2,029	1,604
Exchange Loss		36,215
Loss on Current Accounts	124	3
Balances written off		52
Zakat	50	
	2,203	37,874

4 Other Income

Profit on bank deposits		90
Exchange gain	15,609	
Other Income	478	2,161
	16,088	2,251

5 Contingencies And Commitments

5.1 Commitments

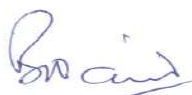
- (i) Bank guarantees issued amounting to Rs. 160.59 million (2024: Rs. 158.13 million) against the performance of various contracts.
- (ii) Letters of credit includes Rs.123.20 million (2024: 110.31) which relates to import acceptance bills.

7 Date Of Authorization For Issue

The condensed interim consolidated financial information was authorised for issue on __April 30, 2025__ by the Board of Directors of the Holdina Company.

8 General

Figures have been rounded off to the nearest thousand rupees.



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Tanveer Karamat

AVANCEON

Tomorrow's solutions, today.

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