systems

SUBJECT: ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2024

We are pleased to present to you the Annual Report for Systems Limited for the fiscal year concluded on December 31, 2024. 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

Hasan Waleed Majal
Company Secretary

Headquarters

Lahore
E-1, Sehjpal Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt, Lahore

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MEA

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+971 (04) 5686438

KSA

Riyadh
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APAC

Australia
Level 16, 1 Market Street, Sydney, NSW, Australia Postal Code 2000, Sydney.

systems

Annual Report 2024

Redefining innovation with AI

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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 Rahman *Director*	Independent
Ms. Romana Abdullah *Director*	Independent

Human Resource & Compensation committee

Mr. Omar Saeed
Chairman

Ms. Maheen Rahman
Member

Mr. Arshad Masood
Member

Audit Committee

Mr. Zubyr Soomro
Chairman

Ms. Maheen Rahman
Member

Ms. Romana Abdullah
Member

Chief Financial Officer

Ms. Roohi Khan

Head of Internal Audit

Mr. Salman Naveed

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

Company Secretary

Mr. Hasan Waleed Majal

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 Ltd
Bank Islami Pakistan Ltd
FINJA Microfinance Bank Limited
Habib Bank Ltd
Habib Metropolitan Bank Ltd
United Bank Ltd
Standard Chartered Bank (Pak Ltd)
MCB Bank Ltd
Meezan Bank Ltd
Faysal Bank Ltd
Bank AL Habib Ltd

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 a number of 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, Sitara-i-Imtiaz, is currently serving as Group Chief Executive Officer (CEO), Managing Director (MD), and a Member of the Board of Directors of Systems Limited, the same Company where he began his career as a software developer in 1996. He completed his graduation in Computer Sciences at the National University of Computer and Emerging Sciences (NUCES) in Karachi and positioned himself in the lead for a job at Systems Limited soon after graduation. He also completed his MBA in Marketing and Finance from the Institute of Business Administration (IBA) in Karachi only a year later.

Mr. Peer 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. Under his leadership, the Company has won several accolades, including Forbes Asia's Best Under a Billion 2020, 2021, 2022, 2023, and 2024, Microsoft Country Partner of the Year Pakistan & UAE, 2021/2022, 2022/2023, 2023/2024, 2024/2025 Inner Circle award for Microsoft Business Applications, Pakistan Top IT Export Award, multiple PSEB IT Export Awards since 2016, membership of Microsoft Dynamics President's Club in 2014 and 2015, and many more.

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 Rahman 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. Rahman's achievements include being featured on Fortune's "40 Under 40's Women to Watch" list in 2015.

Currently serving as an Independent Director at GlaxoSmithKline Pakistan, Director for the British Overseas School, and Director of Nasra Public Schools, Ms. Rahman 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. Rahman 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 (Private) 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 20 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.

Roohi Khan

Group CFO

With over two decades of international experience in strategic finance, Roohi Khan serves as the Group CFO at Systems Limited. She plays a key role in driving financial strategy, performance, and governance across the organization, enabling sustained global growth and value creation. She has deep expertise in M&A, financial planning, investor relations, and risk management. She has successfully led the financial due diligence and integration of acquired entities and established strong internal controls across global operations. Prior to joining Systems Limited, she held senior roles at PwC, PepsiCo, and Levi Strauss & Co.

A Chartered Accountant from both ICAEW and ICAP, Roohi is recognized for her strategic mindset, strong business acumen, and ability to lead high-performing, cross-functional teams. She continues to shape the financial foundation of Systems Limited as it scales globally.

Toima Asghar

Group CHRO

Ms. Toima Asghar has been associated with the HR fraternity for approximately two decades and leads the human resource function in large organizations operating in the banking, wholesale, broadband, academia, and IT industries. As an HR strategist, she leads the organization's Human Capital function to build a sustainable competitive advantage through its human resource by collaborating with the teams for the right selections and development of the existing talent while focusing on talent management and providing careers to the human resource of the organization.

Khurram Majeed

General Manager, Systems MEA

A technology leader with over 20 years of experience, Khurram Majeed serves as the General Manager for the Middle East and Africa at Systems Limited, leading strategic vision and growth for the Company's regional operations. With a vast professional experience across various geographies, he has created a profound impact for blue-chip customers within banking, public sector, telecommunications, and healthcare, helming transformative digital initiatives. Khurram has been instrumental in expanding the Company's footprint in UAE, Qatar, Egypt, Oman, and Africa, significantly elevating its market share and industry influence. Under his leadership, Systems Limited has developed strong partnerships with global technology giants in the Middle East, gaining acclaim as a trusted partner and a sought-after regional player.

Rao Hamid khan

General Manager Saudi Arabia and Bahrain, Systems Limited

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 Arabia operations. He currently holds P&L responsibilities for Saudi Arabia and Bahrain and is based out of Riyadh.

Ammara Masood

General Manager BFS

As a 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 in Systems for driving growth, overseeing the Company's strategic direction, expansion, and delivering value-added IT services in banking and financial services across global markets.

Faisal Jeddy

Global Chief Strategy Officer

As the Global Chief Strategy Officer, Faisal oversees strategic direction, growth initiatives, and partnerships for Systems Limited and its associated companies. He brings 30+ years of expertise in strategy, finance, and business transformation into this role. Before joining Systems, Faisal lived and worked in California for 20+ years and in his role as Senior Partner at BDO USA, LLP, Faisal led the Accounting Advisory Services in the entire West Region of USA overseeing 12 offices, helping companies to go public as well as mergers and acquisitions. Faisal started his career at A.F. Ferguson & Co. (PwC) in Lahore where he qualified as a Chartered Accountant in 1997. He is a Certified Public Accountant (California) and a Fellow Chartered Accountant (Pakistan).

M. Mairaj Yousuf

General Manager, Pakistan

Mr. Muhammad Mairaj is responsible for business growth, delivery excellence, customer satisfaction, profit and loss, and portfolio management for Banking and Insurance, Retail, Utilities, Public-sector, and other commercial customers in Pakistan. He is further responsible for onboarding new partners to extend their reach and amplify business opportunities. Through his leadership and experience of over two decades, he has played a vital role in transforming the industry, especially in BFSi.

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.

Waseem Yusaf

Senior Vice President – ASEAN

Mr. Waseem Yusaf is a Sales and Professional Services leader with 25+ years of experience managing multimillion-dollar businesses across global markets. He excels in leading multicultural teams, driving results, and embracing new technologies. Known for building high-performance teams and mentoring future leaders, he navigates complex sales engagements and balances stakeholder interests. With a strong C-level network and expertise in consultative selling, he delivers digital solutions and supports startups in adopting cloud-based architectures.

Javeria Fahad

Head of Marketing

Ms. Javeria Fahad boasts over 15 years of seasoned expertise in strategic creative thinking, digital, and marketing domains. Leading as the head of Digital Marketing at Systems Limited, she steers the Company's B2B strategy and oversees its digital marketing operations, showcasing adept leadership and a profound understanding of the digital realm. Javeria is a dynamic and creative marketing and communications senior leader responsible for conceptualizing, developing, and directing innovative campaigns that fuel reinvention, drive growth and differentiation, and deliver enduring value for clients.

Tahir Saeed

Chief Investment Officer

Mr. Tahir Saeed is an accomplished investment professional with over a decade of experience in equity research, fund management, risk management, strategy, and client & corporate relationships. As the Chief investment Officer of Systems Limited, he is responsible for devising investment strategies, identifying new opportunities, leading M&A transactions, conducting due diligence, and managing group investments globally.

Chairman's **Message**

Dear Shareholders,

It is with great pleasure that I present to you the Chairman's Review for the year 2024. Despite global economic uncertainties and financial challenges, your company has continued its trajectory of robust growth and operational resilience.

In 2024, revenue surged to Rs. 67.47B, marking an impressive increase of 26.27% over the Rs. 53.44B recorded in 2023. This growth underscores the strength of our business model, strategic market positioning, and unwavering commitment to excellence.

Our global client base expanded across North America, Europe, the Kingdom of Saudi Arabia, the UAE, Qatar, and the APAC region. Strengthening our foothold in these markets has been a key driver of our success, and we are committed to further leveraging these relationships to fuel sustained expansion.

The unexpected parity between Pakistan Rupee and US Dollar in 2024 had a notable impact on our financial performance. A significant exchange loss, compared to the gains recorded in the previous year, added to the decline in net profits. Despite these currency-related challenges, our strong operational processes enabled us to navigate them effectively.

Despite macroeconomic pressures, including high inflation and unexpected rupee value, we successfully retained and expanded our talented workforce. This resilience is a testament to our commitment to investing in human capital, ensuring that we continue to attract, develop, and retain the best talent in the industry.

I extend my sincere appreciation to the management team for their unwavering dedication and remarkable achievements during this challenging period. Their relentless focus on operational excellence and continuous improvement has led to significant productivity enhancements, further strengthening our competitive position.

As we move forward, our strategic focus remains on expanding geographically, enhancing capacity, and driving internal efficiencies. Strengthening our internal processes and management structures will be crucial in sustaining long-term growth and ensuring optimal productivity.

Your Company remains committed to innovation, digital transformation, and sustainable business practices to enhance stakeholder value. Our future strategy is centered on leveraging emerging technologies, improving operational agility, and fostering a culture of continuous improvement.

Finally, I express my gratitude to our Board members for their strategic guidance, unwavering commitment, and invaluable support.
Thank you for your continued trust and support.

Sincerely,

Aezaz Hussain
Chairman

CEO's **Message**

Empowering the Future: Growth Fueled by Innovation and AI

Dear Esteemed Shareholders, Investors, Partners, Clients, and Respected Colleagues,

I am delighted to present the CEO report for the financial year 2024, a year characterized by remarkable achievements, robust growth, and strategic advancements that have positioned us for a sustained growth trajectory.

Our financial results for FY24 reaffirm our consistent momentum, with a 26% rise in revenue. The double-digit growth even in dollar terms, signifies our unwavering commitment to delivering value to our stakeholders and capitalize on growth opportunities across all geographies and business verticals. The adjusted EBITDA also shows a 2% growth showing resilience in the face of macroeconomic challenges and unprecedented rupee/dollar parity. Our business plan had accounted for regular macroeconomic factors including the historical rate of rupee depreciation; however, the actual trends imposed a pressure on margins. But we managed to hold the margins by optimizing fixed costs and improving billing efficiency.

I am proud to share that our dedication to excellence has been recognized through various prestigious awards and accolades. These accolades testify to the tireless efforts of our talented team, whose dedication and expertise have propelled the Company to new heights. We have been awarded the Microsoft Inner Circle recognition for four consecutive years. This accolade highlights the organization's stability, continuity, and sustainability in delivering Microsoft solutions, underscoring its consistent performance and expertise. Additionally, we are the only IT Company in the region to be featured in Forbes Asia's Best Under A Billion list for five consecutive years, ranking among the top 200 companies. Temenos has named the Company its Best Regional Delivery Partner of the Year 2024. This achievement validates the successful integration of NDC and its contribution to the Company's overall business growth.

AI and Cloud are at the forefront in our digital transformation and innovation strategy. We believe the introduction of generative AI signifies a transformative era that is set to drive growth for us and our customers. We have continued to invest in building our expertise in these emerging technologies, empowering our clients to navigate the complexities of the digital landscape with confidence and agility. Proprietary AI accelerators, autonomous agents, and generative AI copilots are being developed to enhance decision intelligence, predictive analytics, and process automation. A Generative AI-powered Intelligent Contact Center, AI-driven solutions for commission, discount recommendations, churn prediction, billing forecasting, and an AI-powered web application that improves medical access for over 50,000 patients in underserved areas — these are just a few examples of the transformative work we have delivered for our customers. Our AI innovations are driving significant transformation across the Middle East and we successfully enhanced our relationships with our partners by executing joint go-to-market (GTM) strategies, c-innovation, co-investing, co-selling and global demand generation activities.

Now, we take the next step with AI.Now.—a global initiative to embed AI deeply into our operations, our services, and our DNA. AI will be at the core of how we work, how we innovate, and how we deliver impact to our people and clients. Every employee will receive AI training tailored to their role to help them integrate AI into their work. AI will be embedded across support functions, operations, and client service delivery. Regular AI hackathons will drive collaboration, spark innovative ideas, and recognize high-impact AI driven projects. AI will become a core part of our client solutions, supported by workshops, roadshows, and firsthand enablement to accelerate adoption.

We continue to invest in our workforce through strategic hiring and a strong emphasis on training, re-skilling, and upskilling. Our primary focus is building expertise in emerging technologies—particularly AI and Generative AI—ensuring every developer is equipped to leverage advanced AI tools. This is part of our AI.Now strategy. Moreover, to support regional growth, we have bolstered the teams with key hires aligned to market expansion goals. A structured talent management strategy is in place to strengthen employee retention, reduce attrition, and build bench strength for future scalability. With a strong focus on productivity, billing efficiency has improved this year and is expected to continue improving under the current strategy.

We remain deeply committed to the communities in which we live and operate, with a strong focus on corporate social responsibility—especially in the areas of education, healthcare, sustainability, and women's empowerment. This commitment extends to how we run our business, as we continue to embed environmental sustainability into our operations and long-term strategy. We believe in empowering youth through technology-focused initiatives, aiming to shape the future of the nation. We operate six schools in remote areas, providing access to quality education for over 15,000 underprivileged students. In addition, we offer scholarships to high-potential students at leading universities, nurturing the talent essential for the nation's future development.

Looking ahead, we remain steadfast in our commitment to delivering exceptional value to our clients, driving innovation through design studios and AI studios. AI is increasing the pie of opportunities for us and expanding our service offering. Customers are increasingly looking to leverage their own data when applying Large Language Models (LLMs), which requires substantial work in data engineering and transformation. We are well-positioned to manage this end-to-end journey, as AI does not operate in isolation—it depends on a strong foundation of infrastructure, data management, engineering, and security. Our capabilities span this full spectrum, enabling us to help clients effectively harness AI and Generative AI for accurate forecasting and intelligent decision-making.

Leading technology partners such as Microsoft, SAP, and Salesforce are deeply invested in this new wave of AI transformation. As their premium partner, we are closely aligned with their AI-enabled product roadmaps and are well-equipped to implement these new features as part of packaged enterprise solutions. Each partner is developing unique AI-powered interfaces, and we are actively leveraging their investments to build rapid solutions and accelerators. This positions us ahead of the curve in delivering AI-driven services, value realization frameworks, and tangible outcomes for our global customers.

We remain optimistic about the opportunities ahead and are committed to driving innovation, sustainable growth, and long-term value for all our stakeholders.

In closing, I sincerely thank our employees, board members, shareholders, partners, and customers for their steadfast support and dedication. Our shared success has been made possible through this collective commitment, and I am confident that, together, we will continue to drive growth, foster innovation, and pursue excellence in all that we do.

Warm regards,

Asif Peer
Group CEO & Managing Director
Systems Limited

Director's Report

for the Year Ended
31 December 2024

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 31 December 2024.

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 ~ 87% of its revenue from export of Services to various geographies such as North America, Europe, Middle East and Asia Pacific, and ~13% from domestic market. 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 2024

Consolidated

During year ended 31 December 2024, Revenues of the Company were Rs 67,473.02 million in 2024 compared to Rs. 53,435.48 million in 2023. Company continues to invest heavily in all markets to maintain its aggressive growth trajectory. Operating profit from ordinary course of business amounts to Rs 8,149.95 million showing a growth of 4%. The net profit from ordinary business stands at Rs 7,460.01 million showing a decline of 14% from last year mainly due to exchange loss of 264.47 million as compared to a significant exchange gain amounting to Rs. 2,257.67 million in FY 2023.

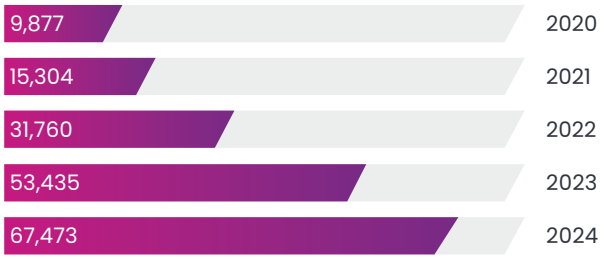
In Q4, there is higher one off trading revenue where margins are lower as compared to services business which has impacted the overall average margins. The company also aims to aggressively improve its cash collection cycle in 2025 which will ultimately reduce its expected credit losses on trade receivables. Since FY 2020, the Company has delivered a Compounded Annual Growth Rate (CAGR) in revenues of 62%. The revenue growth has been mainly driven by IT services. Despite the pressure on margins, the Company is still achieving EBITDA* + Growth rate of 41% which is higher than the market average.

Growth in revenue is contributed by both the Company and its subsidiaries.

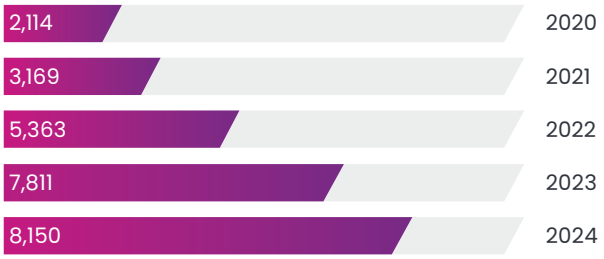
Consolidated			
Particulars	**FY 2024**	**FY 2023**	**Y/Y**
Revenue	67,473,021,160	53,435,483,177	26%
Gross profit	16,035,681,597	13,845,519,888	16%
Operating Profit	8,149,953,071	7,811,463,419	4%
Profit before taxation	7,816,361,864	8,783,560,854	-11%
Profit after taxation	7,460,012,773	8,688,889,893	-14%
Earnings per share (basic)	25.55	29.86	-14%
Earnings per share (diluted)	25.37	29.66	-14%

** EBITDA is equal to (operating profit+depreciation+amortization)*

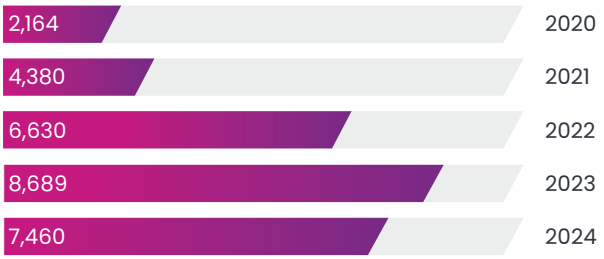
Consolidated Revenue (PKR Million) CAGR 62%



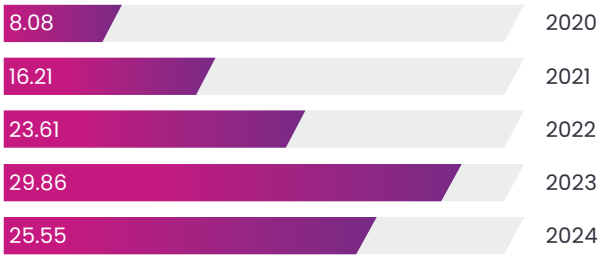
Consolidated Operating Profit (PKR Million) - CAGR 40%



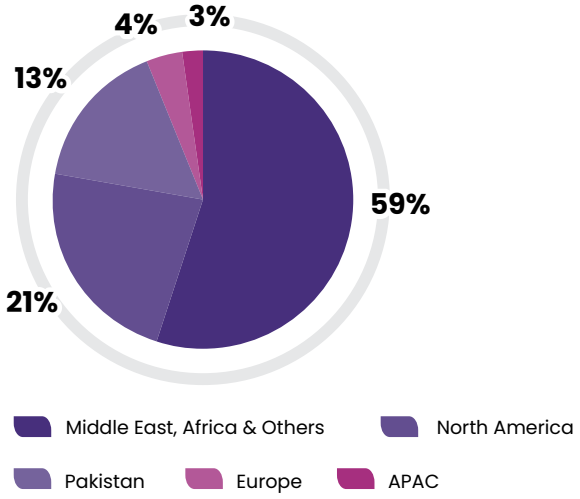
Consolidated Net Profit (PKR Million) - CAGR 36%



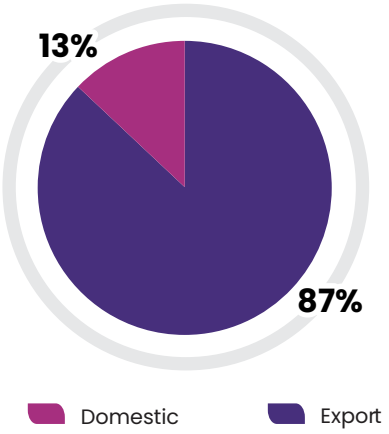
Consolidated Basic EPS (PKR) CAGR 33%



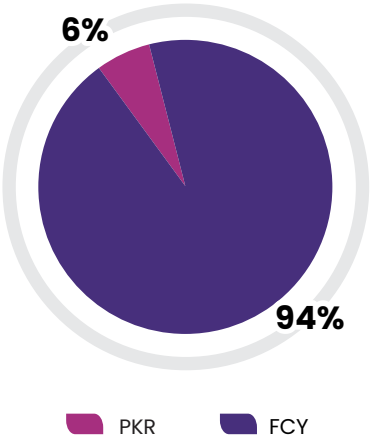
Revenue by Geography



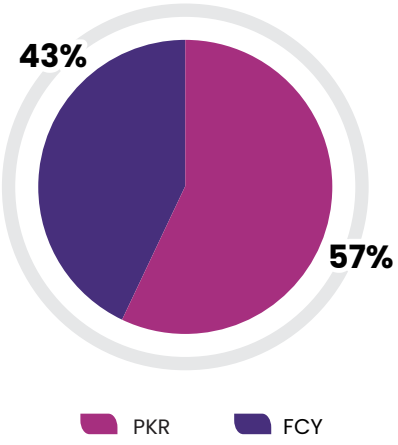
Export Contribution



Revenue by Currency



Cost by Currency



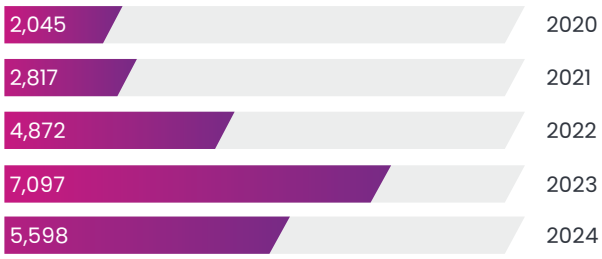
Unconsolidated

The Company has maintained a strong topline growth trajectory in 2024 as well. Revenues for the year in local currency were Rs. 38,526.98 million showing a growth of 20% over the previous year. Profit after tax for the year was Rs. 6,115.30 million showing a decline of 29% mainly because of currency appreciation this year and since more than 90% of the revenue is FCY denominated, the company recorded an exchange loss of Rs. 220.09 million loss in FY 2024 as compared to the exchange gain in FY 2023 amounting Rs. 2,175.79 million. Gross profit and operating profit decreased by 2% and 21% respectively.

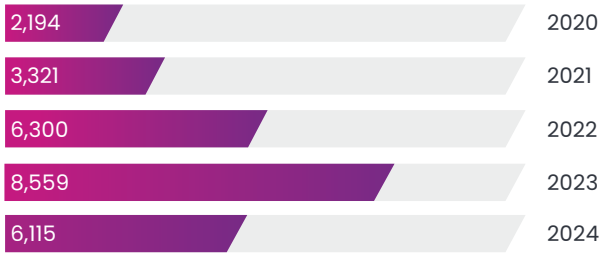
Unconsolidated			
Particulars	**FY 2024**	**FY 2023**	**Y/Y**
Revenue	**38,526,983,552**	**32,037,995,164**	20%
Gross profit	**9,561,288,554**	**9,726,611,310**	-2%
Operating Profit	**5,598,355,720**	**7,096,705,165**	-21%
Profit before taxation	**6,214,307,479**	**8,549,166,473**	-27%
Profit after taxation	**6,115,297,176**	**8,559,160,491**	-29%
Earnings per share (basic)	**20.94**	**29.41**	-29%
Earnings per share (diluted)	**20.80**	**29.22**	-29%

Unconsolidated Revenue (PKR Million) CAGR 50%

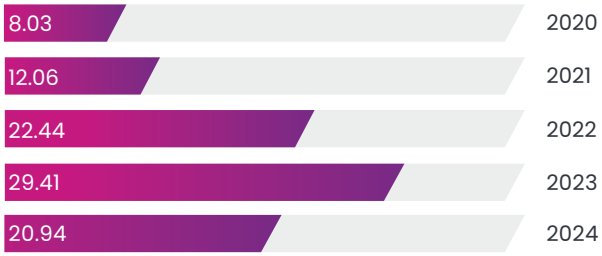
Unconsolidated Operating Profit (PKR Million) CAGR 29%



Unconsolidated Net Profit (PKR Million) CAGR 29%



Unconsolidated Basic EPS (PKR) CAGR 27%



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 sell and upsell to all banking and finance customers. The margins are lower in the segment 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 10+ 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 (Telecommunications):** This segment involves telecommunications services and technologies. The company is working with leading Telco organizations in the sector and continues to develop references and use cases in this sector.

- **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 may include any remaining segments that don't fall into the specific verticals mentioned above.

	BFSI		Retail & CPG		Technology		Telco		Others		Total*	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees in Millions											
Revenue	**20,507**	15,266	**7,676**	5,716	**8,057**	7,393	**15,489**	11,809	**15,744**	13,252	**67,473**	53,436
Cost of revenue	**(17,160)**	(12,900)	**(5,100)**	(3,351)	**(5,774)**	(4,649)	**(11,479)**	(8,655)	**(11,924)**	(10,035)	**(51,437)**	(39,590)
Gross profit	**3,347**	2,366	**2,576**	2,365	**2,283**	2,744	**4,010**	3,154	**3,820**	3,217	**16,036**	13,846
Research & Development Expense	**(44)**	(6)	**(8)**	(16)	**(9)**	(20)	**(17)**	(32)	**(15)**	(36)	**(93)**	(110)
Distribution expenses	**(754)**	(448)	**(282)**	(168)	**(296)**	(217)	**(570)**	(347)	**(579)**	(389)	**(2,481)**	(1,569)
Administrative expenses	**(1,465)**	(1,138)	**(548)**	(426)	**(576)**	(551)	**(1,107)**	(880)	**(1,125)**	(988)	**(4,821)**	(3,983)
	(2,263)	(1,592)	**(838)**	(610)	**(881)**	(788)	**(1,694)**	(1,259)	**(1,719)**	(1,413)	**(7,395)**	(5,662)
Profit before taxation and unallocated income and expenses	**1,084**	774	**1,737**	1,755	**1,402**	1,956	**2,316**	1,895	**2,101**	1,804	**8,641**	8,184

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

Geographical Segment

The Company is showing a 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 87% of total sales, taking another 3% from the domestic sales, with the Company's target being to further increase the export component going forward. The regional update is covered in detail in future outlook.

	North America		Europe		Middle East Africa		APAC		Pakistan		Total*	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees in Millions											
Revenue	**13,890**	12,262	**3,021**	1,891	**39,553**	29,309	**2,300**	1,328	**8,709**	8,645	**67,473**	53,435
Cost of revenue	**(9,279)**	(7,963)	**(1,829)**	(1,164)	**(29,855)**	(21,152)	**(1,670)**	(849)	**(8,805)**	(8,461)	**(51,437)**	(39,589)
Gross profit	**4,611**	4,299	**1,192**	727	**9,698**	8,157	**630**	479	**(96)**	184	**16,036**	13,846
Research & Development Expense	**(36)**	(42)	**(8)**	(6)	**(31)**	(32)	**(4)**	(4)	**(14)**	(25)	**(93)**	(110)
Distribution expenses	**(290)**	(33)	**(63)**	(19)	**(1,805)**	(1,257)	**(202)**	(139)	**(121)**	(121)	**(2,481)**	(1,569)
Administrative expenses	**(1,222)**	(1,265)	**(267)**	(195)	**(2,948)**	(2,132)	**(80)**	(62)	**(303)**	(328)	**(4,821)**	(3,983)
	(1,548)	(1,340)	**(338)**	(220)	**(4,784)**	(3,421)	**(286)**	(205)	**(438)**	(474)	**(7,395)**	(5,662)
Profit/(loss) before taxation and unallocated income and expenses	**3,063**	2,959	**854**	507	**4,914**	4,736	**344**	274	**(534)**	(290)	**8,641**	8,184

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

North America & Europe

Margins of North America region are 33.2% GP and 21.1% OP**. The Company is expecting to see modest growth in this segment in future. Similarly the gross margins and operating margins for Europe stands at 39% and 28% respectively.

Middle East Africa

In the Middle Eastern region, the subsidiaries in UAE and Arabia are leading the growth trajectory contributing ~ 87% to the total MEA revenue. Qatar is also expecting to gain momentum and will be become a sizeable business in near future.

***Operating profit (OP) excludes the impact of impairment losses and other operating expenses.*

APAC

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

Pakistan

The Company has been re-strategizing its domestic business and has repositioned the customer base to private sector large scale enterprises from public sector and SMEs. The Company is focused on securing long-term recurring managed service contracts with Teleco and Financial institutions.

Dividend & Appropriations

For the year 2024, the Directors recommended a payment of final cash dividend @ Rs. 6 per share (2023: 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 2023	19,387,321,138
Total comprehensive income for the year	6,115,297,176
Less: Final dividend for the year ended 31 December 2023 at the rate of PKR Rs 6 per share	(1,749,020,400)
Balance as at 31 December 2024	23,753,597,914

Earnings Per share

The Basic and Diluted earnings per share for the Group for the year ended 31 December 2024 are Rs. 25.55 and Rs.25.37 (31 December 2023: Rs. 29.86 and Rs. 29.66) per share.

Similarly, the basic and diluted earnings per share for the Company are Rs. 20.94 and Rs. 20.80 (31 December 2023: Rs. 29.41 and Rs. 29.22) per share.

Awards and Accolades

The Company actively competes with leading global firms in the UAE, and its recent recognitions have further reinforced its credibility in regional markets, driving business growth and acquisitions.

Enhancing its industry reputation, the Company has been awarded the Microsoft Inner Circle recognition for four consecutive years. This accolade highlights the organization's stability, continuity, and sustainability in delivering Microsoft solutions, underscoring its consistent performance and expertise.

Additionally, the Company has been featured in Forbes Asia's Best Under A Billion list for five consecutive years, ranking among the top 200 companies. This recognition is being strategically leveraged to strengthen the Company's presence and expand its footprint in regional markets.

Further solidifying its leadership in the financial services sector, Temenos has named the Company its Best Regional Delivery Partner of the Year 2024. This achievement validates the successful integration of NDC and its contribution to the Company's overall business growth.

People's Update

The Company continues to invest in its workforce by hiring strategically and prioritizing training, re-skilling, and upskilling initiatives. A key focus is on equipping employees with expertise in emerging technologies, particularly AI and Generative AI, ensuring that every developer is proficient in leveraging AI tools. This commitment reflects the Company's dedication to staying ahead of industry trends and preparing its workforce for future challenges and opportunities.

Additionally, the Company has strengthened its regional teams by hiring key resources to support market expansion. To enhance employee retention and mitigate attrition, a structured talent management strategy has been implemented, including building bench strength to support future growth. With a strong emphasis on productivity, the Company's overall billing efficiency this year has been 78% and this will continue to improve with the strategy company is adopting.

Infrastructure

The Company has sufficient infrastructure to support future growth. Company installed solar panels in 2024 which helped optimize electricity cost and reduced the carbon footprint. In 2025, the Company has set aside some capex for investing in a parking plaza at the Head Office at Lahore to support parking of additional 750 vehicles and office space to accommodate future growth.

Corporate Social Responsibility(CSR)

The company aims to be an active corporate citizen in the societies where it operates. The Company believes that the future lies in the youth of today. We also believe that the technology shapes the future of nation, hence our efforts are focused more on the technology related initiatives. Besides investing in the development of young people, the company helps underprivileged children and youth to advance in their life and avoid exclusion. Our initiatives mainly focus on the following

- Education,
- Health &
- Climate Change.

The Company has spent about **PKR 67.7 M** on donation in cash during the financial year. The company continued to support the IT Mustakbil training program, focusing on reskilling the talent by expanding its footprint. The program is dedicated to providing equal opportunity to everyone to gain skills in IT related technologies and ultimately use them to explore the land of opportunities in the corporate world.

Health and medical services available to the community are another top corporate social responsibility focus. The Company continues to support, aid, and help the facilitation of healthcare conveniences to the society through collaborations with health institutes, donations, and sponsorships for the cause.

Environment, Social, Governance (ESG)

In line with Systems ESG Vison 2030, 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
- Tracking of energy consumption
- Adopting reuse and recycle practices to reduce waste

Be kind to the Employees

- Increased employment of specially abled employees
- Increased employee engagements through town halls and management meetings
- Enhanced emphasis on women empowerment
- Significant increase in trainings & certifications
- Numerous safety drills and sessions on work space ergonomics

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.
- Helping employees in times of difficulties.

Governance

- Independent Board and its committees promoting GRC
- Responsible tax practices
- Disclosure of all related party transactions
- Code of conduct/Business ethics
- Cyber security and data privacy

Sustainable Financial Growth

- 5-year revenue CAGR over 50%
- Consistent dividend payouts and capitalization gains
- Global expansion to reduce concentration risk

For further details on specific facts, a sustainability dashboard is included in the annual report.

Future Outlook and Prospects for Growth

Optimization, Productivity and Efficiency

With 90% of Company's business conducted in USD to mitigate currency risk, the exchange rate has remained stable and is expected to stay within the same range in the foreseeable future. However, rising inflation is putting pressure on margins despite strong growth.

To counteract this impact, the Company is actively optimizing costs, improving operational efficiencies, and renegotiating contract rates. These efforts have already started yielding results in 2024 but the majority of the impact will be reflected in 2025. In 2024, offshore costs increased by 20% due to inflation and higher taxation introduced in the previous financial budget. Significant salary adjustments were made to offset these challenges. Despite currency appreciation as shown in note 42.2 (a) of unconsolidated financial statements throughout the year, profitability was impacted since revenue expectations were based on a 5% depreciation forecast. Given the inflationary pressures across economies, the Company could not implement rate increases for all customers. Instead, it focused on top-line growth by heavily investing in sales and presales.

This year, the Company is prioritizing efficiency improvements, with significant opportunities for optimization. Efforts are underway to increase billable utilization from 78%, which is expected to enhance profitability from Q1 onward. The Company is leveraging AI tools and implementing measures such as virtual bench management, reducing the reliance on a physical bench, which will optimize costs and improve future efficiencies. Additionally, stringent controls on fixed costs and selling expenses will ensure cost containment. The Company aims to maximize returns on investments made in recent years, expecting a strong return on investment (ROI) in 2025. Given that financial budgeting has been done conservatively at current exchange rates, any future currency depreciation would further enhance profitability.

Strong Pipeline and Growth Trajectory

With a solid pipeline and a strong backlog for the upcoming quarters, the Company is well-positioned to sustain its growth momentum. The newly acquired customers and initiated projects are expected to materialize in 2025, continuing the growth trajectory. The Company is expanding its market coverage and bandwidth while maintaining a strategic focus on existing markets rather than entering new ones. Cost control remains a priority, with no plans for investments in new market expansions.

Strategic Partnerships and Regional Presence

Leveraging its strong regional presence, the Company has formed strategic partnerships with major players such as Microsoft. These agreements are expected to generate new leads, accounts, and service offerings. The Company is also actively collaborating with additional partners beyond Microsoft to expand business opportunities. Given its partner-led business model, the Company continues to strengthen these alliances to drive growth.

The Company's strong brand presence in the region has attracted new partnerships with leading technology firms, including Red Hat and Salesforce. These collaborations enhance the Company's credibility and market positioning. Additionally, strategic alliances with consulting firms, including Big 4 firms, are strengthening its role in delivery and supply chain management. These firms have extensive customer access but require robust supply capabilities, an area where the Company plays a crucial role.

AI-Led Transformation

The Company is strategically transitioning towards offering AI as a Service, aligning with technological advancements and capitalizing on the growing demand for AI-driven solutions.

AI capabilities are being integrated across all business practices, with dedicated Go-To-Market strategies for each segment. To enhance efficiency and productivity, IT developers within the Company are being AI-enabled, with the goal of passing productivity gains on to customers. Industry-specific AI use cases are being developed, particularly for BFSI, Telco, and Retail & CPG sectors. The Company first assesses customers' AI readiness through an AI assessment service, based on which it proposes tailored roadmaps. This requires extensive data engineering and mapping expertise, which the Company excels in.

By 2025, the Company will spearhead a GenAI-led revolution, hyper-automating internal processes across HR, Sales, Marketing, Pre-sales, SDLC, and IT while developing next-generation AI/GenAI-powered business solutions. This initiative includes reskilling talent in machine learning, large language models (LLMs), and prompt engineering while also recruiting AI-native professionals to drive innovation. Proprietary AI accelerators, autonomous agents, and generative AI copilots are being developed to enhance decision intelligence, predictive analytics, and process automation. By integrating AI-driven efficiencies, cognitive automation, and deep learning capabilities, the Company aims to disrupt traditional workflows, redefine customer experiences, and unlock exponential growth.

Capability Centers and Delivery Expansion

Customers increasingly seek large-scale Capability Centers of Excellence (COEs). The Company has established multiple containerized COEs for major clients, with their regional delivery hubs strategically located in Pakistan. Given Pakistan's significant cost advantage, the Company is partnering with large clients to develop their regional delivery centers, enabling them to scale efficiently while optimizing costs.

Under this strategy, Egypt has been a standout market, experiencing >100% growth in workforce strength over the past year. The region provides valuable expertise in communication and serves as an alternative delivery center for customers. The Company also maintains large delivery centers in Pakistan's three major cities—Karachi, Lahore, and Islamabad—ensuring risk mitigation and disaster recovery for the customers. Additionally, the Company is open to establishing Special Purpose Vehicles (SPVs) and Joint Ventures (JVs) with key customers to set up dedicated centers and help with their risk diversification and business continuity.

Geographic Diversification and Emerging Opportunities

The Company's geographic diversification continues to bolster resilience and growth prospects. While the European market has shown stable growth, the previously flat U.S. market has started contributing positively, with similar momentum expected in 2025. The Middle East remains a key growth driver, with a focus on expanding enterprise customers and deepening market penetration.

The Company has strategically scaled back its domestic market focus, with low margin contracts in Pakistan nearing completion. This shift is expected to enhance segment profitability by year-end. Additionally, export growth has further strengthened overall performance.

A significant opportunity lies in the recent surge in cloud data center deployments, particularly in the Middle East. The "in-country cloud" and "sovereign cloud" models, driven by security and data privacy concerns, are creating a wave of cloud migration activities. Global technology giants, including Microsoft, AWS, GCP, and Google, have already established or announced data centers in Dubai and Saudi Arabia. These developments are expected to unlock substantial opportunities for cloud migration, managed cloud services, and data solutions, driving new revenue streams for the Company.

Expansion Plans for Saudi Arabia

Saudi Arabia presents a significant growth opportunity, with the potential to scale 3-5x compared to the UAE market. The depth across multiple sectors aligns well with the Company's expertise. Consequently, the Company is doubling its investments and expanding its Saudi operations. With Saudi Arabia investing heavily in AI, including a $100 billion AI fund, there is a vast opportunity for the Company to leverage these developments. Strong international ties with the Saudi government further support this expansion strategy.

Mergers & Acquisitions (M&A) and Business Process Outsourcing (BPO)

The Company continues to explore M&A opportunities to support its expansion and growth objectives. Additionally, it has ventured into the Business Process Outsourcing (BPO) space, offering cost-effective shared services in accounting, HR, and legal functions. Given its strategic positioning in the region and access to high-quality talent at a competitive price point, the Company is gaining significant traction in BPO, focusing on consulting, optimization, and transformation services.

Brand Equity and Market Competitiveness

The Company is now competing with top-tier global systems integrators and has firmly established itself as a leading brand in the region. Its strong reputation facilitates revenue growth and business development opportunities. Furthermore, its presence in key government forums in Pakistan enhances its credibility and influence, strengthening relationships and driving business expansion.

With a clear vision, strong strategic initiatives, and robust market positioning, the Company is well-prepared to navigate future challenges and seize emerging opportunities, ensuring sustainable growth and long-term success.

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.
- **Risk of Travel advisory** – Investors and buyers will not be able to travel to the country in case of any travel advisory. Though offshoring has increased in the past couple of years, however business travel is still required to onsite centers and travel restrictions will impact business since resources will not be able to visit foreign clients.
- **Country Risk** – Political instability, high inflation and interest rates can impact business.
- **Exchange Rate Risk** – The potential for an investment's value to decline as a result of fluctuations in exchange rates between relevant currencies.
- **Global recession** – caused by Stagflation resulting in slow down of economic activities globally.

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. During the year the Company has executed the approved scheme of restructuring, the relevant extract of attached audited financial statements are given below:

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, during the year, has nominated its wholly owned subsidiary Systems International It Pte. Ltd. (Sys It Pte.) for holding the transferred assets. During the current year, SYS Egypt for Information Technology Services, Systems Arabia for Information Technology and Systems Africa for Information Technologies (Pty.) Ltd. have been transferred to Sys It Pte. after the approval of respective foreign regulators while the tranfer of ownership request in respect of Tech Vista Systems FZ-LLC was filed with the respective foreign regulator. In consideration, SVPL has issued 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company on July 08, 2024.

As the transfer process of the Transferred Assets has been substantively completed during the year and as consideration under the scheme has been transferred to the Company by SVPL during the current year therefore the impacts of the scheme has been recorded in these financial statements. However, as the effective date under the scheme is July 01, 2023 therefore the effects of separation of ownership interests in Transferred Assets have been recorded as per the applicable effective date by restating the corresponding figures.

The transfer of TechVista Systems FZ LLC has been completed to Systems International IT Pte. Ltd. subsequent to year end.

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 Rahman
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 and Human Resource & Compensation 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 Rahman – Member
Ms. Romana Abdullah – Member

HR & Compensation Committee
Mr. Omer Saeed - Chairman
Ms. Maheen Rahman - Member
Mr. Arshad Masood - Member

During the period under review, seven (7) Board meetings, four (04) Audit Committee meetings and two (02) Human Resource and Compensation Committee (HRCC) meetings were held. Attendance by each Director of the respective Board/Sub – Committees meetings was as follows:

Board of Directors			
Name of Director	**Board Meetings**	**Audit Committee**	**HRCC**
Mr. Aezaz Hussain	7	-	-
Mr. Arshad Masood	5	-	2
Mr. Asif Peer	7	-	-
Mr. Zubyr Soomro	7	4	-
Mr. Omer Saeed	5	-	2
Mr. Maheen Rahman	6	4	1
Ms. Romana Abdullah	7	4	-

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, NonExecutive and Independent Directors are paid an 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 39 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 2024 amounts to Rs 4,251.85 million (31 December 2023: Rs 2,726.74 million)

Pattern of shareholding

The Pattern of Shareholding as at 31 December 2024 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 2024 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 2024 and retire at the conclusion of the 48th Annual General Meeting. Being eligible, they have offered themselves for re-appointment for the financial year ending December 31, 2025.

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, 2025, 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 corporation 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: 21-March-2025
Lahore

اظہارِ تشکر

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

بحکم بورڈ

آصف پیر

چیف ایگزیکٹو آفیسر

اعزاز حسین

چیئرمین

تاریخ: 21 مارچ 2025ء

مقام: لاہور

پراویڈنٹ فنڈ میں سرمایہ کاری

کمپنی کے زیرانتظام پراویڈنٹ فنڈ کی مالیت، فنڈ کے 31 دسمبر 2024ء تک کے غیر آڈٹ شدہ اکاؤنٹس کے مطابق، مبلغ 4,251.85 ملین ہے (31 دسمبر 2023ء: مبلغ 2,726.74 ملین)۔

حصص کی ملکیتی نمونہ/ پیٹرن

سسٹمز لمیٹڈ کے 31 دسمبر 2024ء تک کے حصص کی ملکیت کا نمونہ سالانہ رپورٹ میں شامل کیا گیا ہے۔

ڈائریکٹرز، ایگزیکٹوز، اوران کے اہل خانہ کی شیئر ٹریڈنگ

سال 31 دسمبر 2024ء کے دوران کمپنی کے ڈائریکٹرز، ایگزیکٹوز اوران کے شریک حیات یا نابالغ بچے کمپنی کے حصص میں لین دین نہیں کر سکے، سوائے ان لین دین کے جو پاکستان اسٹاک ایکسچینج پر ظاہر کئے گئے ہیں۔

متعلقہ فریقین کے ساتھ لین دین کا جائزہ/ ٹرانزیکشنز

کارپوریٹ گورننس کوڈ اور متعلقہ قوانین وضوابط کی تعمیل میں، تمام متعلقہ فریقین کے ساتھ ہونے والے لین دین کی تفصیلات آڈٹ کمیٹی کے سامنے رکھی جاتی ہیں، اور آڈٹ کمیٹی کی سفارش پر بورڈ ان کا جائزہ لیتا ہے اور منظوری دیتا ہے۔ تمام ڈائریکٹرز پر لازم ہے کہ وہ ایسے کسی بھی لین دین کو ظاہر کریں جس میں ان کا ذاتی مفاد شامل ہو۔

سہ ماہی اور سالانہ مالیاتی بیانات

مالیاتی بیانات کی بورڈ سے منظوری سے قبل انکی سی ای او اور سی ایف او کی جانب سے توثیق کی گئی ہے۔ کمپنی کے سہ ماہی مالیاتی بیانات اور گروپ کے منظّم مالیاتی بیانات قانونی ٹائم لائنز کے اندر شائع اور شیئر ہولڈرز میں تقسیم کئے گئے، جبکہ کمپنی کے ششماہی مالیاتی بیانات (جن کا بیرونی آڈیٹر کے ذریعہ جائزہ لیا جاتا ہے۔) اور گروپ کے منظّم آڈٹ شدہ مالیاتی بیانات کو بیرونی آڈیٹرز نے جائزہ لینے کے بعد بورڈ سے منظور کرایا، شائع کیا اور قانونی ٹائم لائنز کے اندر شیئر ہولڈرز میں تقسیم کیا۔

آڈیٹرز

اے ایف فرگوسن اینڈ کمپنی نے سال 2024ء کیلئے اپنی مدت مکمل کر لی ہے اور وہ 48ویں سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے۔ چونکہ وہ دوبارہ تقرری کے اہل ہیں، لہٰذا انہوں نے مالی سال 31 دسمبر 2025ء کیلئے اپنی خدمات دوبارہ فراہم کرنے کی پیشکش کی ہے۔

آڈٹ کمیٹی کی سفارش پر، بورڈ نے اے ایف فرگوسن اینڈ کمپنی کو مالی سال 31 دسمبر 2025ء کیلئے کمپنی کے قانونی آڈیٹرز کے طور پر مقرر کرنے کی تجویز دی ہے، جس کی حتمی منظوری کمپنی کے آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز سے حاصل کی جائے گی۔

منظّم مالیاتی بیانات

اجتماعی مالیاتی گوشواروں میں شامل گروپ ایسوسی ایٹس، ماتحت اداروں اور ذیلی ذیلی کمپنیوں کی تفصیلات کے لیے، براہ کرم مجموعی مالیاتی بیانات کے 1.2 اور 1.3 نوٹ کو رجوع کریں۔

بعد از واقعہ

کمپنی اور گروپ کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلی یا وعدے کے درمیان واقع نہیں ہوئے ہیں۔ مالی سال کا اختتام اور اس رپورٹ کی تاریخ سوائے اس کے کہ آڈٹ شدہ مالیاتی گوشواروں میں ظاہر کیا گیا ہے

(ب) **نان ایگزیکٹو ڈائریکٹرز: 2**

مسٹر اعزاز حسین۔ چیئرمین

مسٹر ارشد مسعود

(ج) **ایگزیکٹو ڈائریکٹر: 1**

مسٹر آصف پیر۔ سی ای او

بورڈ کمیٹیز

بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی اور ہیومن ریسورس اینڈ کمپنسیشن کمیٹی قائم کی ہے۔

بورڈ کمیٹیوں کے اراکین کے نام اور ہر رکن کی جانب سے اجلاس میں شرکت کی تفصیل ذیل میں ملاحظہ کریں

آڈٹ کمیٹی	ایچ آر اینڈ کمپنسیشن کمیٹی (ایچ آر سی سی)
مسٹر زبیر سومرو۔ چیئرمین	مسٹر عمر سعید۔ چیئرمین
مس مہین رحمان۔ ممبر	مس مہین رحمان۔ ممبر
مس رومانہ عبداللہ۔ ممبر	مسٹر ارشد مسعود۔ ممبر

زیر غور سال کے دوران سات بورڈ اجلاس، چار آڈٹ کمیٹی کے اجلاس اور دو عدد ہیومن ریسورس اینڈ کمپنسیشن کمیٹی کے اجلاس منعقد ہوئے۔ بورڈ/سب۔ کمیٹی کے ہر ڈائریکٹر کی جانب سے شرکت کی تفصیل ذیل میں ملاحظہ فرمائیں:

بورڈ آف ڈائریکٹرز

نام ڈائریکٹر	بورڈ اجلاس	آڈٹ کمیٹی	ایچ آر سی سی
مسٹر اعزاز حسین	7	-	-
مسٹر ارشاد مسعود	5	-	2
مسٹر آصف پیر	7	-	-
مسٹر زبیر سومرو	7	4	-
مسٹر عمر سعید	5	-	2
مس مہین رحمان	6	4	1
مس رومانہ عبداللہ	7	4	-

ڈائریکٹرز کی مشاہرہ پالیسی

بورڈ آف ڈائریکٹرز نے ایک باضابطہ ڈائریکٹرز معاوضہ پالیسی کی منظوری دی ہے، جو کمپنیز ایکٹ 2017ء اور کارپوریٹ گورننس کوڈ (سی سی جی) کے مطابق ایک شفاف طریقہ کار پر مشتمل ہے۔ اس پالیسی کے تحت، نان۔ ایگزیکٹو اور خود مختار ڈائریکٹرز کو بورڈ یا اس کی کسی ذیلی کمیٹی کے ہر اجلاس میں شرکت کیلئے ٹیکس سے قبل مبلغ 2 لاکھ روپے بطور معاوضہ ادا کیا جاتا ہے۔

مالی سال کے دوران ڈائریکٹرز اور چیف ایگزیکٹو کو دیئے گئے معاوضے کی مناسب تفصیل غیر منظم مالیاتی بیانات کے نوٹ 39 میں فراہم کی گئی ہے۔

بورڈ کی کارکردگی کا جائزہ

لسٹڈ کمپنیز (کارپوریٹ گورننس ضوابط) 2019ء کے مطابق، بورڈ ہر سال اپنی کارکردگی کا خود جائزہ لیتا ہے۔ بورڈ آف ڈائریکٹرز کا ماننا ہے کہ مسلسل جائزہ لینا انتہائی اہم ہے تاکہ یہ جانچا جا سکے کہ بورڈ نے اپنے مقرر کردہ اہداف اور مقاصد کے مطابق کس حد تک مؤثر انداز میں کام کیا ہے۔ جائزے کے نتائج کی بنیاد پر بہتری کے پہلوؤں کی نشاندہی کی جاتی ہے، اور ان کو بہتر بنانے کیلئے اصلاحی اقدامات کئے جاتے ہیں۔

ڈائریکٹرز کی تربیت

بورڈ کے 7 اراکین نے یا تو ڈائریکٹرز کی تربیت مکمل کر لی ہے یا وہ مقررہ قابلیت اور تجربہ رکھتے ہیں، جس کی بنا پر وہ سی سی جی کے ضابطہ 19 کے تحت تربیتی پروگرام سے مستثنیٰ ہیں۔ تمام ڈائریکٹرز اپنی ذمہ داریوں اور فرائض سے مکمل طور پر آگاہ ہیں۔

بنیادی آپریٹنگ اور مالیاتی اعداد و شمار/ڈیٹا

گزشتہ چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا سالانہ رپورٹ کے ساتھ منسلک کیا گیا ہے۔

چونکہ منتقل شدہ اثاثوں کی منتقلی بڑی حد تک مکمل ہو چکی ہے اور سکیم کے تحت ایس وی پی ایل نے اس کے بدلے میں کمپنی کو مالی سال کے دوران حصص جاری کر دیئے ہیں، لہٰذا اس سکیم کے اثرات کو موجودہ مالیاتی بیانات میں شامل کر دیا گیا ہے۔ تاہم، چونکہ سکیم کی موزوں تاریخ یکم جولائی 2023ء مقرر کی گئی تھی، اس لئے منتقل شدہ اثاثوں کی ملکیت کی علیحدگی کے اثرات کو متعلقہ موزوں تاریخ کے مطابق ریکارڈ کیا گیا ہے اور انکشافات میں موجود پچھلے مالیاتی اعداد و شمار کو از سر نو پیش کیا گیا ہے۔

ٹیک ویسٹا سسٹمز ایف زیڈ ایل ایل سی کی منتقلی سال کے اختتام کے بعد سسٹمز انٹرنیشنل آئی ٹی پیٹ ای لمیٹڈ کو مکمل ہو گئی ہے۔

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

ٹیکنالوجی تیزی سے بدل رہی ہے اور جدید و انقلابی ٹیکنالوجیز کی مانگ کافی زیادہ ہے۔ تیز رفتار ترقی کیلئے، کمپنی کو اپنے عملے کی صلاحیتوں میں اضافہ کرنا اور ٹیلنٹ کو فروغ دینا ہوگا۔ متعلقہ ٹیکنالوجیز میں پیمانے کے ساتھ ترقی مستقبل میں کمپنی کی کارکردگی اور کاروباری پوزیشن پر نمایاں اثر ڈالے گی۔ کمپنی مصنوعی ذہانت (اے آئی) پر مبنی ٹیکنالوجی کی ترقی میں بھرپور حصہ لینے کیلئے مکمل طور پر تیار ہے۔

داخلی مالیاتی کنٹرولز کی مناسبت

سسٹمز لمیٹڈ کے انتظامیہ کے طور پر، گروپ کی ذمہ داری ہے کہ کمپنی اور گروپ کے اندرونی کنٹرول سسٹمز کو قائم اور برقرار رکھا جائے تاکہ گروپ کو درپیش خطرات کی نشاندہی اور انتظام کیا جا سکے۔ یہ نظام معقول، اگرچہ مکمل نہیں، اس بات کی ضمانت دیتا ہے کہ:

- اثاثے غیر مجاز استعمال یا ملکیت سے بچائے گئے ہیں؛
- کاروبار کے اندر استعمال کیلئے درست اور قابل اعتماد اکاؤنٹنگ ریکارڈز موجود ہیں؛
- آپریشنل کاروباروں میں مناسب کنٹرول میکانزم قائم کئے گئے ہیں؛
- اور کمپنی میں نافذ کئے گئے داخلی مالیاتی کنٹرولز پورے سال تسلی بخش رہے ہیں۔

کارپوریٹ گورننس اور مالیاتی رپورٹنگ کا فریم ورک

کارپوریٹ گورننس کے ضابطہ کی تعمیل کے تحت، ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- کمپنی اور گروپ کے انتظامیہ کی جانب سے تیار کئے گئے مالیاتی بیانات، کمپنی کی مالی صورتحال، آپریشنز کے نتائج، کیش فلو اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں؛
- کمپنی اور اس کی ہر ذیلی کمپنی کی مناسب اکاؤنٹس کی کتابیں برقرار رکھی گئی ہیں؛
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیز کو مسلسل اپنایا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلوں کی بنیاد پر کئے گئے ہیں؛
- پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات (آئی ایف آر ایس) کی پیروی کی گئی ہے اور ان سے کوئی انحراف نہیں ہوا؛
- داخلی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور اسے مؤثر طریقے سے نافذ اور مانیٹر کیا گیا ہے؛

کمپنی اور اس کی ذیلی کمپنیوں کیلئے جاری کاروبار کے تسلسل کے حوالے سے کوئی نمایاں شک و شبہ نہیں ہے۔

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

بورڈ کی تشکیل

سی سی جی (کارپوریٹ گورننس کوڈ) کی ضروریات کے مطابق، کمپنی اپنے بورڈ میں خودمختار اور نان ایگزیکٹو ڈائریکٹرز کے ساتھ ساتھ صنفی تنوع کی بھی حوصلہ افزائی کرتی ہے۔

موجودہ بورڈ کی تشکیل درج ذیل ہے:

ڈائریکٹرز کی کل تعداد

الف مرد : 5

ب خواتین : 2

تشکیل

(الف) **خودمختار ڈائریکٹرز: 4**

مسٹر زبیر سومرو

مس مہین رحمان

مس رومانہ عبداللہ

مسٹر عمر سعید

جغرافیائی توسیع اور ابھرتے ہوئے مواقع

کمپنی کی جغرافیائی تنوع کی حکمت عملی نے اس کی ترقی کو مزید مستحکم کیا ہے۔ یورپ میں ترقی مستحکم رہی، جبکہ امریکی مارکیٹ، جو پہلے جمود کا شکار تھی، اب مثبت اثر ڈال رہی ہے اور 2025ء میں اس رجحان کے جاری رہنے کی توقع ہے۔

مشرق وسطیٰ بدستور ترقی کیلئے ایک کلیدی خطہ ہے، جہاں کمپنی بڑے اداروں کے ساتھ تعلقات کو مزید مضبوط کر رہی ہے۔ پاکستان میں کم مارجن والے معاہدے مکمل ہونے کے قریب ہیں، جس سے مقامی مارکیٹ کا منافع بہتر ہونے کی توقع ہے۔

سعودی عرب میں توسیعی منصوبے

سعودی عرب ترقی کے وسیع مواقع فراہم کرتا ہے اور یہ مارکیٹ یو اے ای کے مقابلے میں 3-5 گنا زیادہ وسعت کی صلاحیت رکھتی ہے۔ سعودی عرب میں اے آئی کے فروغ کیلئے 100$ بلین کے فنڈ کی سرمایہ کاری کے پیش نظر، کمپنی یہاں اپنی موجودگی کو بڑھا رہی ہے اور اس شعبے میں مواقع سے فائدہ اٹھانے کا ارادہ رکھتی ہے۔

انضمام وحصول (ایم اینڈ اے) اور بزنس پراسیس آؤٹ سورسنگ (بی پی او)

کمپنی اپنی ترقی اور وسعت کے مقاصد کی حمایت کے لیے ایم اینڈ اے (انضمام وحصول کے مواقع تلاش کر رہی ہے۔ اس کے علاوہ، کمپنی بزنس پروسیس آؤٹ سورسنگ (بی پی او) کے شعبے میں بھی قدم رکھ چکی ہے، جس میں اکاؤنٹنگ، ایچ آر، اور قانونی خدمات شامل ہیں۔ اس کے نتیجے میں، کمپنی نے اس شعبے میں نمایاں کامیابیاں حاصل کی ہیں۔

مارکیٹ میں مضبوط مقام اور برانڈ ایکویٹی

کمپنی اب اعلیٰ عالمی سسٹم انٹیگریٹرز کے ساتھ مقابلہ کر رہی ہے اور ایک مستحکم برانڈ کے طور پر آگے بڑھ رہی ہے۔ اس کی مضبوط ساکھ نئی کاروباری ترقی اور آمدنی میں اضافے کا سبب بن رہی ہے۔ اس کے علاوہ پاکستان میں سرکاری سطح پر کمپنی کی موجودگی، کمپنی کی ساکھ میں اضافہ اور تعلقات میں بہتری کا باعث بن رہی ہے۔

واضح ویژن، مضبوط اقدامات اور مارکیٹ میں بہترین پوزیشن نے کمپنی کو مستقبل کے چیلنجز سے نمٹنے، مواقعوں میں اضافے اور پائیدار ترقی کے قابل بنایا ہے۔

کمپنی کو درپیش بنیادی خطرات اور غیر یقینی صورتحال

خطرات

ذیل میں چند کاروباری اور مالیاتی نتائج سے متعلقہ خطرات بیان کئے جا رہے ہیں:۔

سیاسی خطرہ۔ موجودہ مقامی اور عالمی سیاسی ماحول کی بگڑتی صورتحال کاروبار پر اثر انداز ہو سکتی ہے۔

سفری ہدایات کا خطرہ۔ اگر کسی قسم کی سفری ہدایت جاری کی جاتی ہے تو سرمایہ کار اور خریدار ملک کا سفر نہیں کر سکیں گے۔ حالیہ برسوں میں آف شورنگ میں اضافہ ہوا ہے، لیکن بالخصوص آن سائٹ سینٹرز کیلئے کاروباری سفر اب بھی ضروری ہے۔ سفری پابندیوں کی صورت میں، کاروبار متاثر ہوگا کیونکہ غیر ملکی کلائنٹس سے ملاقات کیلئے سفر نہیں ہو پائے گا۔

ملکی خطرہ۔ سیاسی عدم استحکام، زیادہ مہنگائی، اور بلند شرح سود کاروبار پر منفی اثر ڈال سکتے ہیں۔

زرمبادلہ کا خطرہ۔ کرنسی کے اتار چڑھاؤ کے باعث سرمایہ کاری کی قدر میں کمی کا امکان۔

عالمی کساد بازاری۔ مہنگائی اور اقتصادی سست روی کا امتزاج (سٹیگ فلیشن) کے نتیجے میں عالمی معیشت کی سرگرمیوں میں سست روی۔

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

کمپنی یا اس کی ذیلی کمپنیوں کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں ہوئی۔ تاہم، مالی سال کے دوران کمپنی نے تنظیم نو کی منظور شدہ سکیم پر عمل درآمد کیا، جس کی تفصیلات منسلک آڈٹ شدہ مالیاتی بیانات میں دی گئی ہیں۔

کمپنی اور سسٹمز وینچرز (پرائیویٹ) لمیٹڈ (''ایس وی پی ایل'') کے شیئر ہولڈرز نے 18 ستمبر 2023ء کو اپنے غیر معمولی اجلاس عام میں مصالحت، انتظام اور تنظیم نو کی سکیم (سکیم) کی منظوری دی۔ کمپنیز ایکٹ 2017ء کے تحت، یہ سکیم منظوری کیلئے عزت مآب لاہور ہائی کورٹ (''عدالت'') میں جمع کرائی گئی، جسے عدالت نے 20 دسمبر 2023ء کو اپنے حکم کے ذریعے منظور کر لیا۔ اس سکیم کے تحت ٹیک ویسٹا سسٹمز ایف زیڈ۔ ایل ایل سی، سسٹم افریقہ برائے انفارمیشن ٹیکنالوجیز (پرائیویٹ) لمیٹڈ، ایس وائے ایس مصر برائے انفارمیشن ٹیکنالوجیسز وسز اور سسٹم عَرَبیہ برائے انفارمیشن ٹیکنالوجی (جسے منتقل اثاثے کہا جاتا ہے) کمپنی سے علیحدہ کر دیئے گئے اور انہیں ایس وی پی ایل میں ضم کر دیا گیا۔ ایس وی پی ایل کو اختیار دیا گیا کہ وہ ان منتقل شدہ اثاثوں کو براہ راست یا اپنی کسی مکمل ملکیتی ذیلی کمپنی کے ذریعے رکھ سکے۔ سکیم کے مطابق، ایس وی پی ایل نے 66,860,284 مکمل ادا شدہ عام حصص (فی شیئر 10 روپے) کمپنی کو منتقل شدہ اثاثوں کے بدلے جاری کئے ہیں۔

منظور شدہ سکیم کے مطابق، ایس وی پی ایل نے اپنے مکمل ملکیتی ذیلی ادارے سسٹمز انٹرنیشنل آئی ٹی (پرائیویٹ) لمیٹڈ (سسٹمز آئی ٹی پرائیویٹ لمیٹڈ) کو منتقل شدہ اثاثے رکھنے کیلئے نامزد کر دیا ہے۔ موجودہ مالی سال کے دوران ایس وائے ایس مصر برائے انفارمیشن ٹیکنالوجی سروسز، سسٹمز عَرَبیہ برائے انفارمیشن ٹیکنالوجی اور سسٹمز افریقہ برائے انفارمیشن ٹیکنالوجی (پرائیویٹ) لمیٹڈ کو متعلقہ غیر ملکی ریگولیٹرز کی منظوری کے بعد سسٹمز آئی ٹی پرائیویٹ میں منتقل کر دیا گیا، جبکہ ٹیک ویسٹا سسٹمز ایف زیڈ۔ ایل ایل سی کی ملکیت کی منتقلی کی درخواست متعلقہ ریگولیٹر کے پاس جمع کروا دی گئی تھی۔ اس کے بدلے، ایس وی پی ایل نے 66,860,284 مکمل ادا شدہ عام حصص (فی شیئر 10 روپے) کمپنی کو 8 جولائی 2024ء کو جاری کئے۔

پائیدار مالی ترقی

☆ 50 فیصد سے زائد 5 سالہ ریونیو سی اے جی آر

☆ منافع کی مستقل ادائیگی اور سرمایہ کاری کے فوائد

☆ ارتکاز کے خطرہ (concentration risk) کو کم کرنے کیلئے عالمی سطح پر توسیع

مخصوص حقائق پر مبنی مزید تفصیلات کیلئے سالانہ رپورٹ میں ایک مستحکم ڈیش بورڈ شامل کیا گیا ہے۔

مستقبل کا جائزہ اور ترقی کے امکانات

بہتری، پیداواریت اور کارکردگی

کمپنی کے 90 فیصد کاروبار کا لین دین امریکی ڈالر میں ہوتا ہے تاکہ کرنسی کے اُتار چڑھاؤ کے خطرے کو کم کیا جاسکے۔ یہ کہ شرحِ تبادلہ مستحکم رہی ہے اور توقع ہے کہ آئندہ بھی اسی دائرے میں رہے گی۔ تاہم، باوجود اس کے کہ کمپنی کی ترقی مستحکم رہی بڑھتی ہوئی مہنگائی کے سبب منافع کے مارجن پر دباؤ ہے۔

ان اثرات کا مقابلہ کرنے کیلئے کمپنی اخراجات میں کمی، آپریشنل کارکردگی میں بہتری اور معاہدوں کی شرحِ ادائیگی پر نظرِ ثانی کر رہی ہے۔ ان اقدامات کے ابتدائی نتائج 2024ء میں سامنے آئے لیکن ان کا بڑا اثر 2025ء میں دکھائی دے گا۔ 2024ء میں آف شور اخراجات میں 20 فیصد اضافہ ہوا، جو مہنگائی اور گزشتہ مالیاتی بجٹ کے ٹیکس میں اضافے کا نتیجہ تھا۔ ان چیلنجز سے نمٹنے کیلئے کمپنی نے تنخواہوں میں نمایاں ایڈجسٹمنٹ کی ہے۔

سال بھر میں کرنسی کی قدر میں بہتری (جوکہ نوٹ نمبر (a) 42.2 **غیر منظّم** مالی بیانات) کے باوجود، کمپنی کے منافع پر اثر پڑا کیونکہ آمدنی کی پیش گوئی 5 فیصد کمی کی بنیاد پر کی گئی تھی۔ مہنگائی کے دباؤ کی وجہ سے کمپنی تمام صارفین کیلئے قیمتوں میں اضافہ نہیں کرسکی، اسلئے اس نے فروخت اور پری سیلز میں سرمایہ کاری کے ذریعے مجموعی آمدنی بڑھانے پر توجہ دی۔

کمپنی نے کارکردگی میں مزید بہتری کو اپنی ترجیح بنایا ہے۔ بلنگ کی شرح کو 78 فیصد سے بڑھانے کیلئے اقدامات جاری وساری ہیں، جس سے منافع میں بہتری کی توقع ہے۔ کمپنی مصنوعی ذہانت (اے آئی) کے اوزاروں سے استفادہ کر رہی ہے اور ورچوئل بینچ مینجمنٹ جیسے اقدامات لاگو کر رہی ہے، جس سے اخراجات میں کمی آئے گی اور مستقبل میں کارکردگی بہتر ہوگی۔ مزید برآں، فکسڈ اخراجات اور سیلز کے اخراجات پر سخت کنٹرول کیا جائے گا۔

کمپنی کا ہدف حالیہ برسوں میں کی گئی سرمایہ کاری سے زیادہ سے زیادہ منافع حاصل کرنا ہے، اور 2025ء میں مضبوط آر او آئی (واپسی کی شرح) کی توقع ہے۔ مالی منصوبہ بندی موجودہ شرحِ تبادلہ کو مدنظر رکھ کر کی گئی ہے، لہٰذا مستقبل میں اگر کرنسی کی قدر میں کمی واقع ہوتی ہے تو اس سے مزید منافع میں اضافہ ہوگا۔

مضبوط سیلز لائن (پائپ لائن) اور ترقی کی راہ

کمپنی کے پاس مستقبل کیلئے ایک مستحکم بیک لاگ موجود ہے، جو آئندہ سہ ماہیوں میں ترقی کے تسلسل کو برقرار رکھنے میں مدد دے گا۔ نئے صارفین اور شروع کئے گئے منصوبے 2025 میں نتائج دینا شروع کریں گے، جس سے ترقی کا عمل مزید مستحکم ہوگا۔ کمپنی نے اپنی مارکیٹ تک رسائی کو وسعت دی ہے اور بجائے اس کے کہ نئی مارکیٹوں میں سرمایہ کاری کی جائے موجودہ مارکیٹوں میں اپنی گرفت برقرار رکھنے کو ترجیح دی ہے۔ لاگت پر کنٹرول کمپنی کی اولین ترجیح ہے اور کسی نئی مارکیٹ میں سرمایہ کاری کے کوئی منصوبے نہیں ہیں۔

حکمت عملی پر مبنی شراکت داری اور علاقائی موجودگی

کمپنی اپنی مضبوط علاقائی موجودگی کا فائدہ اٹھاتے ہوئے مائیکروسافٹ جیسے بڑے شراکت داروں کے ساتھ معاہدے کر رہی ہے، جس سے نئے مواقع اور سروسز کی پیشکش کا دائرہ وسیع ہوگا۔ کمپنی مائیکروسافٹ کے علاوہ دیگر شراکت داروں کے ساتھ بھی تعاون کر رہی ہے تاکہ کاروباری امکانات کو بڑھایا جاسکے۔ شراکت دار پر مبنی کاروباری ماڈل کی وجہ سے کمپنی ان تعلقات کو مزید مستحکم کر رہی ہے تاکہ ترقی کی رفتار کو تیز کیا جاسکے۔

مصنوعی ذہانت پر مبنی تبدیلی

کمپنی مصنوعی ذہانت کو بطور سروس فراہم کرنے کی جانب منتقلی کر رہی ہے تاکہ جدید تکنیکی رجحانات سے فائدہ اٹھایا جاسکے۔

کمپنی کے تمام کاروباری امور میں اے آئی کی صلاحیتوں کو ضم کیا جا رہا ہے، اور ہر شعبے کیلئے مخصوص جی ٹی ایم (گو۔ٹو۔مارکیٹ) حکمت عملی مرتب کی جا رہی ہے۔ کمپنی کے آئی ٹی ڈویلپرز کو اے آئی کے ساتھ ہم آہنگ کیا جا رہا ہے تاکہ ان کی پیداواری صلاحیت کو بڑھایا جاسکے، جس کا فائدہ صارفین کو بھی ملے گا۔ بی ایف ایس آئی (بینکنگ، مالیات، اور انشورنس)، ٹیلی کمیونیکیشن اور ریٹیل سیکٹرز کیلئے اے آئی کے مخصوص استعمال کے نمونے تیار کئے جا رہے ہیں۔ کمپنی پہلے صارفین کی اے آئی تیاری کا جائزہ لیتی ہے اور پھر ان کیلئے موزوں حکمت عملی تجویز کرتی ہے۔

2025ء تک کمپنی ایک اے آئی انقلاب کی قیادت کرے گی، ایچ آر، سیلز، مارکیٹنگ، ایس ڈی ایل سی، اور آئی ٹی جیسے شعبوں میں اے آئی کو شامل کرتے ہوئے خودکار نظام قائم کرے گی۔ اس کے علاوہ، کمپنی اے آئی میں مہارت رکھنے والے ماہرین کی بھرتی بھی کر رہی ہے تاکہ نئی جدتوں کی راہ ہموار کی جاسکے۔

یہ اقدام مشین لرننگ، بڑے زبان ماڈلز انجینئرنگ میں ہنر کی دوبارہ مہارت حاصل کرنے کے ساتھ ساتھ اختراعی کاموں کو فروغ دینے کے لیے اے آئی سے وابستہ ماہرین کی بھرتی بھی شامل ہے۔ کمپنی اپنے فیصلوں کی ذہانت، پیشگوئی کے تجزیات، اور عمل کی خودکاری کو بہتر بنانے کے لیے ملکیتی اے آئی ایکسلریٹرز، خودمختار ایجنٹس، اور جنریٹو اے آئی کو پائلٹس تیار کر رہی ہے۔ اے آئی پر مبنی مؤثر عمل درآمد، شناختی خودکاری، اور گہری سیکھنے کی صلاحیتوں کو مربوط کرکے، کمپنی روایتی ورک فلو کو مفلوج کرنے، کسٹمر کے تجربات کو دوبارہ تعریف کرنے، اور غیر معمولی ترقی کو حاصل کرنے کا ارادہ رکھتی ہے

مراکز برائے اضافہ استعداد کار

صارفین بڑے پیمانے پر ''مراکز برائے اضافہ استعداد کار و مہارت'' کی تلاش میں ہیں۔ کمپنی نے اہم کلائنٹس کیلئے پاکستان میں ایسے متعدد مراکز قائم کئے ہیں۔ پاکستان کی لاگت میں نمایاں برتری کے باعث کمپنی بڑے کلائنٹس کے ساتھ شراکت داری کر رہی ہے تاکہ وہ اپنے علاقائی مراکز یہاں قائم کرسکیں۔

اس حکمت عملی کے تحت مصر میں کمپنی نے غیر معمولی ترقی حاصل کی ہے، جہاں افرادی قوت میں 100 فیصد اضافہ ہوا ہے۔ مزید برآں، پاکستان میں کمپنی کے بڑے ڈیلیوری سینٹرز کراچی، لاہور، اور اسلام آباد میں قائم ہیں، جو صارفین کیلئے خطرے کے تدارک اور تباہی کے بعد بحالی کے منصوبے فراہم کرتے ہیں۔

کاروباری سماجی ذمہ داریاں

کمپنی ایک فعال کارپوریٹ کے طور پر کام کر رہی ہے۔ کمپنی کا ماننا ہے کہ قوموں کا مستقبل نوجوانوں پر منحصر ہے اور ٹیکنالوجی اس مستقبل کی تشکیل میں اہم کردار ادا کرتی ہے۔ سی ایس آر کے تحت کمپنی درج ذیل شعبوں پر توجہ مرکوز کئے ہوئے ہے:

- ☆ تعلیم
- ☆ صحت
- ☆ ماحولیاتی تبدیلی

کمپنی نے مالی سال کے دوران تقریباً 67.7 ملین پاکستانی روپے نقد کی صورت میں عطیات پر خرچ کئے۔ کمپنی نے اپنے ''آئی ٹی مستقبل''، جس کا مقصد ٹیلنٹ کو نئے ہنر سکھا کر اس پروگرام کا دائرہ کار مزید وسیع کرنا ہے، کے تحت تربیتی پروگرام کی معاونت جاری رکھی۔ یہ پروگرام ہر فرد کو مساوی مواقع فراہم کرنے کیلئے وقف ہے تاکہ وہ آئی ٹی سے متعلقہ مہارتیں حاصل کر کے کارپوریٹ دنیا میں بہتر مواقع تلاش کر سکیں۔

صحت اور طبی سہولیات کی فراہمی بھی کمپنی کی اہم کارپوریٹ سماجی ذمہ داری کا حصہ ہے۔ کمپنی معاشرے میں صحت کی سہولتوں کی بہتری کیلئے مختلف طبی اداروں کے ساتھ شراکت داری، عطیات، اور اسپانسرشپ کے ذریعے معاونت فراہم کرتی رہی ہے تاکہ عوام کو معیاری طبی سہولیات میسر آسکیں۔

ماحول، معاشرہ اور گورننس

سسٹمز نے اقوام متحدہ کے پائیدار اُصولوں کے مطابق ماحول، معاشرہ اور گورننس کے ایجنڈا برائے 2030ء کے تحت پانچ ستون واضح کئے ہیں۔ اس مقصد کے تحت وقتاً فوقتاً تشخیص کی جارہی ہے اور اس سلسلے میں ہر ستون کے ساتھ منسلک مقاصد کے ساتھ پیشرفت کی اطلاع دی جاتی ہے۔

ذیل میں مذکورہ بالا ستونوں کی وضاحت ملاحظہ فرمائیں:

ماحول کا خیال رکھیں

- ☆ پانی کے تحفظ بارے آگاہی مہمات
- ☆ توانائی کے استعمال کی نگرانی
- ☆ فضلہ کم کرنے کیلئے دوبارہ استعمال اور ری سائیکلنگ کے اقدامات

ملازمین کے ساتھ حسن سلوک

- ☆ خصوصی صلاحیتوں کے حامل افراد کی بھرتی میں اضافہ
- ☆ ٹاؤن ہالز اور مینجمنٹ اجلاسوں کے ذریعے ملازمین کی شمولیت میں اضافہ
- ☆ خواتین کی شمولیت کو فروغ دینا
- ☆ تربیت اور سرٹیفکیشن میں نمایاں اضافہ
- ☆ کام کی جگہ پر محفوظ ماحول کے حوالے سے متعدد حفاظتی اقدامات

معاشرتی فرائض

- ☆ سی ایس آر بجٹ کی منظوری اور سی ایس آر اقدامات کی منصوبہ بندی
- ☆ آئی ٹی مستقبل پروگرام کے تحت ڈیجیٹل تربیت کی فراہمی
- ☆ سکولوں، ہسپتالوں اور دیگر عطیاتی تنظیموں کیلئے عطیات کی فراہمی
- ☆ مشکل وقت میں ملازمین کی مدد کرنا

گورننس

- ☆ جی آر سی کو فروغ دینے والی کمیٹیاں اور اس سے منسلک آزاد بورڈ
- ☆ ٹیکس کی ادائیگی ذمہ داری کے ساتھ
- ☆ تمام متعلقہ فریق کے لین دین کے انکشافات
- ☆ ضابطہ اخلاق/ کاروباری اخلاقیات
- ☆ سائبر سیکورٹی اور ڈیٹا کی رازداری

شمالی امریکہ اور یورپ

شمالی امریکہ میں کمپنی کا گراس مارجن 33.2 فیصد اور آپریٹنگ مارجن** 21.1 فیصد ہے۔ کمپنی کو توقع ہے کہ اس خطے میں مستقبل میں معتدل ترقی دیکھنے کو ملے گی۔

مشرق وسطیٰ اور افریقہ

مشرق وسطیٰ میں اور سعودی عرب میں موجود کمپنی کی ذیلی کمپنیاں ترقی کی راہ پر گامزن ہیں اور کل آمدنی کا تقریباً 87 فیصد حصہ دے رہی ہیں۔ قطر بھی ترقی کی رفتار پکڑ رہا ہے اور جلد ہی ایک اہم کاروباری مرکز بن جائے گا۔

اے پی اے سی (ایشیا پیسیفک)

اے پی اے سی بھی ایک نمایاں کاروباری شعبہ بن چکا ہے، جہاں خاص طور پر ٹیکنالوجی اور بی ایف ایس آئی سیکٹر میں نمایاں ترقی دیکھی جا رہی ہے۔

پاکستان

کمپنی نے اپنے مقامی کاروبار کی حکمتِ عملی کو از سرِ نو مرتب کیا ہے اور سرکاری اداروں اور ایس ایم ایز سے ہٹ کر نجی شعبے کے بڑے کاروباری اداروں پر توجہ مرکوز کر دی ہے۔ کمپنی ٹیلی کام اور مالیاتی اداروں کے ساتھ طویل مدتی اور آمدنی والے کنٹریکٹس حاصل کرنے پر فوکس کر رہی ہے۔

ڈیویڈنڈ اور منافع کی تقسیم

سال 2024ء کیلئے، ڈائریکٹرز نے فی شیئر 6 روپے نقد ڈیویڈنڈ (2023: فی شیئر 6 روپے) دینے کی سفارش کی ہے۔
سال کے دوران ڈیویڈنڈ کی تقسیم کے حوالے سے درج ذیل تخصیص کی گئی۔

	غیر مختص شدہ منافع
مورخہ 31 دسمبر 2023ء تک بیلنس	19,387,321,138
کل مجموعی آمدن برائے سال	6,115,297,176
منہا: مورخہ 31 دسمبر 2023ء کو ختم ہونے والے مالی سال کیلئے حتمی منافع منقسمہ پاکستانی روپوں میں فی حصص مبلغ 6 روپے ہے	(1,749,020,400)
مورخہ 31 دسمبر 2024ء تک بیلنس	23,753,597,914

فی شیئر آمدن

گروپ کی فی حصص بنیادی اور ڈیلیوٹیڈ (رقیق) آمدنی 31 دسمبر 2024ء کو بالترتیب 25.55 روپے اور 25.37 روپے رہی (31 دسمبر 2023ء مبلغ 29.86 روپے اور مبلغ 29.66 روپے فی حصص)۔
اسی طرح، کمپنی کی فی حصص بنیادی اور ڈیلیوٹیڈ (رقیق) آمدنی بالترتیب 20.94 روپے اور 20.80 روپے رہی (31 دسمبر 2023ء مبلغ: 29.41 روپے اور مبلغ 29.22 روپے فی حصص)۔

ایوارڈز اور اعزازات

کمپنی متحدہ عرب امارات میں عالمی سطح پر سرکردہ اداروں سے مسابقت کرتی ہے، اور حالیہ اعزازات نے علاقائی منڈیوں میں اس کی ساکھ کو مزید مستحکم کیا ہے، جو کاروباری ترقی اور محصولات کو بڑھا رہا ہے۔
کمپنی نے مسلسل چار سال تک مائیکروسافٹ انرسرکل کا اعزاز حاصل کیا، جو مائیکروسافٹ حل فراہم کرنے میں اس کی استحکام، تسلسل، اور پائیداری کو اُجاگر کرتا ہے۔

مزید برآں، کمپنی کو مسلسل پانچ سال فوربس ایشیا کی ''بیسٹ انڈر اے بلین'' فہرست میں شامل کیا گیا ہے، جس میں اسے 200 بہترین کمپنیوں میں شمار کیا گیا۔ اس پہچان کو باقاعدہ ایک حکمت عملی کے تحت برقرار رکھتے ہوئے نہ صرف کمپنی کو مضبوط بنایا جائیگا بلکہ علاقائی منڈیوں میں بھی اس کے دائرہ کار کو وسعت دی جائیگی۔
مالیاتی خدمات کے شعبے میں اپنی برتری کو مزید مضبوط کرتے ہوئے، ٹیونس نے کمپنی کو ''بہترین علاقائی ڈیلیوری پارٹنر آف دی ایئر 2024ء'' کے اعزاز سے نوازا، جو این ڈی سی (NDC) کے کامیاب انضمام اور کمپنی کی مجموعی ترقی کو تسلیم کرتا ہے۔

افرادی قوت کی تازہ ترین معلومات

کمپنی مسلسل اپنے عملے میں سرمایہ کاری کر رہی ہے، اسٹریٹجک بھرتیوں اور تربیت، تجدیدِ مہارت اور نئی مہارتیں سیکھنے کے پروگراموں پر توجہ دے رہی ہے۔ خاص طور پر، مصنوعی ذہانت (AI) اور جنریٹیو AI کے شعبے میں عملے کی مہارت کو بڑھانا بنیادی ہدف ہے۔

علاقائی ٹیموں کو مضبوط بنانے کیلئے کلیدی وسائل کی بھرتی کی گئی ہے، جبکہ عملے کو برقراریت اور استعفوں کی روک تھام کیلئے ایک منظم ٹیلنٹ مینجمنٹ حکمت عملی نافذ کی گئی ہے۔
سال کے دوران کمپنی کی بلنگ ایفیشینسی 78 فیصد رہی جبکہ متعارف کردہ حکمت عملیوں کے ذریعے مزید بہتری متوقع ہے۔

انفراسٹرکچر

کمپنی کے پاس مستقبل کی ترقی کو سپورٹ کرنے کیلئے خاطر خواہ انفراسٹرکچر موجود ہے۔ 2024ء میں کمپنی نے سولر پینل نصب کئے، جس سے بجلی کے اخراجات میں کمی اور کاربن فٹ پرنٹ کم کرنے میں مدد ملی۔
2025ء میں، کمپنی نے لاہور میں ہیڈ آفس کیلئے 750 اضافی گاڑیوں کی پارکنگ سہولت اور مستقبل کی توسیع کیلئے آفس اسپیس پر سرمایہ کاری کرنے کا منصوبہ بنایا ہے۔

** آپریٹنگ منافع (OP) میں خرابی کے نقصانات اور دیگر آپریٹنگ اخراجات کا اثر شامل نہیں۔

	بی ایف ایس آئی		رٹیل اور سی پی جی		ٹیکنالوجی		ٹیلیکو		دیگر		کل*	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
	Rupees in Millions											
ریونیوٹیٹ	15,266	20,507	5,716	7,676	7,393	8,057	11,809	15,489	13,252	15,744	53,436	67,473
ریونیو کی لاگت	(12,900)	(17,160)	(3,351)	(5,100)	(4,649)	(5,774)	(8,655)	(11,479)	(10,035)	(11,924)	(39,590)	(51,437)
مجموعی منافع	2,366	3,347	2,365	2,576	2,744	2,283	3,154	4,010	3,217	3,820	13,846	16,036
ترقی وتحقیق کے اخراجات	(6)	(44)	(16)	(8)	(20)	(9)	(32)	(17)	(36)	(15)	(110)	(93)
تقسیم کے اخراجات	(448)	(754)	(168)	(282)	(217)	(296)	(347)	(570)	(389)	(579)	(1,569)	(2,481)
انتظامی اخراجات	(1,138)	(1,465)	(426)	(548)	(551)	(576)	(880)	(1,107)	(988)	(1,125)	(3,983)	(4,821)
	(1,592)	(2,263)	(610)	(838)	(788)	(881)	(1,259)	(1,694)	(1,413)	(1,719)	(5,662)	(7,395)
ٹیکس سے پہلے منافع غیر مختص شدہ آمدن اور اخراجات	774	1,084	1,755	1,737	1,956	1,402	1,895	2,316	1,804	2,101	8,184	8,641

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

جغرافیائی شعبہ

کمپنی چاروں شعبوں میں ترقی کر رہی ہے مشرقی 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 87 فیصد ہے یعنی کمپنی کی زیادہ تر آمدنی غیر ملکی منڈیوں سے حاصل ہوتی ہے۔ اس کے علاوہ مقامی فروخت میں سے مزید 3 فیصد کا اضافہ برآمدات میں شامل کیا گیا ہے جس کا مطلب یہ ہے کہ کمپنی نے اپنی کچھ مقامی فروخت کو برآمدی مارکیٹ کی طرف منتقل کیا ہے۔ کمپنی کے مستقبل کا ہدف یہ ہے کہ برآمدات کے تناسب کو مزید بڑھایا جائے یعنی بین الاقوامی منڈیوں میں اپنی موجودگی مزید مستحکم کی جائے اور برآمدات کو زیادہ سے زیادہ فروغ دیا جائے۔ علاقائی اپ ڈیٹ کا آئندہ نقطہ نظر میں تفصیل سے احاطہ کیا گیا ہے۔

	شمالی امریکا		یورپ		مشرقی وسطیٰ		اے پی اے سی		پاکستان		کل*	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
	Rupees in Millions											
ریونیوٹیٹ	12,262	13,890	1,891	3,021	29,309	39,553	1,328	2,300	8,645	8,709	53,435	67,473
ریونیو کی لاگت	(7,963)	(9,279)	(1,164)	(1,829)	(21,152)	(29,855)	(849)	(1,670)	(8,461)	(8,805)	(39,589)	(51,437)
مجموعی منافع	4,299	4,611	727	1,192	8,157	9,698	479	630	184	(96)	13,846	16,036
ترقی وتحقیق کے اخراجات	(42)	(36)	(6)	(8)	(32)	(31)	(4)	(4)	(25)	(14)	(110)	(93)
تقسیم کے اخراجات	(33)	(290)	(19)	(63)	(1,257)	(1,805)	(139)	(202)	(121)	(121)	(1,569)	(2,481)
انتظامی اخراجات	(1,265)	(1,222)	(195)	(267)	(2,132)	(2,948)	(62)	(80)	(328)	(303)	(3,983)	(4,821)
	(1,340)	(1,548)	(220)	(338)	(3,421)	(4,784)	(205)	(286)	(474)	(438)	(5,662)	(7,395)
ٹیکس سے پہلے منافع/(نقصان) غیر مختص شدہ آمدن اور اخراجات	2,959	3,063	507	854	4,736	4,914	274	344	(290)	(534)	8,184	8,641

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

غیر منظّم

کمپنی نے سال 2024ء میں بھی ترقی کی تیز ترین رفتار کو برقرار رکھا۔ سالانہ آمدنی مقامی کرنسی میں 38,526.98 ملین روپے رہی، جو کہ گزشتہ سال کے مقابلے میں 20 فیصد کے اضافہ کو ظاہر کرتی ہے۔ ٹیکس کے بعد خالص منافع 6,115.30 ملین روپے رہا، جو کہ 29 فیصد کمی کو ظاہر کرتا ہے، اس کمی کی بنیادی وجہ رواں سال کرنسی کی قدر میں اضافہ ہے، کیونکہ کمپنی کی 90 فیصد سے زائد آمدنی غیرملکی کرنسی میں ہے، نتیجتاً، 2024ء میں کمپنی کو 220.09 ملین روپے کے زرمبادلہ کا نقصان ہوا، جبکہ سال 2023ء میں 2,175.79 ملین روپے کا زرمبادلہ منافع حاصل ہوا تھا۔ علاوہ ازیں، مجموعی منافع میں 2 فیصد اور آپریٹنگ منافع میں 21 فیصد کی کمی ریکارڈ کی گئی۔

غیر منظّم

تفصیلات	سال بہ سال	مالی سال 2023ء	مالی سال 2024ء
ریونیو	20%	32,037,995,164	38,526,983,552
مجموعی منافع	-2%	9,726,611,310	9,561,288,554
آپریٹنگ منافع	-21%	7,096,705,165	5,598,355,720
ٹیکس سے پہلے منافع	-27%	8,549,166,473	6,214,307,479
ٹیکس کے بعد منافع	-29%	8,559,160,491	6,115,297,176
فی شیئر آمدن (بنیادی)	-29%	29.41	20.94
فی شیئر آمدن (رقیق)	-29%	29.22	20.80

غیر منظّم۔ ریونیو (پاکستانی روپوں میں کم از کم)

سی اے جی آر 50 فیصد

غیر منظّم۔ آپریٹنگ منافع (پاکستانی روپوں میں کم از کم)

سی اے جی آر 29 فیصد

غیر منظّم۔ خالص منافع (پاکستان روپوں میں کم از کم)

سی اے جی آر 29 فیصد

غیر منظّم۔ ای پی ایس۔ بنیادی (روپے)

سی اے جی آر 27 فیصد

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 اور 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 اپ سیلنگ کی پیشکش کی ہے۔ تاہم، اس شعبے میں منافع کی شرح نسبتاً کم ہے کیونکہ کمپنی کنٹری ماڈل بینک کے لائسنس (جو کہ دس سال سے زیادہ کیلئے حاصل کئے گئے ہیں) میں سرمایہ کاری کر رہی ہے اور اس پر ہونے والے امورٹائزیشن چارجز بھی لاگو ہیں۔

☆ **ریٹیل اور سی پی جی (کنزیومر پیکیج گڈز):** یہ شعبہ ریٹیل آپریشنز کنزیومر گڈز پر مشتمل ہے۔ اس کے یورپ اور امریکا میں پائے جانے والے زیادہ تر صارفین منافع کے حصول میں معاون ثابت ہو رہے ہیں۔

☆ **ٹیل یکو (ٹیلی کمیونیکیشن):** یہ شعبہ ٹیلی کمیونیکیشن سروسز اور ٹیکنالوجیز پر مشتمل ہے۔ کمپنی اس صنعت کے بڑے ٹیلی کام اداروں کے ساتھ کام کر رہی ہے اور اس شعبے میں مزید حوالہ جات اور استعمال کی مثالیں (Use Cases) تیار کر رہی ہے۔

☆ **ٹیکنالوجی:** اس شعبہ میں ٹیکنالوجی سے متعلقہ حل، مصنوعات اور خدمات شامل ہیں۔ اس کے علاوہ اس میں دیگر ایس 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۔

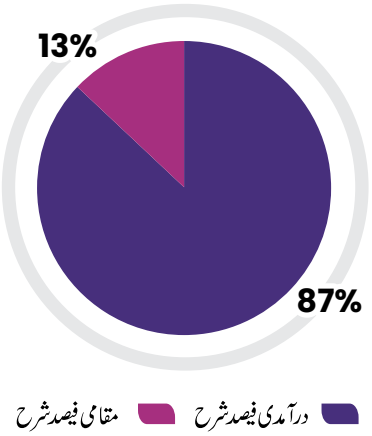
منظّم۔خالص منافع (پاکستان روپوں میں کم از کم)

سی اے جی آر 36 فیصد

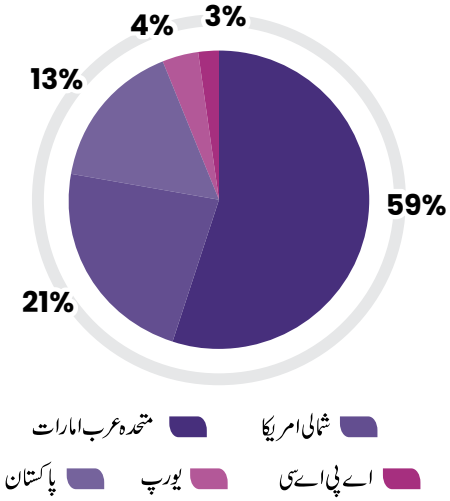
منظّم۔ای پی ایس۔بنیادی (روپے)

سی اے جی آر 33 فیصد

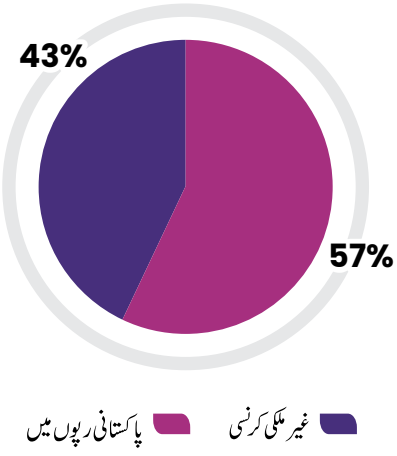
برآمدی شراکت



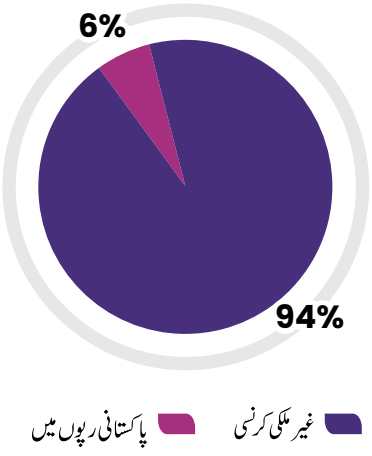
جغرافیائی خطوں کی آمدنی



کرنسی کے حساب سے خرچہ



کرنسی کے حساب سے ریونیو



ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز 2024ء

کمپنی کے ڈائریکٹرز کو مورخہ 31 دسمبر 2024ء کو ختم ہوئے سال کے منظّم اور غیر منظّم مالیاتی 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 سٹاک ایکسچینج کی لسٹڈ کمپنی ہے۔ کمپنی 1977ء میں قائم کی گئی اور بنیادی طور پر سافٹ ویئر ڈویلپمنٹ، سافٹ ویئر، ہارڈ ویئر ٹریڈنگ اور بزنس پراسیس آؤٹ سورسنگ سروسز کا کاروبار کرتی ہے۔

سرگرمیاں

گروپ 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۔ گروپ کو 87 فیصد آمدنی مختلف جغرافیائی خطوں جیسے شمالی امریکا، یورپ اور مشرقِ وسطیٰ میں اپنی خدمات کی برآمد سے تقریباً 13 فیصد مقامی مارکیٹ سے حاصل ہوتی ہے۔ کمپنی کا دائرہ کار مختلف کاروباری شعبوں جیسے ٹیلکو، ریٹیل، سی پی جی ٹیکنالوجی، فارما، بینکاری اور پبلک سیکٹر تک پھیلا ہوا ہے۔

سال 2024ء کے دوران کمپنی اور گروپ کی مالیاتی کارکردگی

منظّم

مورخہ 31 دسمبر 2024ء ختم ہونے والے مالی سال کے دوران کمپنی کا ریونیو گزشتہ سال 2023ء میں مبلغ 53,435.48 ملین روپے کے مقابلہ میں مبلغ 67,473.02 ملین رہا۔ کمپنی اپنی ترقی کی رفتار کو برقرار رکھنے کیلئے تمام مارکیٹوں میں بھاری سرمایہ کاری جاری رکھے ہوئے ہے۔ معمول کے کاروباری عمل سے حاصل ہونے والا مبلغ 8,149.95 ملین روپے کا آپریٹنگ منافع 4 فیصد کی نمو کو ظاہر کرتا ہے۔ معمول کے کاروبار سے ہونے والا مبلغ 7,460.01 ملین کا آپریٹنگ منافع مبلغ 264.47 ملین زرمبادلہ کے نقصان کی وجہ سے گزشتہ سال کے مقابلہ میں 14 فیصد کی کمی کو ظاہر کرتا ہے، جبکہ مالی سال 2023ء کے دوران کمپنی نے 2,257.67 ملین کا نمایاں زرمبادلہ کا منافع حاصل کیا تھا۔

چوتھی سہ ماہی میں، ٹریڈنگ کی ایک وقتی سرگرمی زیادہ ہے جس میں مارجن کم ہیں، جب کہ سروسز کے کاروبار میں مارجن زیادہ ہیں، جس کا اثر مجموعی اوسط مارجن پر پڑا ہے۔ کمپنی کا مقصد 2025 میں اپنے کیش کلیکشن سائیکل کو جارحانہ طور پر بہتر بنانا بھی ہے، جس سے آخرکار تجارتی وصولیوں پر متوقع کریڈٹ نقصانات میں کمی آئے گی۔ مالی سال 2020ء سے کمپنی نے اپنی آمدنی میں 62 فیصد کا کمپاؤنڈ ڈیانول گروتھ ریٹ حاصل کیا، جس کی بنیادی وجہ آئی ٹی سروسز ہیں۔ منافع کے دباؤ کے باوجود کمپنی اب بھی ای بی آئی ٹی ڈی اے* مارجن + ریونیو گروتھ کی 41 فیصد شرح حاصل کر رہی ہے جو کہ مارکیٹ کی اوسط سے زیادہ ہے۔

آمدنی میں اضافہ کمپنی اور اس کے ماتحت اداروں دونوں کی شراکت داری کا نتیجہ ہے۔

منظّم

تفصیلات	سال بہ سال	مالی سال 2023ء	مالی سال 2024ء
ریونیو	26%	53,435,483,177	67,473,021,160
مجموعی منافع	16%	13,845,519,888	16,035,681,597
آپریٹنگ منافع	4%	7,811,463,419	8,149,953,071
ٹیکس سے پہلے منافع	-11%	8,783,560,854	7,816,361,864
ٹیکس کے بعد منافع	-14%	8,688,889,893	7,460,012,773
فی شیئر آمدن (بنیادی)	-14%	29.86	25.55
فی شیئر آمدن (رقیق)	-14%	29.66	25.37

* ای بی آئی ٹی ڈی اے برابر ہے (آپریٹنگ منافع + فرسودگی + امورٹائزیشن)

منظّم۔ ریونیو (پاکستانی روپوں میں کم از کم)
سی اے جی آر 62 فیصد

منظّم۔ آپریٹنگ منافع (پاکستانی روپوں میں کم از کم)
سی اے جی آر 40 فیصد

About **Us**

Systems Limited, recognized as Forbes Asia's Best Under A Billion and Asia's Fastest Growing Company in 2024, is a global pioneer in digital transformation, IT consulting, and services. We empower organizations worldwide to harness the transformative potential of digital technology. In a world where all strategies lead to technology, companies must reinvent every part of the enterprise with data, AI, and new ways of working to build resilience and unlock new growth opportunities. At the forefront of innovation, we guide businesses across industries and continents in adopting AI, data, cloud, and digital solutions.

Our team of expert strategists, architects, and technologists brings extensive global experience and technical expertise, collaborating seamlessly with partners to leverage cutting-edge technologies. Together, we craft tailored solutions that unlock each organization's unique potential.

As the first and only IT Company in Pakistan to surpass a market value of PKR 100 billion, with operations spanning 16+ countries, we serve hundreds of corporate clients, including Fortune 500 companies, across diverse industries. We are honored to be recognized among the top 25 companies by the Pakistan Stock Exchange for four consecutive years and as the P@SHA ICT Top IT Services Exporter in 2024. Committed to empowering individuals through technology, we actively contribute to initiatives that drive positive change, build a thriving Company culture, nurture leadership, and promote the growth of export-driven IT businesses worldwide.

Looking ahead, we remain dedicated to innovation, seizing new opportunities, delivering comprehensive value, and achieving operational excellence for everyone.

AI.NOW.
AI IS NO LONGER
ABOUT WHAT'S NEXT.
IT'S ABOUT
WHAT'S NOW!

What sets us apart

Our competitive edge

Culture of innovation

- **7000+** global talent pool
- More than **50%** Company equity is owned by its employees
- Continued innovation is a part of our DNA

Robust customer portfolio

- Fortune **500** companies across industries
- **93%** of existing customers contribute to recurring revenue
- Top 5 of our customer have been with us for **5+** years

Strong partner ecosystem

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

Operational excellence

- Lean and agile processes backed by data-driven decisions
- Project Management Community Portal for cross-organizational collaboration

Values in action: Spearheading impactful growth

Living our values:

Delivering on the promise of technology and growth

Courage	Integrity	Empathy
Leading with decisiveness, taking calculated risks for impactful outcomes	Maintaining the highest ethical standards in all interactions, building trust and loyalty	Respond to needs and challenges with empathy and genuineness, fostering stronger relationships and collaboration

Vision

As a leading digitally native Company, we leverage our business acumen, consistent service delivery excellence, customer-centric focus, and enduring alliances with strategic partners. We are committed to continuous innovation, empowering people, and delivering great value to our clients and stakeholders.

Mission

Systems Limited is committed to delivering future-ready and technology-enabled 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.

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

Global **recognition and awards**

Forbes Asia BEST UNDER A BILLION 2024

Only Pakistan's IT Company to win five times in a row and the Fastest Growing Company in Asia

24|25 INNER CIRCLE

Among top global technology partners four times in a row

temenos

Regional Delivery Partner of the Year 2024

etisalat by e&

Resilient Partner Award 2024

HUAWEI

Cloud Partner of the Year

CLOUDERA

Best Emerging Partner 2024

PSX PAKISTAN STOCK EXCHANGE LIMITED

Top 3 on PSX 25 companies list three times in a row

PASHA ICT AWARDS 2021

Top Exporter Award

PAKISTAN PSEB SOFTWARE EXPORT BOARD

Top IT & ITeS Exporter, Top IT Consultancy Services Provider & Top BPO Services Provider 2024

IBS intelligence Global FinTech Perspectives

Best Core Banking Implementation

American Business Council PAKISTAN

ESG Award - Runner up

FBR PAKISTAN

Leading Exporter Award

Partnerships

12+
Years of Partnership

2023 Microsoft Partner of the year - UAE

2023 Microsoft Partner of the year - Pakistan

24 | 25 Inner Circle For Microsoft Business Application- Among top global technology partners four times in a row

14+
Years of Partnership

Regional Delivery Partner of the Year 2024

Winner Partner Award TCF "Commitment to Learning"

11+
Years of Partnership

Gold Partner Recognition

Platinum Partner Recognition

6+
Years of Partnership

5+
Years of Partnership

3+
Years of Partnership

Service Excellence Award

Fastest Partner to Revenue

Top New Partner

2+
Years of Partnership

Emerging Partner Award

Premier Partner Award

1+
Years of Partnership

Our **offerings**

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

AI Transformation

- Responsible AI
- AI-accelerated Enginering
- Machine Learning

Cloud

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

Digital IT Operations

- Managed Services
- Security Ops
- Data Ops
- DevSecOps
- Service desk

Enterprise Services

- Application Development
- Intelligent Process Automation (IPA)
- Application Integration
- ERP

Digital Transformation

- Digital Experiences
- Digital Consulting
- Digital Commerce

Data & Analytics

- Data Modernization
- Machine Learning & AI
- Connected Intelligence
- Data Management

Generative AI

- Reimagine Business
- Reimagine IT
- Boost Productivity
- Consulting & Engineering

Let us guide you in reshaping your business with **the power of digital innovation**

Technology for tomorrow

The gen AI agents are coming

60% of large enterprises are expected to use AI agents to enhance employee productivity, automate tasks, and improve decision-making.

Source: Gartner

Merging physical and digital realms

It's estimated that the global spatial computing market will reach $19.5 billion by 2025, driven by increased demand for immersive experiences in industries such as healthcare, retail, and education.

Source: Gartner

Performance over promises

Ambient intelligence technologies are set to transform business operations, enabling seamless, real-time interactions with customers and employees. Around 40% of enterprises will adopt these technologies to enhance engagement and improve operational efficiency.

Source: Gartner

Rewire for the future

Neurological enhancement technologies, such as brain-computer interfaces, are expected to see a 33% annual growth, reaching $9.5 billion by 2025, as they revolutionize cognitive capabilities and human-machine interaction.

Source: Forbes

Hyperscalers fueling the AI Bloom

Companies operating large-scale hyperscale data center infrastructure will account for more than 70% of spending on AI-optimized servers in 2025, reaching US$202bn - double the amount spent on traditional server hardware.

Source: Gartner

Inside Pakistan's thriving **tech ecosystem**

Pakistan IT market hit **US$ 14.98 billion valuation** in 2024.

Source: Globaldata

Ranked **3rd globally** for IT freelance growth over the past decade.

Source: P@sha

Generating **$2.1 billion in export revenue.**

Source: P@sha

The IT sector contributes **4.8% to GDP,** shaping Pakistan's future.

Source: P@sha

Over **25,000 IT graduates** enter the industry annually.

Source: Gl Ministry of Information Technology & Telecommunication obaldata

10,000+ IT companies registered with SECP.

Source: Gl Ministry of Information Technology & Telecommunication obaldata

Marketing **Brilliance**

Pioneering innovation and achieving remarkable milestones, reinforcing our position as a leader in innovation

A unified presence at regional events

We went bigger than ever at GITEX GLOBAL and LEAP 2024
We reinforced Systems Limited's position as a global leader in technology and innovation, making an impact across the globe.

GITEX Global

Connecting minds, powering innovation

Driving innovation in the MEA landscape, we made our biggest impact at this year's GITEX in Dubai—showcasing cutting-edge digital solutions, engaging with a global audience, and forging transformative collaborations that are shaping the region's technological future.

LEAP

Soaring beyond limits

Making waves at LEAP 2025 in Riyadh—showcasing disruptive innovations and driving collaborations to shape the future of technology in the KSA market. LEAP served as a global platform to explore transformative ideas and build connections that inspire progress and ingenuity.

MWC Barcelona

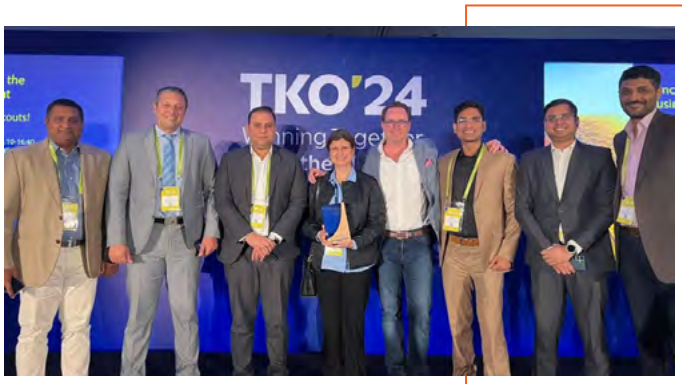
Where innovation meets connectivity

Revolutionizing the telco landscape at Mobile World Congress, we showcased cutting-edge solutions that challenge industry norms and unlock new possibilities. By empowering industries, forging global alliances, and pushing the boundaries of connectivity, we are leaving a lasting mark on the future of telecommunications, with a strong focus on the European market.

Temenos Community Forum

Building banks of the future

Engaging with industry leaders and Temenos experts to explore innovative banking solutions, we sparked meaningful discussions and forged valuable partnerships to shape the future of financial services.



Temenos Kick-Off

Reinventing banking solutions

A powerful showcase of innovation and collaboration, shaping the future of banking. From exploring Temenos' strategic vision to forging new partnerships, we are building the banks of tomorrow—driving transformation with cutting-edge technology, agility, and forward-thinking solutions.

Red Hat

Turning ideas into innovation

Set in the vibrant city of Denver, we led impactful discussions on harnessing Red Hat as the enterprise platform to unlock AI capabilities. Our experts joined global leaders to explore how open-source technologies empower enterprises to seamlessly bridge trusted on-prem data with cutting-edge cloud innovation.

Bank of Tomorrow

Exploring the growth mindset

Inspiring conversations and networking opportunities at Temenos Bank of Tomorrow in Indonesia, exploring how digital transformation and innovative banking solutions can shape the future of financial services—fostering growth and driving financial inclusion.

London Tech Week

The catalyst for innovation

Exploring the limitless potential of digital technologies, the event united industry leaders, innovators, and tech experts to showcase cutting-edge advancements, spark meaningful collaborations, and shape the future of technology.

Tech Week Singapore

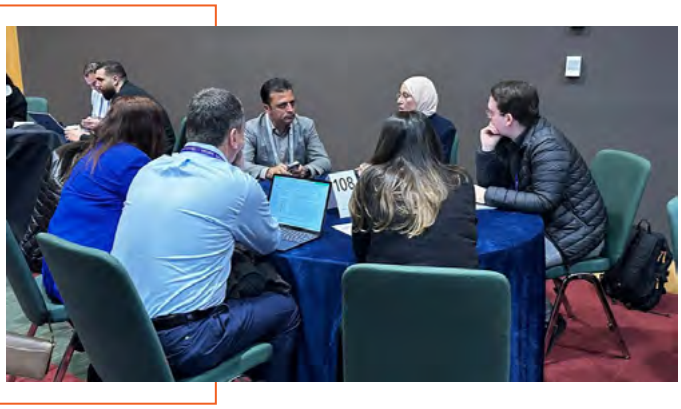
Navigating innovation & impact

Connecting with industry leaders and potential partners, we showcased our cutting-edge technologies and sparked engaging conversations, reinforcing our commitment to shaping the digital future of the Asia-Pacific region.

Microsoft EMEA Partner Network

Accelerating the drumbeat of innovation

Taking an active role in the world's leading CIO gathering, we delivered innovative solutions, actionable insights, and strategies designed to accelerate growth, enhance security, and transform operations for unparalleled business success.



Web Qatar Summit

Made our mark at Web Summit Qatar, where our leadership engaged in impactful discussions on the technologies shaping the future. As Qatar continues to emerge as a dynamic hub for digital innovation, we explored opportunities to drive transformation across industries, aligning with the nation's ambitious digital vision

Sustainability Now

As a leading force in AI-powered transformation, Systems MEA is making its mark by enabling businesses to harness technology for faster, responsible decision-making and measurable sustainability impact.

Bank of the Future Forum

Shaping the Future of Banking

Where banking leaders converge to redefine the future of banking, foster impactful collaborations, and set the course for transformative change.

Xcelerate 2024

A digital transformation journey

Powered by Systems Limited and Microsoft, Xcelerate brought together top industry leaders and professionals to explore the latest breakthroughs in technology. As a driving force behind digital transformation, we are leading the charge—enabling businesses everywhere to innovate, collaborate, and shape the future of technology.

SAP Innovation Day

SAP Innovation Day was a landmark event that brought together industry leaders to discover how SAP Business AI is revolutionizing business transformation. It provided a platform for collaboration, fueling innovation, and shaping the future of AI-driven solutions in the business world.

Xchange 2024

The catalyst for innovation

As an IBM partner of choice, Systems Limited leverages IBM's advanced AI, cloud, and security capabilities to drive innovation in financial services. Together, we are empowering banks with scalable, secure, and intelligent solutions that enhance customer experiences, streamline operations, and ensure regulatory compliance—solidifying our commitment to shaping the future of digital banking.

Power Sync - Unleashing AI powered CRM potential

Driven by Systems Limited and Salesforce, Power Sync brought together leaders from K-Electric and Sui Southern Gas Company to explore innovative utility management solutions. The event focused on driving collaboration through data, AI, and automated CRM to enhance efficiency and elevate customer service.

Opening doors to innovation, growth, and tech synergy through global engagement

Systems Limited has been at the forefront of fostering global tech collaboration, opening its doors to distinguished dignitaries, industry leaders, and key stakeholders. Through strategic discussions on the evolving tech landscape, innovation, and investment opportunities, we have reinforced our commitment to driving digital transformation.

Strengthening UK-Pakistan IT collaboration

We had the privilege of hosting key representatives from the UK government at our Karachi campus for insightful discussions on expanding Pakistan's IT sector. We engaged in exploring synergies and potential UK interventions to drive industry growth.

Expanding Pakistan-Saudi IT Ties

We engaged in strategic discussions with Saudi investment leadership to strengthen IT collaboration and trade ties. The focus was on Saudi investment in Pakistan's tech sector, driving job creation, skill development, and digital growth

Solidifying U.S.-Pakistan Tech Collaboration

We were honored to host a U.S. delegation, including US Ambassador at our Lahore campus, reinforcing Pakistan's integration into the global tech community. The discussions focused on boosting IT exports, talent development, and fostering a thriving B2B tech ecosystem, strengthening cross-border collaboration for mutual growth

Hosted JJ Zhuang, the mind behind Microsoft Outlook Mobile (Acompli)

He shared his journey—from transforming mobile productivity to driving billion-dollar success—along with key insights on AI's role in shaping industries, fueling growth, and enhancing customer experiences. Further, highlighted the need for adaptability in an era of rapid change, the importance of amplifying our human qualities alongside AI, and the value of savoring experiences only humans can truly appreciate.

Welcomed CEO of PSEB

The Chairman of Systems Limited welcomed the newly appointed CEO of PSEB for an insightful discussion on the future of Pakistan's IT industry. With Systems Limited recently recognized as a top IT exporter by PSEB, the conversation focused on collaborative strategies to expand global reach, foster innovation, and unlock new growth opportunities.

Advancing Pakistan's IT & AI Future

We hosted Pakistan's Minister of State for IT and Telecommunication a high-level discussion on IT exports, policy frameworks, and AI-driven growth. The focus was on government-private collaboration to unlock global opportunities. Systems Limited remains committed to driving digital literacy, innovation, and a thriving tech future.

Driving digital innovation in banking

We had the pleasure of hosting Allied Bank Limited's Digital Banking Group at Studio 77, a space where innovation and creativity come together. The visit highlighted our successful collaboration on the My ABL mobile banking app, sparking valuable discussions on future advancements

Hosted Oman Housing Bank

We had the privilege of hosting Oman Housing Bank's leadership at our Karachi office for valuable discussions on banking innovation and technology-driven transformation. We aligned our expertise with their vision, focusing on enhancing digital banking, strengthening cybersecurity, and driving customer-centric solutions to shape the future of finance.

Human Capital **Strategic Pillars**

Talent Acquisition

Talent Management

Employee Experience

Data Analytics & Automation

Academia Linkages, Market Research & Employer Branding

Toima Asghar

Group CHRO, Systems Limited

As we bid farewell to 2024, I am filled with profound admiration and excitement for the transformational journey we've witnessed together. This year, the Systems Group has exemplified what it means to be a beacon of innovation, teamwork and phenomenal growth.

Our unwavering commitment to a people-oriented philosophy, coupled with our passion for innovation have allowed us to balance flexibility and stability with agility. Our investments in continuous learning and development have borne fruit, and our teams successfully navigate complex technology challenges and remain ahead of the curve in our industry.

Furthermore, our Corporate Social Responsibility initiatives have achieved significant progress, particularly in education, healthcare, Go Green and skill development, reaffirming our commitment to societal progress. I want to express my sincere gratitude to the people of Systems Group. Your tireless efforts and innovative spirit have been the primary drivers of our numerous achievements this year, propelling us toward a promising future.

Talent Acquisition

2426

Total Hiring Globally

Recruited 1,760 personnel, with a hiring pipeline of 122 resources for 2025. Strengthened our leadership tier by onboarding 29+ new hires for strategic and key roles. 207 resources have been hired in senior tier (Grade 2, 3A and 3).

Hiring for our ROW entities, from international markets including Australia, Singapore, Vietnam, Malaysia, Indonesia, KSA, Egypt and Qatar. Conducted extensive market research for scarce skillset and related market dynamics, locally and internationally including Eastern Europe, APAC, MEA and other countries.

Integrated SAP Success factor and GenAI to automate recruitment & selection process. Conducted thorough analysis, skillset profiling, and research for specific technologies and domains to meet both current and future requirements.

Talent Management & OD

347
Total Trainings

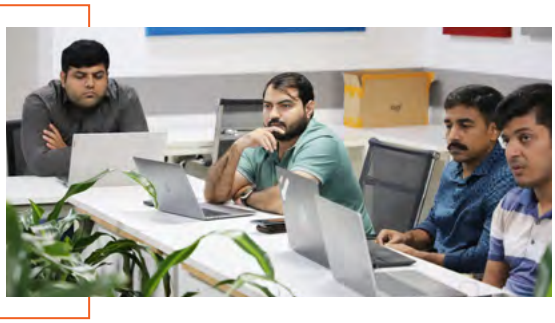
1162
Total Sessions

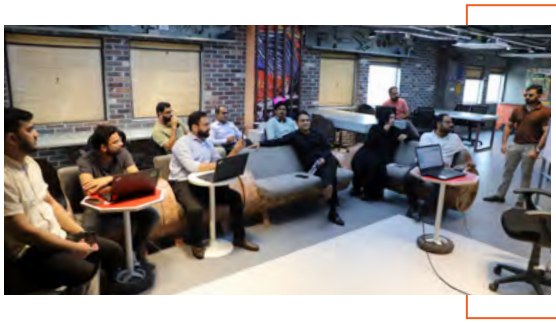
11514
Total Participants

743
Technical Certifications

Tech Hub - Technical Trainings

This year, the TM & OD team, in collaboration with all competencies, organized a variety of online training sessions covering topics like Azure Fundamentals, Mobile and Web Application Testing, Scrum with Azure DevOps, Power BI, Playwright, Git Best Practices, JavaScript Stack, Business Process Modeling, Agile, UI Design, React, Vue.js, Spring Boot, and many more.





Temenos Trainings

Throughout the year, 37 training sessions were held for Temenos Transact business, technical, and Managed Services consultants. These sessions focused on upskilling new hires in Retail Banking, Arrangement Architecture, Temenos Payment Hub (TPH), Islamic Lending, Financial Inclusion, and Payments Certification.

Talent Pool

Over the past year, our reskilling and upskilling initiatives have focused on equipping employees with the latest knowledge in cutting-edge technologies to accelerate their career growth. We covered key topics like React.JS, Linux & OpenShift, Flutter, React Native, and specialized courses such as Salesforce Server Side, Transact Technical, and Spring Boo

Learning Rally - Soft Skills Intervention

As part of our continuous dedication to cultivating soft and leadership skills. We conducted training covering topics like Effective Communication, Leadership Development, Conflict Resolution, Time Management, Emotional Intelligence, Stress Management, and Problem-Solving, ensuring our workforce is well-equipped to excel.

LUMS - Sysvistech Leadership University

Committed to fostering leadership skills, Systems Group has partnered with REDC LUMS to create the SysVisTech Leadership University, a prestigious program for high-potential executives.

LUMS - Future Leaders Program

In collaboration with LUMS we organized a two-day program enhances leadership and managerial skills, focusing on team performance, collaboration, and decision-making. It strengthens leadership capabilities, driving professional growth across the organization.

Let's L-earn

The Let's Learn Technical Training Series aims to upskill and reskill teams through interactive sessions, quizzes, projects, and self-learning resources. This year, 321 team members were trained on Dynamics Commerce and Mobility by 65 internal trainers, fostering cross-functional exposure.

Language & Communication Program

The Language & Communication Program has successfully enhanced communication and client relationships, benefiting 208 participants across 15 batches. Through interactive sessions and continuous feedback, it has significantly strengthened participants' communication skills.

Employee Engagement

Employee Engagement & Well-being Initiatives

At Systems Limited, fostering a healthy, inclusive, and engaging work environment has been at the heart of our employee experience. Throughout the year, we organized a variety of initiatives focused on wellness, value-driven engagement and recognition, ensuring that our employees feel valued, motivated and empowered.

137+
Year-round Events

125
Competency Events Connects, Townhalls & Recognition Activities

12
Company Wide Engagement Activities

Wellness Program: Nurturing a Healthier Workforce

Our Wellness Program centered around themes promoting Nutrition & Healthy Lifestyle, Personal Hygiene, and Personal Grooming.

Positive Pulse Values Program: Instilling Humanistic Values through Gamification

To strengthen our organizational culture, we introduced the Positive Pulse Values Program, a unique initiative designed to instill core Company values through gamification. Employees participated in engaging activities, challenges and team-based games, reinforcing the principles that define our work ethos.

Recognition & Celebrations: Honoring Achievements and Special Moments

A culture of appreciation is a thriving culture. We ensured that employees felt recognized and celebrated through various Company-wide initiatives.

Recognition Activities

Honoring outstanding contributions, milestones, and achievements, reinforcing a sense of pride and motivation

Celebration of Significant Days

Marking special occasions to bring our workforce together here are some highlights of these events.

We have envisioned and brought to life an avant-garde work environment and cutting-edge facilities through people branding, encapsulating the essence of our brand, both at the Systems HQ and its global offices.

International Women's Day Celebration

Blood Donation Drive

Independence Day Celebration

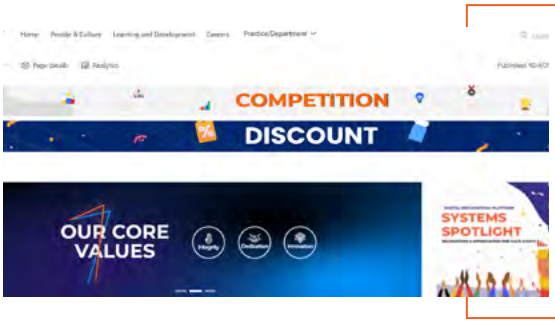
Father's Day Celebration

Celebration of Festivities

Breast Cancer Awareness (Pinktober)

Go Green Initiative
A Commitment to Sustainability

As part of our commitment to environmental sustainability, We conducted plantation drives, engaging both our employees and the community to contribute towards a greener future.



Enhancing Workplace Efficiency with Systems Hub

We launched Systems Hub, our dynamic intranet portal designed to streamline workplace processes and enhance collaboration.

People Branding Activities

15,000+
New Followers on LinkedIn

23,000+
New Followers on Facebook

16,000+
New Followers on Instagram

1.1M+
Page Views

65,000+
Unique Visitors

1.5M+
Post Impressions

Systems Limited strengthens its position as a leading employer through strategic people branding initiatives led by Team EBU under HCD Systems. Through compelling social media narratives and authentic storytelling, we showcase our vibrant culture, innovation ecosystem and core values across targeted programs, calendar events and campaigns.

Industrial & Academia Linkages

IT Mustakbil Training Program

227 participants of first two batches of IT Mustakbil (ITM) Training Program successfully completed their training and inducted in Cloud & Infrastructure, Business Process Automation, Banking Financial Solutions, QA and Data Engineering at Systems.

Our graduates were also offered positions in the other companies like PTA, BrainX, Techtimize, Pulse Digital, Nayyar Technologies, Vantadev, NRS International, Geekybugs, Avanceon, Allied Power & Control, ITT, Kingdom Valley, Toyota, Pharmagen Digital, Aquila 360, Autologics, Devsinc, Tekrevol, Marham, Techlogix, Sapphire and other companies.

The Batch 3 of IT Mustakbil Training Program is in progress in collaboration with BNU.

UIT, Karachi

BNU, Lahore

Collaborations with Universities for Training & Development of Students

Systems Limited partnered with universities in Pakistan to enhance knowledge and offer technical training through workshops, training sessions and internships.

These collaborations also support final-year projects and co-teaching elective courses.

Guest Speaker Sessions, FYP Evaluations and Panel Discussions

Naureen Anwar, SVP - Special Project, Systems Limited at ZAB E Fest 2024 Opening Ceremony.

Asif Peer, Group CEO & MD , Systems Limited at ZAB E Fest 2024 Closing Ceremony.

Mr. Aamir Zamir and Mr. Noman Khan from Systems Limited had the privilege of being guest evaluators at the MSCS Project Poster Presentation held at IBA Karachi.

Mr. Irfan Masood and Mr. Salman Fateh Ali from Systems Limited participated as Honorable Guests and External Evaluators at the FYP Exhibition held at MAJU, Karachi.

Ms. Naureen Anwar from Systems Limited spoke at a panel on 'Exploring Trends in Academia-Industry Relationships and Charting Future Courses of Action.

Systems Limited hosted sophomore students from Sukkur IBA University, MirpurKhas campus. Ms. Naureen Anwar shed light on the vast array of opportunities within the IT sector.

Ms. Kinza Riaz Ansari was invited as a guest speaker at SZABIST, Karachi for students of Masters' in Project Management (MPM).

Mr. Muhammad Ilyas spoke at a panel discussion on «From Classroom to Boardroom: A Journey of a Tech Leader» at the inaugural ceremony of IBA's PARVAAZ mentorship program.

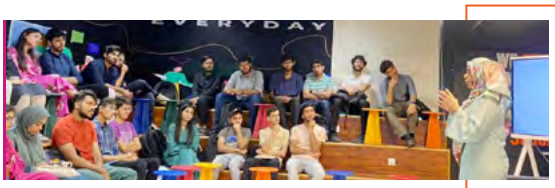
Mr. Khurram Afzaal was invited to speak at a panel discussion on 'The Insightful Journey of Data Analytics in the Pakistani Industry Landscape'.

Systems Limited recently conducted insightful guest lectures for BSCS - 6th semester students at FAST National University, Karachi.

Mr. Suleman Khan participated in the Maverick Mentorship Program at IBA, Karachi.

Team Digital Infrastructure led by Mr. Muhammad Ali Saeed conducted an engaging Workshop on Devops Dynamics at IBA, Karachi.

The final year students of BS Computer Science from DHA Suffa University visited Systems Limited, Karachi office.



Third-year students of BS Computer Science from Institute of Business Administration (IBA) visited Systems Limited, Karachi office for their FYP Connect.

Mr. Arsalan Rashid and Mr. Safi Raza from Systems Limited attended the Final Year CS Project Exhibition as guest evaluators at IBA, Karachi.

Systems Limited participated in the Final Year Project Exhibition, Spring'24 at MAJU, Karachi.

Corporate Social **Responsibility**

Education

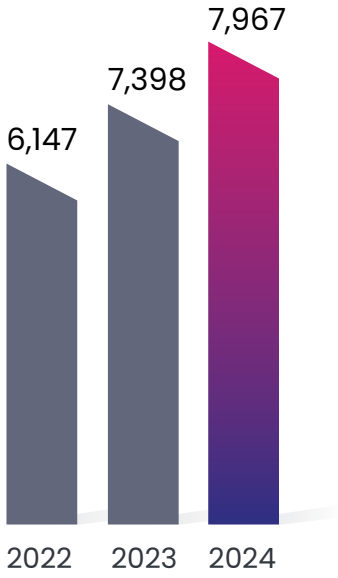
Health

General

Key Financial & **Business Highlights**

Revenue Trajectory (PKR Million)
CAGR 62%

Number of employees



Group Financials at a Glance

PKR 67.47 BN
FY'24 Revenue

62%
CAGR Revenue Growth

26%
YOY Revenue Growth

20.11%
YOY PAT Growth
*excluding exchange gain/(loss) impact

7,967
Total Employees As At December 31st, 2024

24%
FY'24 Gross Profit Margin

11%
FY'24 Net Profit Margin

12%
FY'24 Operating Profit Margin

15%
FY'24 EBITDA Margin

253
FY'24 Total Active Customers Served

47
Customers With Over $1M Revenue

129
Days Sales Outstanding
(Trade debts + Contract assets)

25.55
FY'24 Earnings Per Share

21.3%
FY'24 Return On Captial Employed

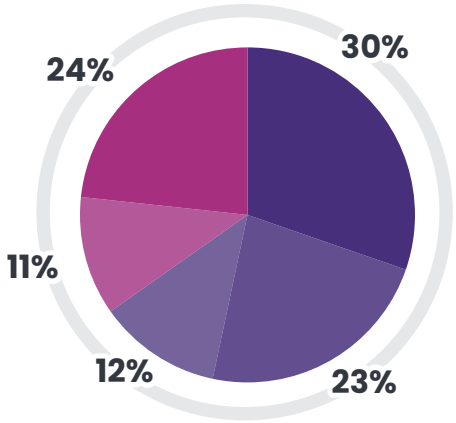
19%
FY'24 Return On Equity

PKR 10.76 BN
Cash & Bank + short term investements

PKR 4.12 BN
FY'24 Cashflows From Operations

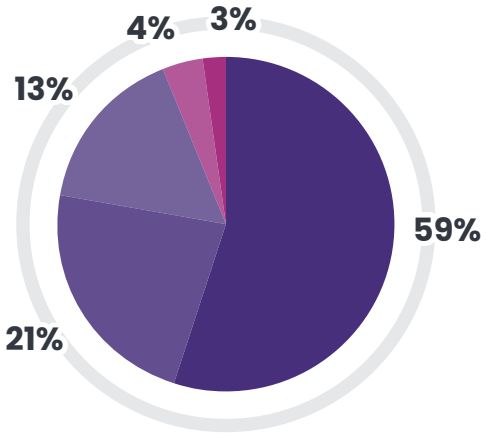
PKR 2.09 BN
FY'24 Free Cashflows
(Cash flows from operating activities - Purchase of property and equipment - Purchase / Development of intangibles)

Revenue by Sectors



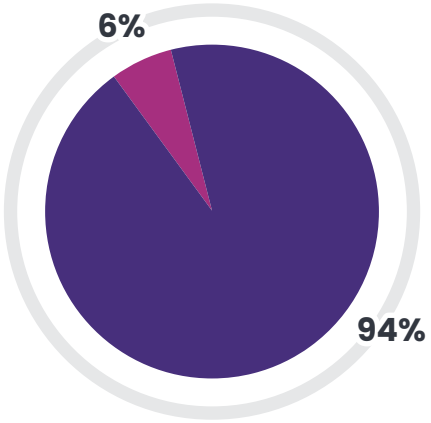
BFS services
Telco
Technology
Retail & CPG
Others (Public Sector, BPO, HealthCare etc.)

Revenue by Geography



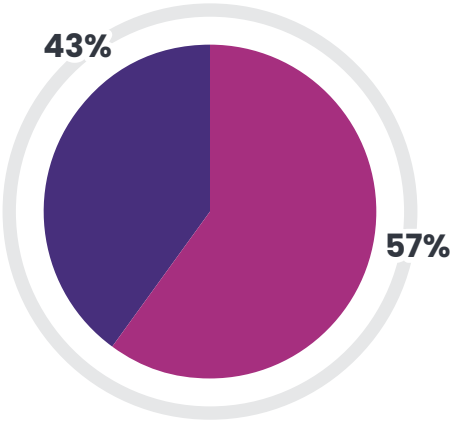
Middle East, Africa & Others
North America
Pakistan
Europe
APAC

Revenue by Currency



PKR
FCY

Cost by Currency



PKR
FCY

Key **Financial Highlights**

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

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2024	2023 (Restated)	2022 (Restated)	2021 (Restated)	2020 (Restated)	2019
	Rupees					
Revenue	**38,526,983,552**	32,037,995,164	20,644,764,716	11,903,583,911	7,513,766,845	5,348,568,742
Cost of revenue	**(28,965,694,998)**	(22,311,383,854)	(13,828,362,821)	(7,875,213,597)	(4,703,369,847)	(3,572,188,527)
Gross profit	**9,561,288,554**	9,726,611,310	6,816,401,895	4,028,370,314	2,810,396,998	1,776,380,215
Distribution expenses	**(748,429,704)**	(392,255,261)	(270,588,626)	(188,926,692)	(118,654,595)	(99,693,155)
Administrative expenses	**(2,511,514,952)**	(2,085,697,629)	(1,520,716,072)	(981,346,043)	(499,987,819)	(448,471,106)
Research and development expenditure	**(97,792,250)**	(109,917,778)	(61,223,458)	(37,229,031)	(12,416,180)	-
Reversals of impairment losses / (Impairment losses) on financial assets	**(605,195,928)**	(33,473,891)	(2,497,969)	(12,563,431)	(128,851,408)	(137,484,239)
Other operating expenses	**-**	(8,561,586)	(89,326,377)	(16,919,184)	(5,889,010)	(1,540,964)
	(3,962,932,834)	(2,629,906,145)	(1,944,352,502)	(1,211,857,519)	(765,799,012)	(687,189,464)
Operating profit	**5,598,355,720**	7,096,705,165	4,871,976,394	2,816,512,795	2,044,597,986	1,089,190,751
Other income	**1,038,497,833**	2,645,199,791	1,977,050,375	620,344,533	272,645,254	342,646,042
Impairment loss on long term investments	**-**	(68,953,239)	-	-	-	-
Finance costs	**(235,179,969)**	(664,179,989)	(224,538,852)	(84,291,698)	(49,914,195)	(39,164,417)
Profit before taxation and levy	**6,401,673,584**	9,008,771,728	6,624,487,917	3,352,565,630	2,267,329,045	1,392,672,376
Levy	(187,366,105)	(459,605,255)	-	-	-	-
Profit before taxation	**6,214,307,479**	8,549,166,473	6,624,487,917	3,352,565,630	2,267,329,045	1,392,672,376
Taxation	**(99,010,303)**	9,994,018	(324,650,972)	(31,874,154)	(73,414,103)	(28,540,667)
Profit for the year	**6,115,297,176**	8,559,160,491	6,299,836,945	3,320,691,476	2,193,914,942	1,364,131,709

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2024	2023 (Restated)	2022 (Restated)	2021 (Restated)	2020 (Restated)	2019
	Rupees					
Revenue	**67,473,021,160**	53,435,483,177	31,759,927,263	15,304,037,567	9,876,827,710	7,535,648,069
Cost of revenue	**(51,437,339,563)**	(39,589,963,289)	(23,062,424,438)	(10,277,136,819)	(6,607,224,023)	(5,166,301,606)
Gross profit	**16,035,681,597**	13,845,519,888	8,697,502,825	5,026,900,748	3,269,603,687	2,369,346,463
Distribution expenses	**(2,482,298,867)**	(1,569,563,845)	(740,518,496)	(385,600,533)	(201,024,729)	(178,002,387)
Administrative expenses	**(4,820,394,646)**	(3,982,646,207)	(2,483,965,304)	(1,426,803,958)	(722,310,556)	(698,066,995)
Research & development expenses	**(92,264,918)**	(109,917,778)	(61,223,458)	(37,229,031)	(12,416,180)	-
(Impairment losses) / Reversal of impairment losses on financial assets	**(485,686,404)**	(205,137,109)	40,359,108	(8,131,032)	(214,246,515)	(161,991,052)
Other operating expenses	**(5,083,691)**	(166,791,530)	(89,326,377)	-	(5,889,010)	(1,540,964)
	(7,885,728,526)	(6,034,056,469)	(3,334,674,527)	(1,857,764,554)	(1,155,886,990)	(1,039,601,398)
Operating profit	**8,149,953,071**	7,811,463,419	5,362,828,298	3,169,136,194	2,113,716,697	1,329,745,065
Other income	**725,575,753**	3,193,598,145	2,230,060,151	653,030,134	235,201,038	318,491,575
Gain on disposal of investment	**-**	-	-	816,226,748	-	-
Finance costs	**(465,258,660)**	(868,990,456)	(287,819,752)	(121,404,658)	(66,659,676)	(47,022,121)
Share of loss of Associate	**(118,973,681)**	(48,069,294)	(323,899,362)	(83,384,503)	-	-
Impairment loss on investment in associates	**-**	(729,463,249)	-	-	-	-
Profit before taxation and levy	**8,291,296,483**	9,358,538,565	6,981,169,335	4,433,603,915	2,282,258,059	1,601,214,519
Levy	**(474,934,619)**	(574,977,711)	-	-	-	-
Profit before taxation	**7,816,361,864**	8,783,560,854	6,981,169,335	4,433,603,915	2,282,258,059	1,601,214,519
Taxation	**(356,349,091)**	(94,670,961)	(351,508,026)	(53,944,635)	(117,960,376)	(33,281,698)
Profit for the year	**7,460,012,773**	8,688,889,893	6,629,661,309	4,379,659,280	2,164,297,683	1,567,932,821

Dupont Analysis

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%

2023

Profit	8,688,889,893	Revenue	53,435,483,177	Total assets	50,666,211,799
Revenue	53,435,483,177	Total assets	50,666,211,799	Equity	32,331,619,066
Profit margin	16%	Assets turnover	105%	Equity multiplier	157%

ROE 27%

Key Ratios

Standalone

	2024	2023	2022	2021	2020	2019
Profitability Ratios						
Gross Profit Ratio	25%	30%	33%	34%	37%	33%
Net Profit Ratio	16%	27%	31%	28%	29%	26%
Return on Equity	19%	31%	31%	32%	30%	26%
Return on Capital Employed	20%	34%	33%	32%	30%	27%
Return on Assets	14%	22%	23%	22%	25%	17%
Captial Structure						
Debt to Equity	0.04	0.08	0.15	0.26	0.17	0.12
Interest Coverage	23.80	10.68	21.70	33.41	40.96	27.81
Liquidity Ratios						
Current Ratio	2.99	2.87	2.64	2.55	3.49	3.54
Quick Ratio	2.48	2.35	2.29	2.30	3.07	2.83
Cash to Current Liabilities	0.16	0.18	0.27	0.35	0.49	0.81
Investment						
EPS Basic	20.94	29.41	22.44	12.06	8.03	5.02
EPS Diluted	20.80	29.22	22.29	11.98	7.95	5.00
Dividend Payout	29%	20%	22%	20%	20%	20%

Consolidated

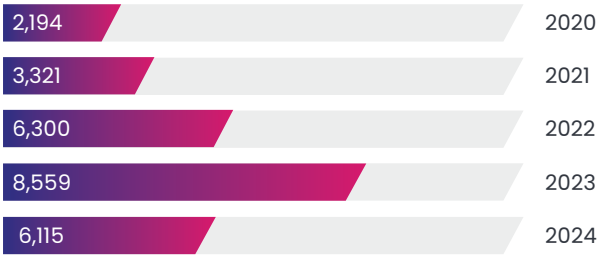
	2024	2023	2022	2021	2020	2019
Profitability Ratios						
Gross Profit Ratio	24%	26%	27%	33%	33%	31%
Net Profit Ratio	11%	16%	21%	29%	22%	21%
Return on Equity	19%	27%	29%	36%	27%	28%
Return on Capital Employed	21%	29%	29%	36%	28%	29%
Captial Structure						
Debt to Equity	0.07	0.07	0.14	0.23	0.19	0.12
Interest Coverage	17.5	9.0	18.6	26.1	31.71	28.28
Liquidity Ratios						
Current Ratio	2.52	2.18	1.81	2.52	3.06	3.32
Quick Ratio	1.81	1.52	1.48	2.21	2.58	2.65
Cash to Current Liabilities	0.48	0.52	0.43	0.54	0.96	0.91
Investment						
EPS Basic	25.55	29.86	23.61	16.21	8.08	5.84
EPS Diluted	25.37	29.66	23.45	16.10	8.01	5.82

Financial **Analysis**

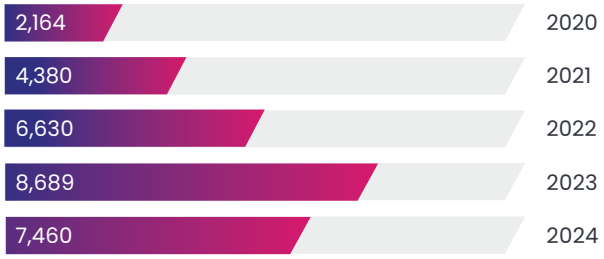
Unconsolidated Revenue (PKR Million) CAGR 50%

Consolidated Revenue (PKR Million) CAGR 62%

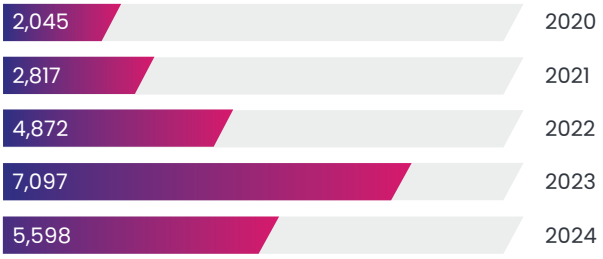
Unconsolidated Net Profit (PKR Million) CAGR 29%



Consolidated Net Profit (PKR Million) CAGR 36%

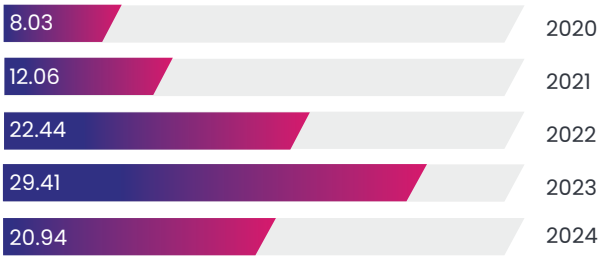


Unconsolidated Operating Profit (PKR Million) CAGR 29%



Consolidated Operating Profit (PKR Million) CAGR 40%

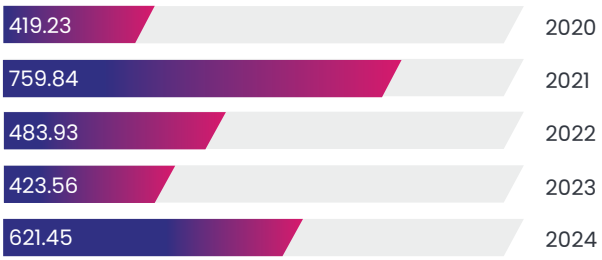
Unconsolidated Basic Eps (PKR) CAGR 27%

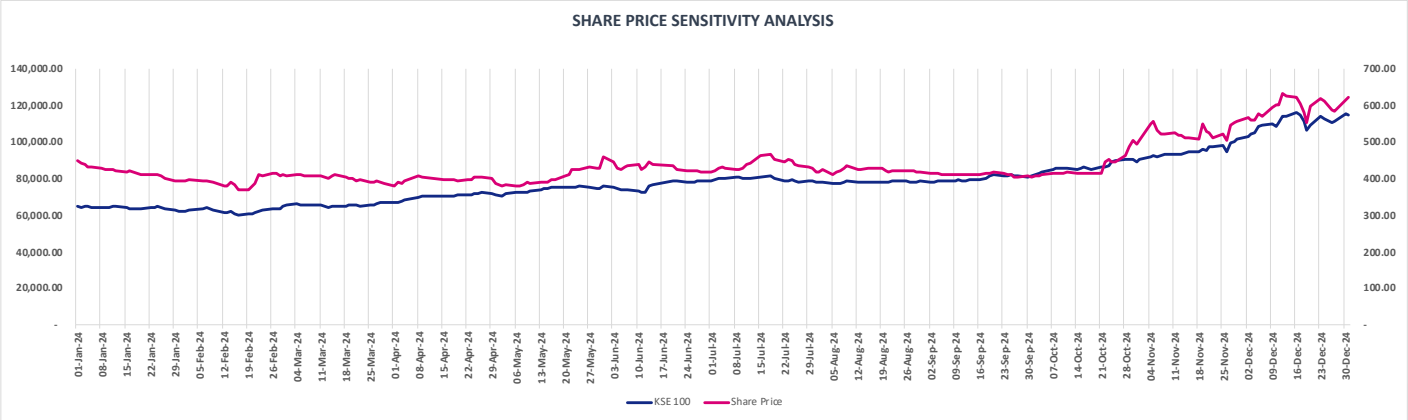


Consolidated Basic Eps (PKR Million) CAGR 33%

Market Capitalization (PKR million)

Closing Share Price (PKR)





Sustainability Framework

What Sustainability means To Us

Be Kind with the Environment

Key Indicators:

- Water Conservation through awareness programs
- Tracking of energy consumption
- Adopting reuse and recycle practices to reduce waste

Ensure Sustainable Financial Growth

Key Indicators:

- 26% increase in revenue
- 4% increase in operating profit
- 19% Return on Equity
- 5 year revenue CAGR over 62%
- Consistent dividend payout ratio
- Global expansion to reduce concentration risk

Governance

Key Indicators:

- Independent Board and its committees promoting GRC
- Responsible tax practices
- Code of conduct/Business ethics
- Cyber security and data privacy
- Disclosure of all related party transactions

Be Kind to Employees

Key Indicators:

- Hiring more specially abled employees
- Increased employee engagements through town halls and management meetings
- More focus on women empowerment
- Significant increase in trainings & certifications
- Numerous safety drills and sessions on work space ergonomics

Giving Back to the Society

Key Indicators:

- Allocation of CSR budget and planned CSR initiatives
- Initiated Digital Inclusion through IT Mustakbil Program
- Helping employees in times of difficulties

Policies & Processes Covering **Sustainability Areas**

	Be kind to Environment	Be kind to employees	Giving back to the society	Governance	Sustainable financial growth
Sustainability Areas	Clean Water and Sanitation Energy Consumption Carbon Emissions	Diversity & inclusion Employee engagement Safety First Employee personal growth and development	CSR initiatives Adding value to economy by creating job opportunities	Independent Board & its committees promoting GRC Responsible tax practices Code of Conduct/ Business Ethics Related party transactions Cybersecurity and Data privacy	Financial & Operational Shareholders Transparency & Value Addition

Policies, Rules & Guidelines

Processes

Code of Conduct, Internal Audit Policy, Code of Corporate Governance 2019, Procurement Policy, Environmental Policy, Information Security Policies, HR Policy, Health & Safety Policy, Whistle Blowing Policy

Policies

Internal and external audits (1, 2), Governance, risk and compliance management (2,3), Sourcing to pay (4), Supplier self assessment (4), Environmental management process (EMS) ISO14001 (4, 5, 6), ISO27001 (3), SOC 1 & SOC 2 (3), Information and cyber security audits and assessments (3), HR processes (1, 7, 8), Employee engagement survey (8)

Sustainability Pillars

Be kind to Environment

Be kind to the Environment is an overall team effort to ensure that our company has minimum impact on environment. As part of these efforts, Systems aims to develop an ecosystem where all stakeholders work in a collaborative approach towards honoring the Earth's physical limits and ensuring operations are conducted within the defined parameters developed to reduce our environmental footprint.

	2024	2023
Printing & Advertising Cost Per Employee	2,825	3,514
Energy Consumption Cost Per Employee	31,309	32,900

Be kind to Employees

At Systems, we aim to create a collaborative and safe work environment that ensures openness, flexibility, stimulate creativity, job satisfaction, and the well-being of all our Systemers and their families. From this holistic approach, the benefits linked to compensation are no longer separated from other benefits and experiences; resultantly, Systems aims to conduct recreational activities and support professional growth which is key in motivating employees leading to a sustainable competitive edge and ultimately wellbeing of our employees.

	2024	2023
No. of Employees	7,967	7,398
Male to Female Ratio	86:14	86:14
Female Employees on Senior Management Positions	40	25
Employee Insurance Cost	541 MN	407 MN
No. of Training sessions	347	492
Spent on Trainings & Certifications	297 MN	115 MN

Giving Back to the Society

At Systems, our values ensure that growing exponentially means that company has to give back to the society. COVID-19 has resulted in a paradigm shift where more people want to enter into the realm of IT world and explore opportunities. As a result, numerous initiatives were undertaken to give the society the necessary skills and technical knowledge.We believe in the importance of education as an engine for the development and growth of countries, and we believe that technology is a key tool to guarantee inclusive and equitable access to quality education.

	2024	2023
Management Trainee Officers Hired*	17	56
Laptops' Donations	-	30
colaborative agreements with educational institutes	• UIT - Karachi • BNU - Lahore	• Fast - Karachi • IQRA University - Karachi • Fast - Lahore • IBA - Karachi

** The decrease in MTO hirings is because company is training and assigning previously hired MTOs first.*

Governance

Growing exponentially brings challenges to meet requirements of all regulators impacting our operations. At Systems we have a comprehensive framework to ensure that our operations are in line with the applicable laws & regulations. We have established independent Audit Committee and have adopted internationally accepted control frameworks to align all our operational, financial and compliance matters, prevent financial leakages, ensure confidentiality & data privacy and improve overall governance.

	2024	2023
Audit Committee Meetings	4	4
Board Meetings	7	6
Human Resource and Compensation Committee Meetings	2	2
Key Governance Certifications	• SOC1 – SOC2 • ISO 9001:2015 • ISO 27001:2013 • ISO 20000-1:2018 • ISO 45001:2018 • ISO 14001:2015 • ISO 18295-1:2017 • ISO 27701:2019 • HIPAA	• SOC1 – SOC2 • ISO 9001:2015 • ISO 27001:2013 • ISO 20000-1:2018 • ISO 45001:2018 • ISO 14001:2015 • ISO 18295-1:2017 • ISO 27701:2019 • HIPAA

Sustainable Financial Growth

Systems believes that the future belongs to organizations who are forward looking, ensure constant evolution, adapt the strength of their culture, expand globally for its business, and are empowered by the potential of new technologies. Systems aims to make a paradigm shift in how a company operates and ensure consistent growth with value addition to its shareholders.

Financial Growth Highlights

	2024	2023
Revenue (PKR MILLION)	67,473	53,435
Profit After Tax (PKR MILLION)	7,460	8,689
Gross Profit Margin	24%	26%
Net Profit Margin	11%	16%
Return on Equity	19%	27%
Dividend Payout	29%	20%

Environmental, Social & Governance **Self Assessment Dashboard**

ESG					
Be kind to Environment					
SDG Target	Aim	Status 2024	Performance Indicator	Quantitative Impact	UN sustainability goals
Efficient waste management	Reduce, reuse and recycle to minimize waste, including e-waste.	• Increased emphasis on paper-less operations • Placement of separate recycle bins for paper, plastic & others at office premises • Emphasis on using double side printing whenever practical. • Using more cloud services thus reducing investment in on-premises data centres reducing our waste further. • Implementation of password control on use of printers to further reduce printing.	• Paper consumption tracking • Repair & maintenance of printers	Per Employee Cost 2023: PKR 3,514 2024: PKR 2,825	
Clean Water and Sanitation	• Support and strengthen the participation of local communities in improving water and sanitation management. • Ensure clean water and sanitation availability to everyone • Substantially increase water-use efficiency and ensure sustainable withdrawals and supply of freshwater to address water scarcity.	• Emphasis on using less water in the form of 'save water' signs in the rest rooms • Collecting and using water from air conditioning in non drinking activities like watering plants."	• Water Consumption reduced	Conducted save water roadshows	
Efficient energy consumption	Reduce our energy consumption and bring renewable energy sources in use.	• Implementing a hybrid working model that strategically integrates both office-based and remote work, thereby contributing to a discernible reduction in energy consumption. • Installed solar energy systems. • Greater emphasis by the administrative team towards installation of energy efficient equipment like led lights • Mandatory day off for designated departments, to foster employees well being along with saving energy. • Carpooling initiative, aims to reduce carbon emission and fuel consumption by promoting shared commuting among employees.	• Tracking electricity consumption • Monitoring fuel consumption in generators	Per Employee Cost 2023 - PKR 32,900 2024 - PKR 31,309	

ESG					
Be kind to Environment					
SDG Target	Aim	Status 2024	Performance Indicator	Quantitative Impact	UN sustainability goals
Responsible sourcing	• Transparent and competitive process for vendor selection • Promoting local vendors • Managing conflict of interest • Integrating environmental friendly vendor selection	• Comprehensive procurement manual to ensure transparency and adherence to the principles of responsible and competitive sourcing. • Conflict of Interest Policy • Not associating with suppliers that aren't in compliance with minimum wage Act and/or employment of underage employees."	• Review of Supplier Master Data & Vendor Evaluation of top 20 vendors	N/A	
Be kind to Employees					
Non Discrimination, Diversity & goal inclusion	Establishing a gender-diverse workforce and leveraging global talent resources to ensure equitable hiring opportunities, free from discrimination based on ethnic or religious origin.	• Fostering workplace gender equality to eliminate disparities and promoting the inclusion of individuals of all genders across all departments. • 2 Female director nomination on our Board of Directors & C-levels • Harassment policy in place • Enhancing the work-life balance for our employees by introducing a complimentary day care facility (available at our Lahore & Karachi locations) • Diversity Day celebrated, to foster inclusivity through engaging activities, insightful discussion and initiatives. • Fully equipped office GYM, meticulously designed to prioritize and enhance the well being and health of our valued employees. • Complimentary Van services for our female employees.to facilitate safe and smoother commuting experience."	• Ratio of male to female employees • Female employees on grade 1A, 1, 2A, 2, 3A • Dedicated shuttle service for female employees • Region wise employee count"	Male to female ratio: 2023: 86:14 2024: 86: 14 Female Employees on senior management positions 2023: 25 2024: 40	
Employee engagement	Dedicated to ensuring fulfilling and enriching career experiences for our employees.	• Creating decent work and stable income for thousands of people, contributing to sustainable livelihoods and fostering economic well being. • Ensuring a fair and lawful treatment towards our employees by upholding strict compliance with minimum wage requirements and labour law requirements. • Conducting various competency events including Townhalls, Awaydays, Quarterly Recognitions,	No of employee engagement activities conducted	Competency Events (125) Company Wide Events (12)	
Safety First	Creating a safe working environment for our employees and the environment as whole.	• Installation and maintenance for fire extinguishers throughout the premises. • Trainings and drills to ensure that the workforce is well-prepared to adeptly handle emergency situations. • Installation of electricity safety equipment like miniature circuit breakers, fuses etc. • Temperature checks on entry to employee premises along with placement of multiple hand sanitizers across all the floors. • All employees have health and life insurance. • Provision for OPD requirements for employees and their families.	• Zero injuries / accidents reported • No incident of fire during the last three years	Insurance Cost: 2023: PKR 407.3 M 2024: PKR 541 M Fortnightly safety drills are conducted. Fire extinguishers are checked on quarterly basis	

ESG					
Be kind to Employees					
SDG Target	Aim	Status 2024	Performance Indicator	Quantitative Impact	UN sustainability goals
		• Policy to wear facemask at all times in office premises. • Installation of First aid boxes, Hand sanitizers in all offices.			
Growth and development	To improve technical skills of resources to ensure competitive edge and familiarisation with new disruptive technologies	• Annual resource wise training calendar approved by HRCC Policy for cost reimbursements for technical/professional certifications • Free-of-cost soft skills training sessions focused on formal English writing and communication, underscoring our commitment to enhancing professional development for our employees.	300+ training sessions conducted	"Spending on Trainings & Certifications: 2023: PKR 115M 2024: PKR 297 M Total Training Hours: 37,400 Total Training: 347	
Fraud prevention & ethical conduct	To ensure all employees follow the highest level of ethical standards and act as an agent of fraud prevention at all levels.	• A comprehensive code of conduct policy, anti fraud and anti bribery policy exists and implemented for managing conflict of interest and promote ethics at all levels.	Survey results	N/A	
Disability inclusion	Creating a safe working environment for employees with disabilities across all departments.	• Workplace adjustments across all departments • Hiring of specially-abled employees."	No.of specially-abled employees hired	Specially-abled employees 2023: 18 2024 : 18	
Giving back to the society					
Digital Inclusion	To ensure a IT skills are transferred to a more wider group of people in the society thus creating a sustainable work force to support the needs of the IT Industry	• IT Mustakbil Training Program • MOU signed with UIT and BNU • Guest Speaker Sessions,in education institutes	Agreements with universities and educational institutes	N/A	
CSR initiatives	• Increase donations to schools, hospitals and other charity organizations. • Helping employees in times of difficulty. • Collaborating universities to improve	• Significant increase in donations to schools and charity organizations • Significant increase in donation to hospitals • Sponsored treatment of children • Contributed to the construction of hospitals. • Helping Employees in times of difficulties"	Donations in terms of monetary units and assets	2023: PKR 70M 2024: PKR 67M	
Adding value to economy by creating job opportunities & improvise education	Create sustainable job opportunities for fresh graduates and experience employees adding value to the economy	• Launched IT Mustakbil Program a 6 months comprehensive diploma in computer science and IT related technologies to bring a more diverse group of non-cs graduates in the IT industry. • Hiring fresh graduates under the MTO program to develop the technical skills of qualified students	No.of Fresh graduates hired	Fresh Graduates Hired 2023: 56 2024: 17	

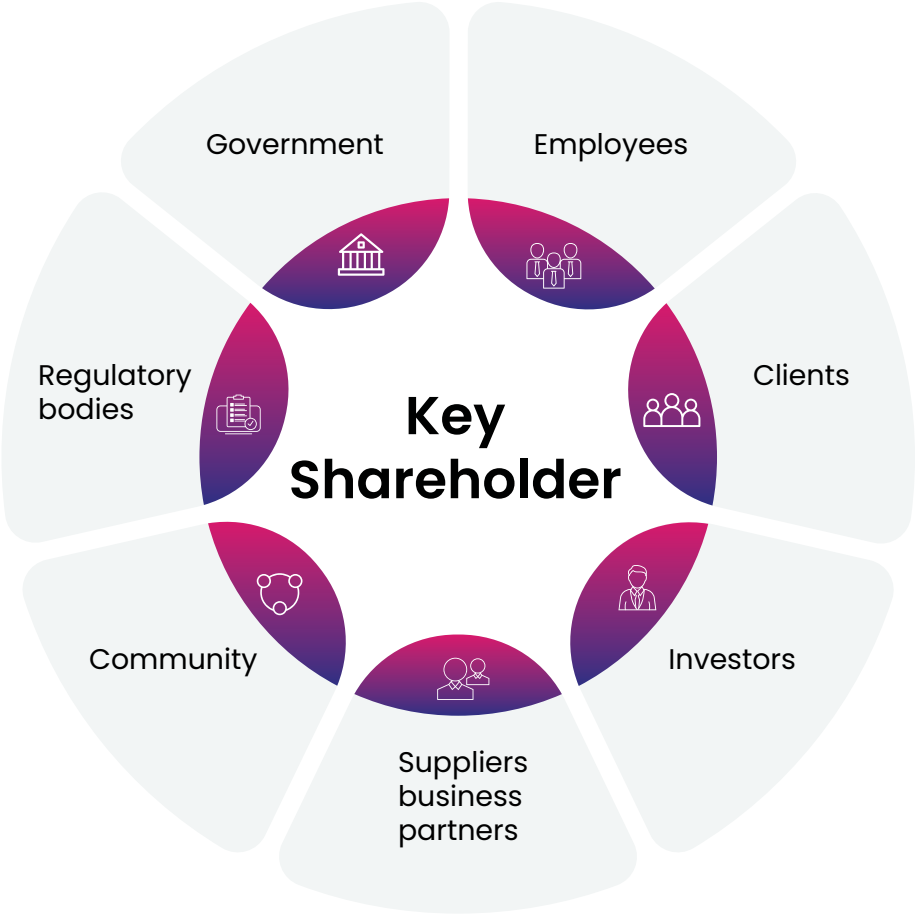
ESG					
Governance					
SDG Target	Aim	Status 2024	Performance Indicator	Quantitative Impact	UN sustainability goals
Board composition and effectiveness	Ensuring that the board is diverse in terms of gender, occupational & professional background and have sufficient knowledge for implementation of governance and lead business to maximize shareholders value	• Board Comprised of majority independent directors i.e. 4 independent out of 7. • Diversity of the board in terms of skills and knowledge base witnessed from profiles of directors i.e. financial expert, IT expert, tax expert, financial management. • Comprehensive TORs in place for Board and its Committees	• Quarterly meetings • Audit report on compliance with TORs and Code of Corporate Governance for listed entities • Attendance of board members • Annual BOD Self Assessment"	N/A	
Board Committees & Performance	Board committees are empowered and work in line with the TORs to support the Board in making the right business decision.	• Audit Committee: Comprise of all independent directors • HRCC Committee: Comprise of majority independent directors and chaired by independent director • Comprehensive TORs in place	• Audit Report on code of corporate governance • Quarterly internal audit performed • Management letter from external auditors to highlight issues • Attendance of members • Meet with external auditors and internal auditors in the absence of management	N/A	
Responsible tax practices	• Ensure that the company is duly discharging its tax liability • Prohibiting any business with unregistered suppliers	• Ensuring that the company is working with vendors and suppliers who are registered with tax authorities and also responsible tax citizens • Engaging good tax consultants to ensure that the company is compliant with the tax laws"	• Reduce tax notices and penalties • Procurement policy in place to ensure transparency and competitive bidding	N/A	
Protection of minority shareholders	Committed to creating value for minority shareholders and acting in their best interests through consistent dividend payments, transparent reporting and strong corporate governance.	• A consistent distribution of dividends from the profits of the company and a consistent growth in the operating results of the company. • Allowing and encouraging minority shareholders to attend AGM and speak freely.	Dividend payout ratio	Annual 29% Dividend Payout	
Code of Conduct/ Business Ethics	To ensure that our business and employees act with honesty and integrity.	• The company has a code of conduct which covers Conflicts of interest, ethical conduct at workplace • The company has implemented a complete policy and mechanism of Whistleblowing."	No cases reported	N/A	

ESG					
Governance					
SDG Target	Aim	Status 2024	Performance Indicator	Quantitative Impact	UN sustainability goals
Related party transactions	Disclose all the related party transactions to ensure compliance with the applicable laws.	All related party disclosures are made in quarterly and annual accounts of the company.	• Quarterly approval of related party transactions by Audit Committee & the Board • Audit report on compliance with code of corporate governance and there is no non-compliance.	N/A	
Cybersecurity and Data privacy	Ensure the safety of stakeholder data.	The Company is certified under ISO-27000 which is inline with the ITIL best practice framework over IT controls and information retention. Further, the company is following NIST security protocols for the protection of data related to all stakeholders.	The company is certified with the following: • ISO 27000 • ISO 9001 • ISO 20001 • ISO 18295 • Further, the company also have independent SOC1 and SOC 2 reports. • Zero incident of breach of security protocols • The company has invested in IBM SIEM • Dedicated infosec awareness weeks	N/A	
Sustainable financial growth					
Stakeholder Value addition	Ensure sustainable financial growth	2024 • 26% increase in revenue • 16%increase in gross profit • 19% Return on equity • consistent dividend payout ratio • continuous development in products and services	• Revenue growth • Profitability growth • Dividend payouts • Return on equity	Respective reported results as reported in section	
	Transparent reporting to shareholders and addressing any grievances"	" - All results and material facts are timely disclosed on PSX and SECP to ensure transparency - To address shareholders concerns a dedicated email for investors have been established"	No Penalties/ notices from PSX and SECP for non-disclosure	N/A	

Stakeholders Engagement

Systems engage all its stakeholders through both structured and occasional dialogue and interactions. Our stakeholders comprise of employees, customers, business partners, regulators, government and wider society.

During the year Systems have conducted both formal and informal conversations with suppliers, business partners, customers, investors and regulators as part of our daily operations. A summary of our engagements with stakeholders along with medium used is described below;



Stakeholders	Expectation	Modes of Engagement
Clients	Business Value & Innovation	Client Visits and Meetings Customer Surveys Social Media
People	Career Opportunities, Health & Safety, Learning & Development	HR Survey - Intranet portals - SRC Club Bulletin Boards - Blogs - Retreats - OPD Facility - Transport facility for female employees
Investors	Profitable Growth, Sustainability & Transparent Reporting	Investor Briefings & Calls - Company Website Annual General Meeting - PSX Announcements. Print & Digital Media - Social Media
Suppliers & Alliance Partners	Long term partnerships	Financial Reports - Collaboration Conferences - Social Media
Community	Education & Environment	Volunteer Initiatives i.e. Donations CSR Engagements Partnerships with NGOs
Government & Regulatory Bodies	Compliance & reporting	SECP Filings - PSX Filings - External Reports Interactions with statutory bodies like PESSI, FBR Tax returns filing

Share Holders' **Key Information**

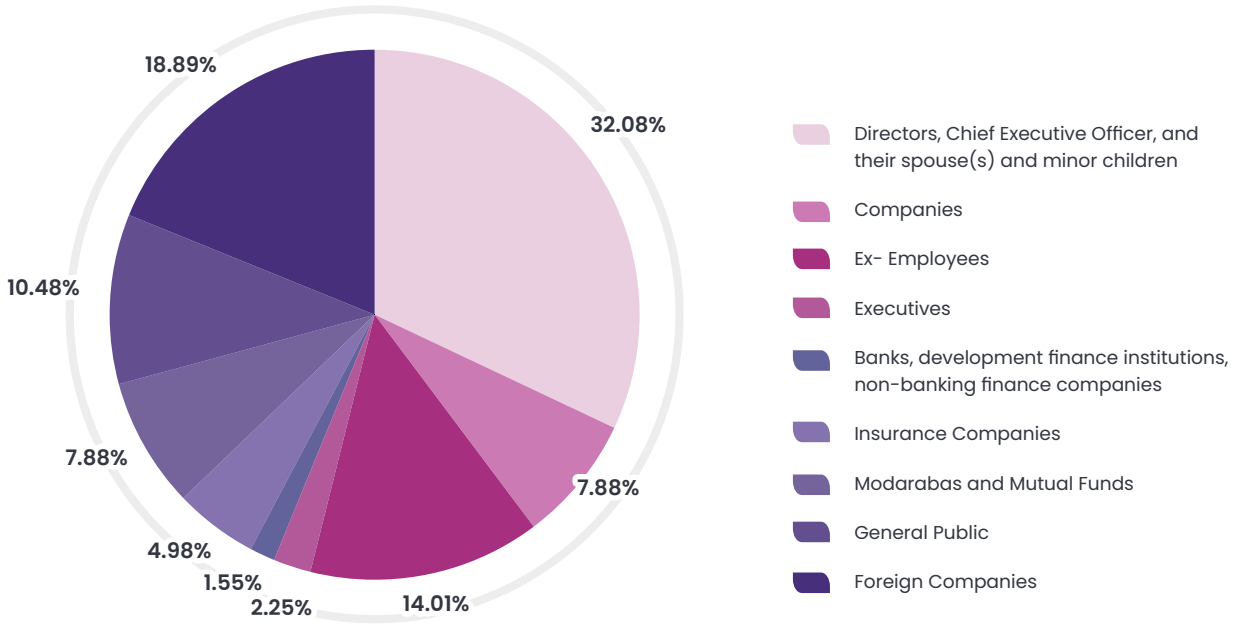
Equity & shareholding information

Equity & Stock Information

Authorized Capital	4,000,000,000
Number Of Shares	400,000,000
Par Value	PKR 10
Type Of Shares	COMMON

Dividend payout (PKR MILLION)

Shareholding Breakup



Pattern of **shareholding** - Systems Limited

The Shareholding in the Company as at 31 December 2024 is as follows:

Shareholder Category	Number of Shareholders	Shareholding Breakup	Number of Shares
Directors, Chief Executive Officer, & their spouse(s) and minor children	14	**32.08%**	93,983,235
Companies	111	**7.88%**	23,081,649
Ex- Employees	23	**14.01%**	41,032,753
Executives	29	**2.25%**	6,604,437
Banks, development finance institutions, non-banking finance companies	10	**1.55%**	4,530,722
Insurance Companies	21	**4.98%**	14,605,232
Modarabas and Mutual Funds	208	**7.88%**	23,077,753
General Public	7,794	**10.48%**	30,724,622
Foreign Companies	43	**18.89%**	55,345,747
Totals	8,253	100.00%	292,986,150

Pattern of Shareholding as at December 31, 2024

Number of Shareholders	Shareholdings'Slab			Total Shares Held
3897	1	to	100	122,948
1958	101	to	500	487,064
568	501	to	1000	452,033
1148	1001	to	5000	2,434,790
173	5001	to	10000	1,291,023
94	10001	to	15000	1,180,737
56	15001	to	20000	1,006,983
36	20001	to	25000	816,162
26	25001	to	30000	727,887
17	30001	to	35000	567,972
24	35001	to	40000	909,194
14	40001	to	45000	602,183
15	45001	to	50000	708,265
8	50001	to	55000	415,775
12	55001	to	60000	702,347
5	60001	to	65000	313,181
7	65001	to	70000	471,965
7	70001	to	75000	507,339
6	75001	to	80000	462,914
8	80001	to	85000	657,967
4	85001	to	90000	354,900
7	95001	to	100000	686,067
3	100001	to	105000	305,658
2	105001	to	110000	214,274
2	110001	to	115000	226,900
1	115001	to	120000	115,792
6	120001	to	125000	736,888
3	125001	to	130000	382,185
2	130001	to	135000	265,680
3	135001	to	140000	410,703
2	140001	to	145000	282,974
3	145001	to	150000	444,625
2	150001	to	155000	302,008
1	155001	to	160000	157,500
3	160001	to	165000	487,004
2	165001	to	170000	334,854
4	175001	to	180000	714,476
2	180001	to	185000	361,308

Number of Shareholders	Shareholdings'Slab			Total Shares Held
3	160001	to	165000	487,004
2	165001	to	170000	334,854
4	175001	to	180000	714,476
2	180001	to	185000	361,308
2	190001	to	195000	387,000
2	200001	to	205000	406,609
2	205001	to	210000	417,062
1	215001	to	220000	215,808
1	225001	to	230000	227,167
1	230001	to	235000	230,166
1	235001	to	240000	235,570
1	250001	to	255000	250,493
2	265001	to	270000	536,200
1	275001	to	280000	277,500
1	280001	to	285000	283,228
2	285001	to	290000	573,652
1	290001	to	295000	293,000
4	295001	to	300000	1,195,781
1	315001	to	320000	317,811
1	325001	to	330000	328,400
1	335001	to	340000	338,443
1	350001	to	355000	350,100
1	355001	to	360000	357,618
2	375001	to	380000	757,672
2	380001	to	385000	762,882
1	390001	to	395000	391,006
2	405001	to	410000	811,292
1	425001	to	430000	427,649
1	440001	to	445000	440,412
1	450001	to	455000	453,250
1	475001	to	480000	476,659
1	480001	to	485000	481,271
1	485001	to	490000	486,192
3	495001	to	500000	1,496,808
1	505001	to	510000	506,016
1	510001	to	515000	515,000
1	515001	to	520000	517,587
1	565001	to	570000	569,692
1	570001	to	575000	571,863
1	580001	to	585000	582,052
2	585001	to	590000	1,172,243
1	595001	to	600000	598,500
1	600001	to	605000	603,895
1	610001	to	615000	614,258
2	615001	to	620000	1,234,310
1	630001	to	635000	634,195
1	640001	to	645000	643,038
1	645001	to	650000	647,947
1	655001	to	660000	659,988
1	680001	to	685000	681,499
2	690001	to	695000	1,384,379
2	720001	to	725000	1,443,533
1	800001	to	805000	805,000
2	805001	to	810000	1,616,663
2	845001	to	850000	1,694,981
1	875001	to	880000	876,916
1	900001	to	905000	904,899

Number of Shareholders	Shareholdings'Slab			Total Shares Held
1	910001	to	915000	910,876
1	970001	to	975000	974,629
1	995001	to	1000000	1,000,000
1	1005001	to	1010000	1,008,962
1	1040001	to	1045000	1,044,288
1	1115001	to	1120000	1,119,820
1	1130001	to	1135000	1,131,440
1	1165001	to	1170000	1,169,071
1	1195001	to	1200000	1,199,469
1	1390001	to	1395000	1,391,081
2	1480001	to	1485000	2,964,976
1	1495001	to	1500000	1,498,067
1	1540001	to	1545000	1,542,159
1	1565001	to	1570000	1,567,269
1	1735001	to	1740000	1,736,472
1	1775001	to	1780000	1,777,592
1	1860001	to	1865000	1,862,376
1	1930001	to	1935000	1,930,823
1	2180001	to	2185000	2,182,752
1	2200001	to	2205000	2,202,170
1	2285001	to	2290000	2,285,354
1	2395001	to	2400000	2,397,400
1	2435001	to	2440000	2,437,922
1	2775001	to	2780000	2,776,718
1	3065001	to	3070000	3,069,413
2	3180001	to	3185000	6,360,674
1	3205001	to	3210000	3,205,190
1	3305001	to	3310000	3,310,000
1	3415001	to	3420000	3,419,031
1	3475001	to	3480000	3,477,889
1	3500001	to	3505000	3,500,680
1	3745001	to	3750000	3,747,204
1	3795001	to	3800000	3,797,498
1	4085001	to	4090000	4,088,964
1	4265001	to	4270000	4,268,648
1	4480001	to	4485000	4,483,449
1	6535001	to	6540000	6,536,793
1	6555001	to	6560000	6,558,458
1	7605001	to	7610000	7,609,654
1	8590001	to	8595000	8,593,409
1	8700001	to	8705000	8,700,572
1	8705001	to	8710000	8,706,359
1	10135001	to	10140000	10,135,038
1	10205001	to	10210000	10,209,091
1	12210001	to	12215000	12,214,372
1	16130001	to	16135000	16,130,332
1	17375001	to	17380000	17,376,186
1	38065001	to	38070000	38,067,880
8253				**292,986,150**

Modarabas and Mutual Funds

Information of shareholding as at 31 December 2024 as required under the Code of Corporate Governance is as follows:

Name	Number of Shares Held	Percentage%
M/S B.R.R. GUARDIAN MODARBA	2,776,718	0.95
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	805,000	0.27
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	28,250	0.01
CDC - TRUSTEE JS LARGE CAP. FUND	52,500	0.02
CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	515,000	0.18
CDC - TRUSTEE ATLAS STOCK MARKET FUND	1,131,440	0.39
CDC - TRUSTEE MEEZAN BALANCED FUND	127,442	0.04
CDC - TRUSTEE JS ISLAMIC FUND	21,655	0.01
CDC - TRUSTEE FAYSAL STOCK FUND	990	0.00
CDC - TRUSTEE ALFALAH GHP VALUE FUND	10,000	0.00
CDC - TRUSTEE UNIT TRUST OF PAKISTAN	40,000	0.01
CDC - TRUSTEE AKD INDEX TRACKER FUND	57,522	0.02
CDC-TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	163,182	0.06
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	634,195	0.22
CDC - TRUSTEE MEEZAN ISLAMIC FUND	3,477,889	1.19
CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND	550	0.00
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	283,228	0.10
B.R.R. GUARDIAN LIMITED	2,285,354	0.78
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	720,743	0.25
CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	659,988	0.23
CDC - TRUSTEE NBP STOCK FUND	1,199,469	0.41
CDC - TRUSTEE NBP BALANCED FUND	39,369	0.01
CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND	476,659	0.16
CDC - TRUSTEE APF-EQUITY SUB FUND	70,172	0.02
CDC - TRUSTEE JS PENSION SAVINGS FUND - EQUITY ACCOUNT	2,200	0.00
CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	270,000	0.09
CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFA FUND	98,241	0.03
CDC - TRUSTEE APIF - EQUITY SUB FUND	107,500	0.04
MC FSL - TRUSTEE JS GROWTH FUND	14,890	0.01
CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	33,000	0.01
CDC - TRUSTEE JS ISLAMIC PENSION SAVINGS FUND-EQUITY ACCOUNT	1,475	0.00
CDC - TRUSTEE ALFALAH GHP STOCK FUND	146,402	0.05
CDC - TRUSTEE ALFALAH GHP ALPHA FUND	62,500	0.02
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	277,500	0.09
CDC - TRUSTEE ABL STOCK FUND	148,223	0.05
CDC - TRUSTEE LAKSON EQUITY FUND	176,631	0.06
CDC - TRUSTEE NBP SARMAYA IZAFA FUND	39,429	0.01
CDC - TRUSTEE NBP MAHANA AMDANI FUND - MT	121,525	0.04
CDC - TRUSTEE KSE MEEZAN INDEX FUND	692,193	0.24
MCBFSL - TRUSTEE PAK OMAN ADVANTAGE ASSET ALLOCATION FUND	25,000	0.01
MCBFSL - TRUSTEE PAK OMAN ISLAMIC ASSET ALLOCATION FUND	25,000	0.01
MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	208,762	0.07
CDC - TRUSTEE UBL ASSET ALLOCATION FUND	9,020	0.00
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	11,500	0.00
CDC - TRUSTEE AL-AMEEN ISLAMIC ASSET ALLOCATION FUND	31,030	0.01
CDC - TRUSTEE AWT ISLAMIC STOCK FUND	96,440	0.03
CDC-TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND	86,880	0.03
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	34,894	0.01
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	288,452	0.10
CDC - TRUSTEE HBL ISLAMIC EQUITY FUND	7,000	0.00
CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	8,309	0.00
CDC - TRUSTEE ABL PENSION FUND - EQUITY SUB FUND	4,428	0.00
CDC - TRUSTEE NBP ISLAMIC STOCK FUND	357,618	0.12
CDC - TRUSTEE AWT STOCK FUND	10,470	0.00
CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	391,006	0.13

Name	Number of Shares Held	Percentage%
CDC-TRUSTEE NITIPF EQUITY SUB-FUND	37,154	0.01
CDC-TRUSTEE NITPF EQUITY SUB-FUND	16,500	0.01
CDC - TRUSTEE NBP SAVINGS FUND - MT	69,159	0.02
CDC - TRUSTEE MEEZAN ASSET ALLOCATION FUND	26,109	0.01
CDC - TRUSTEE LAKSON TACTICAL FUND	5,166	0.00
CDC - TRUSTEE LAKSON ISLAMIC TACTICAL FUND	11,811	0.00
MCBFSL TRUSTEE ABL ISLAMIC DEDICATED STOCK FUND	17,487	0.01
CDC - TRUSTEE ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND	8,298	0.00
CDC TRUSTEE - MEEZAN DEDICATED EQUITY FUND	21,231	0.01
CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK FUND	64,800	0.02
CDC - TRUSTEE NIT ASSET ALLOCATION FUND	37,500	0.01
CDC - TRUSTEE NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND	8,668	0.00
CDC - TRUSTEE UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND	9,894	0.00
CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND	38,955	0.01
CDC - TRUSTEE MEEZAN PAKISTAN EXCHANGE TRADED FUND	35,310	0.01
CDC - TRUSTEE NBP PAKISTAN GROWTH EXCHANGE TRADED FUND	11,340	0.00
CDC - TRUSTEE ALFALAH GHP DEDICATED EQUITY FUND	11,500	0.00
CDC - TRUSTEE PAK QATAR IPF - EQUITY SUB FUND	602	0.00
CDC - TRUSTEE MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND	23,796	0.01
TRUSTEE-ANPL MAN STAFF DEFINED CONTRIBUTIO SUPERANNUATION FD	5,831	0.00
TRUSTEE-ANPL MANAGEMENT STAFF PENSION FUND	2,765	0.00
TRUSTEE-ANPL MANAGEMENT STAFF GRATUITY FUND	7,183	0.00
TRUSTEE-ANPL MANAGEMENT STAFF PROVIDENT FUND	6,363	0.00
TRUSTEE - IBM SEMEA EMPLOYEES PROVIDENT FUND	18,200	0.01
UNILEVER PAKISTAN LIMITED NON-MANAGEMENT STAFF GRATUITY FUND	5,020	0.00
THE UNION PAKISTAN PROVIDENT FUND	42,000	0.01
UNILEVER PAKISTAN DC PENSION FUND (SUB FUND A)	35,600	0.01
UNILEVER PAKISTAN DC PENSION FUND (SUB FUND B)	33,000	0.01
UNILEVER PENSION PLAN	1,910	0.00
TRUSTEE-RAFHAN BEST FOODS EMPLOYEES PROVIDENT FUND	6,200	0.00
TRUSTEE-RAFHAN BEST FOODS LIMITED EMPLOYEES GRATUITY FUND	2,020	0.00
PFIZER PAKISTAN DC PENSION FUND	5,140	0.00
TRUSTEE PAK TOBACCO CO LTD EMPLOYEES GRATUITY FUND(1383-4)	69,000	0.02
TRUSTEE PAK TOBACCO CO LTD STAFF DEF CONTRI PEN FD (1384-1)	60,000	0.02
TRUSTEE-SHELL PAKISTAN MANAGEMENT STAFF PROVIDENT FUND	14,300	0.00
TRUSTEE-SHELL PAKISTAN MANAGEMENT STAFF GRATUITY FUND	2,000	0.00
TRUSTEE-SHELL PAKISTAN LABOUR PROVIDENT FUND	1,120	0.00
TRUSTEE-SHELL PAKISTAN DC PENSION FUND	29,400	0.01
TRUSTEE-SHELL PAKISTAN MANAGEMENT STAFF PENSION FUND	26,800	0.01
TRUSTEE-THE PAKISTAN MEMON EDUCATIONAL & WELAFRE SOCIETY	1,235	0.00
ROCHE PAKISTAN LIMITED MANAGEMENT STAFF PENSION FUND	5,300	0.00
ROCHE PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	2,570	0.00
ONTEX PAKISTAN (PRIVATE) LIMITED EMPLOYEES GRATUITY FUND	4,230	0.00
GHANI GLASS LIMITED EMPLOYEES PROVIDENT FUND	17,750	0.01
KOT ADDU POWER COMPANY LIMITED EMPLOYEES PROVIDENT FUND	7,235	0.00
ONTEX PAKISTAN (PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	928	0.00
ROCHE PAKISTAN LIMITED MANAGEMENT STAFF GRATUITY FUND	4,435	0.00
SEAGOLD (PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	2,970	0.00
KOT ADDU POWER COMPANY LIMITED EMPLOYEES PENSION FUND	17,990	0.01
ROCHE PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	2,500	0.00
TRUSTEE - IQBAL HAMID TRUST	33,700	0.01
TRUSTEES OF LUCKY CORE MANAGEMENT STAFF PROVIDENT FUND	88,020	0.03
TRUSTEES LOTTE CHEMICAL PAKISTAN MNGT STAFF GRATUITY FUND	21,600	0.01
TRUSTEES HOMMIE&JAMSHED NUSSERWANJEE C.T	3,010	0.00
TRUSTEES LOTTE CHEMICAL PAKISTAN NON MGN STAFF G.FUND	250	0.00
TRUSTEES LOTTE CHEMICAL PAKISTAN MNG STAFF PROVIDENT FUND	15,440	0.01
TRUSTEES OF LUCKY CORE MANAGEMENT STAFF PENSION FUND	33,180	0.01

Name	Number of Shares Held	Percentage%
TRUSTEES OF SANA IND LTD.EMP GRAT FUND	1,800	0.00
TRUSTEES LOTTE CHEMICAL PAKISTAN MGT.STAFF DEF. CONT. S.FUND	16,400	0.01
TRUSTEES OF UBL FUND MNGRS LTD AND ASSOCIATED COYS E.G.FUND	3,370	0.00
TRUSTEES OF UBL FUND MNGRS LTD AND ASSOCIATED COYS E.P.FUND	125	0.00
TRUSTEES OF MAGNUS INVESTMENT ADVISORS LTD. EMPL. PROV. FUND	1,230	0.00
TRUSTEES OF GHANDHARA TYRE & RUBBER CO. LTD LOCAL STAFF P.F.	20,806	0.01
TRUSTEES OF GHANDHARA TYRE & RUBBER CO LTD. EMPLOYEES G.F	10,540	0.00
TRUSTEES OF CRESENT STEEL & ALLIED PRODUCTS LTD-PENSION FUND	1,604	0.00
TRUSTEES OF FRIENDS EDUCATIONAL AND MEDICAL TRUST	9,900	0.00
QAISER-LG PETROCHEMICALS (PVT) LTD	75,000	0.03
JS GLOBAL CAPITAL LIMITED-MM-UBLF-ETF	252	0.00
JS GLOBAL CAPITAL LIMITED-MM-NITG-ETF	156	0.00
JS GLOBAL CAPITAL LIMITED-MM-MZN-ETF	782	0.00
JS GLOBAL CAPITAL LIMITED-MM-NBP-ETF	91	0.00
JS GLOBAL CAPITAL LIMITED-MARKET MAKER-MIIETF	198	0.00
Trustees of Karachi Sheraton Hotel Employees Provident Fund	327	0.00
Trustees of Pakistan Human Development Fund	14,050	0.00
Pakistan Human Development Fund	23,891	0.01
TRUSTEE PAKISTAN PETROLEUM SENOIR PROVIDENT FUND	10,200	0.00
TRUSTEE PAKISTAN PETROLEUM NON-EXECUTIVE STAFF PENSION FUND	9,200	0.00
TRUSTEE PAKISTAN PETROLEUM NON-EXECUTIVE STAFF GRATUITY FUND	3,220	0.00
TRUSTEE PAKISTAN PETROLEUM JUNIOR PROVIDENT FUND	7,350	0.00
TRUSTEE PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND	38,352	0.01
TRUSTEE PAKISTAN PETROLEUM EXECUTIVE STAFF GRATUITY FUND	3,570	0.00
PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND-DC SHARIAH	9,925	0.00
TRUSTEE PAK. PETROLEUM EXEC. STAFF PEN. FUND DC CONVENTIONAL	5,850	0.00
NOVARTIS PHARMA PAKISTAN LIMITED SENIOR PROVIDENT FUND	8,500	0.00
ROCHE PAKISTAN LIMITED MANAGEMENT STAFF PENSION FUND	5,200	0.00
ROCHE PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	2,500	0.00
ROCHE PAKISTAN LIMITED MANAGEMENT STAFF GRATUITY FUND	4,300	0.00
ENGRO CORPORATION LIMITED PROVIDENT FUND	3,336	0.00
ENGRO CORPORATION LTD MPT EMPLOYEES DEFINED CONTRIBUTION GF	1,276	0.00
ROCHE PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	2,500	0.00
INTERNATIONAL INDUST. LTD EMPLOYEES PROVIDENT FUND	16,700	0.01
INTERNATIONAL INDUST. LTD EMPLOYEES GRATUITY FUND	27,620	0.01
INTERNATIONAL STEELS LTD EMPLOYEES GRATUITY FUND	22,400	0.01
INTERNATIONAL STEELS LTD EMPLOYEES PROVIDENT FUND	11,020	0.00
BYCO PETROLEUM PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	527	0.00
ENGRO CORPORATION LIMITED PROVIDENT FUND	46,998	0.02
HILAL GROUP EMPLOYEES PROVIDENT FUND	1,850	0.00
INDUS MOTOR COMPANY LTD EMPLOYEES PROVIDENT FUND	58,640	0.02
INDUS MOTOR COMPANY LIMITED EMPLOYEES PENSION FUND	34,700	0.01
ENGRO CORP LTD MPT EMPLOYEES DEF CONT GRATUITY FUND	47,500	0.02
ENGRO CORP LTD MPT EMPLOYEES DEF CONTR PENSION FUND	756	0.00
KHAADI (SMC-PVT.) LIMITED EMPLOYEES PROVIDENT FUND	6,500	0.00
SANOFI-AVENTIS PAKISTAN EMPLOYEES GRATUITY FUND	22,200	0.01
SANOFI-AVENTIS PAKISTAN EMPLOYEES PROVIDENT FUND	23,360	0.01
ENGRO CORP LTD MPT EMPLOYEES DEF CONT GRATUITY FUND	22,274	0.01
ATCO LABORATORIES LIMITED EMP. PROVIDENT FUND TRUST	13,760	0.00
WELLCOME PAKISTAN LIMITED PROVIDENT FUND	29,274	0.01
Bristol-Myers Squibb Pak (Pvt) Ltd Emp Prov Fund	2,063	0.00
ENGRO FOODS LIMITED EMPLOYEES GRATUITY FUND	4,280	0.00
GLAXO LABORATORIES PAKISTAN LIMITED PROVIDENT FUND	3,660	0.00
GLAXOSMITHKLINE PAK. LTD. EMPLOYEES GRATUITY FUND	81,700	0.03
GLAXO LABORATORIES PAK. LTD. LOCAL STAFF PROV. FUND	13,440	0.00
SMITHKLINE & FRENCH OF PAKISTAN LTD. PROVIDENT FUND	16,240	0.01
PAKISTAN REFINERY LIMITED MANAGEMENT STAFF GRATUITY FUND	12,740	0.00

Name	Number of Shares Held	Percentage%
PAKISTAN REFINERY LTD MANAGEMENT STAFF PENSION FUND	83,000	0.03
PAKISTAN REFINERY LIMITED PROVIDENT FUND	26,840	0.01
ENGRO CORPORATION LIMITED PROVIDENT FUND	36,320	0.01
ENGRO FERTILIZERS LIMITED NON-MPT EMPLOYEES GRATUITY FUND	1,400	0.00
AGRIAUTO INDUSTRIES LIMITED EMPLOYEES PROVIDENT FUND	1,975	0.00
GLAXOSMITHKLINE CONSUMER HEALTHCARE PAK. LTD. EMPLOYEES G.F	8,080	0.00
GLAXOSMITHKLINE CONSUMER HEALTHCARE PAK LTD EMP. PROV. FUND	7,020	0.00
HPSL GRATUITY FUND	10,500	0.00
HPSL PENSION FUND	17,100	0.01
PAKISTAN REFINERY LIMITED WORKMEN PENSION FUND	9,070	0.00
LUCKY CORE MANAGEMENT STAFF PROVIDENT FUND	8,000	0.00
THE HUB POWER COMPANY LIMITED STAFF GRATUITY FUND	8,460	0.00
FAUJI FERTILIZER BIN QASIM LIMITED EMPLOYEES GRATUITY FUND	31,240	0.01
FAUJI FERTILIZER BIN QASIM LIMITED PROVIDENT FUND	57,800	0.02
NOVARTIS PHARMA PAKISTAN LIMITED EMPLOYEES GRATUITY FUND	9,844	0.00
ABBOTT LABORATORIES (PAKISTAN) LIMITED STAFF PENSION FUND	14,800	0.01
ABBOTT LABORATORIES (PAKISTAN) LIMITED STAFF PROVIDENT FUND	3,360	0.00
EKATERRA PAKISTAN NON-MANAGEMENT STAFF GRATUITY FUND	640	0.00
EKATERRA PAKISTAN DC PENSION FUND	2,700	0.00
EKATERRA PAKISTAN PROVIDENT FUND	4,800	0.00
KHAADI (SMC-PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	600	0.00
Lucky Core Mngt Staff Defined Cont Superannuation Fund	76,200	0.03
EKATERRA PAKISTAN DC PENSION FUND	8,600	0.00
MARTIN DOW MARKER LIMITED EMPLOYEES PROVIDENT FUND	10,100	0.00
PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND (DC SHARIAH)	13,400	0.00
MARTIN DOW EMPLOYEES CONTRIBUTORY PROVIDENT FUND	5,400	0.00
CDC TRUSTEE - PUNJAB PENSION FUND TRUST	643,038	0.22
TRUSTEE-THE KOT ADDU POWER CO. LTD. EMPLOYEES PENSION FUND	17,250	0.01
TRUSTEE- GUL AHMED TEXTILE MILLS LTD. EMP. PROVIDENT FUND	3,600	0.00
HRSG OUTSOURCING (PVT) LIMITED EMPLOYEES GRATUITY FUND	14,000	0.00
HRSG OUTSOURCING (PVT) LIMITED EMPLOYEES PROVIDENT FUND	41,500	0.01
CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT	62,495	0.02
CDC - TRUSTEE NAFA ISLAMIC PENSION FUND EQUITY ACCOUNT	132,580	0.05
CDC-TRUSTEE ALHAMRA ISLAMIC PENSION FUND - EQUITY SUB FUND	151,000	0.05
CDC - TRUSTEE PAKISTAN PENSION FUND - EQUITY SUB FUND	151,008	0.05
CDC - TRUSTEE AGIPF EQUITY SUB-FUND	6,000	0.00
CDC - TRUSTEE PUNJAB GENERAL PROVIDENT INVESTMENT FUND	115,792	0.04
CDC - TRUSTEE FAYSAL PENSION FUND-EQUITY SUB FUND	4,420	0.00
CDC - TRUSTEE FAYSAL ISLAMIC PENSION FUND-EQUITY SUB FUND	5,510	0.00
208	**23,077,753**	**7.88**

Directors, spouses and their children

Name	Number of Shares Held	Percentage%
MUHAMMAD ARSHAD MASOOD	38,353,080	13.09
MUHAMMAD ASIF PEER	20,698,980	7.06
AEZAZ HUSSAIN IRRV GRANTOR TR	17,376,186	5.93
DR. NEELAM HUSSAIN	8,823,575	3.01
AEZAZ HUSSAIN	8,706,359	2.97
HARRIS HASAN SYED	18,030	0.01
ROMANA ABDULLAH	3,825	0.00
OMER SAEED	2,200	0.00
MR. ZUBYR SOOMRO	500	0.00
MAHEEN RAHMAN	500	0.00
	93,983,235	**32.08**

Ex-employees	**47,637,190**	**16.26%**
Executives	**6,604,437**	**2.25%**
Companies	**23,081,649**	**7.88%**
Banks, dfis, nbfis, insurance Companies & pension funds	**4,530,722**	**1.55%**
Insurance companies	**14,605,232**	**4.98 %**

Foreign Companies

Name	Number of Shares Held	Percentage%
TUNDRA SUSTAINABLE FRONTIER FUND	8,700,572	2.97
GREYHOUND ASIA FUND LIMITED	6,558,458	2.24
AL MEHWAR COMMERCIAL INVESTMENTS LLC	6,536,793	2.23
TUNDRA SHIKARI GLOBAL	4,483,449	1.53
ACACIA PARTNERS LP	4,088,964	1.40
COELI SICAV I - FRONTIER MARKETS FUND	3,205,190	1.09
ACACIA CONSERVATION FUND LP	3,180,337	1.09
ACACIA INSTITUTIONAL PARTNERS LP	3,180,337	1.09
GALAXY FUND	1,498,067	0.51
DUET EM FRONTIER FUND LIMITED	1,391,081	0.47
GLOBEFLEX FRONTIER ALL CAP L.P.	1,169,071	0.40
EFG HERMES UAE L.L.C	1,119,820	0.38
ASHMORE SICAV EMERGING MARKET FRONTIER EQUITY FUND	974,629	0.33
LEGAL AND GENERAL ICAV	847,524	0.29
Morgan Stanley Investment Funds (975-6)	806,663	0.28
EAST CAPITAL	722,790	0.25
ACACIA CONSERVATION MASTER FUND (OFFSHORE) LP	681,499	0.23
ASHMORE EMERGING MARKETS FRONTIER EQUITY FUND	647,947	0.22
GLOBAL MACRO CAPITAL OPPORTUNITIES PORTFOLIO	617,100	0.21
FRONTIER MARKET OPPORTUNITIES MASTER FUND, LP	598,500	0.20
TERRA GLOBAL OPPORTUNITY FUND L.P.	569,692	0.19
FOURTON SILKKITIE ASIA EQUITY INVESTMENT FUND	500,000	0.17
J.P. MORGAN SECURITIES PLC	486,192	0.17
T. ROWE PRICE FUNDS SICAV - FRONTIER MKTS EQ F[000912600018]	481,271	0.16
RUSS INV TR CO COMM EMP BEN FNDS TR	440,412	0.15
MORGAN STANLEY INSTITUTION FND INC.- FRONTIER MKTS PORTFOLIO	380,682	0.13
ACACIA II PARTNERS LP	227,167	0.08
ARISTEA SICAV NEW FRONTIERS EQUITY FUND	215,808	0.07
WORLDWIDE OPPORTUNITY FUND (CAYMAN) LTD.	180,308	0.06
AFC UMBRELLA FUND	166,628	0.06

Name	Number of Shares Held	Percentage%
PARAMETRIC TAX-MANAGED EMERGING MARKETS FUND	127,873	0.04
FRONTIER MARKET SELECT FUND II, L.P.	82,300	0.03
RUSSELL INVESTMENTS EMERGING MARKETS EQUITY POOL	73,545	0.03
AZIMUT PAKISTAN EQUITY FUND (OEIC) PLC	70,142	0.02
INFINITI UNIVERSAL CORP	62,000	0.02
CHIMERA S&P PAKISTAN UCITS ETF	59,616	0.02
EATON VANCE TRT CO CM TRT FD-PARMTC STR EME MKT EQT CM TRT F	56,742	0.02
PARAMETRIC EMERGING MARKETS FUND	41,600	0.01
ROBECO CAPITAL GROWTH FUNDS	31,195	0.01
TENCORE PARTNERS MASTER LTD.	30,000	0.01
T. ROWE PRICE GLOBAL ALLOCATION FUND	27,908	0.01
EATON VANCE COLLECTIVE INV TRT FOR EMP BENEFIT PLANS	24,335	0.01
Noor Financial Invest Co.	1,540	0.00
	55,345,747	**18.89**

General public/others

30,724,622 **10.48%**

Shareholders with more than 10 percent or more

Name	Number of Shares Held	Percentage%
MUHAMMAD ARSHAD MASOOD	**38,353,080**	**13.09**

Notice of
Annual General Meeting

Notice is hereby given to all the members of Systems Limited (the "**Company**") that 48th Annual General Meeting of the Company is scheduled to be held on the 28th of April, 2025 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 19th April 2024.
2. To, receive, consider and adopt the Audited Accounts of the Company for the year ended 31 December 2024 together with the Board of Directors' and Auditors' report thereon.
3. To approve and declare cash dividend @ 60 % i.e. PKR 6 per share, for the year ended 31 December 2024.
4. To appoint Auditors and fix their remuneration for the year ending 31 December 2025. The Board of Directors upon recommendation of Audit Committee has recommended A.F. Ferguson and Co., being eligible for appointment as auditors of the Company for the year ending 31 December 2025.

Special Business

5. To discuss and if aligned, then approve a stock split by 5-for-1 and setting the execution date, in accordance with the Guidelines on Stock Split for Listed Companies issued by the Pakistan Stock Exchange, Section 85(1)(c) of the Companies Act, 2017, and Chapter 8D, "Consolidation or Sub-division of Securities," under the regulations of the Central Depository Company of Pakistan.

   "**Resolved that** pursuant to Section 85 of the Companies Act , 2017 and the Articles of Association of the Company, the existing capital of the company, including authorized, issued and paid up capital, is hereby altered in a manner that each ordinary share of the Company having Face value of Rs. 10/- be and is hereby subdivided into five ordinary shares of Rs. 2/- each, with no change in rights and privileges of shares.

6. To consider and, if thought fit, pass, with or without modification, the following special resolution in terms of Section 199 of Companies Act, 2017, (a) for renewal of loan to SUS Joint Venture (Private) Limited, a subsidiary of the Company, of Rs. 50 million; (b) renewal of loan and guarantee in UUS Joint Venture (Private) Limited, an associated company of the Company, of Rs. 550 million; (c) renewal of loan in E-Processing Systems (Private) Limited, an associate of the Company, of Rs. 340 million.

   "**Resolved that** Systems Limited (the "**Company**") shall renew the loan extended to its subsidiary and associated companies, (a) SUS Joint Venture (Private) Limited in the form of loan Rs. 50 million; (b) UUS Joint Venture (Private) Limited, an associated company of the Company, of Rs. 550 million; (c) E-Processing Systems (Private) Limited, an associate of the Company, of Rs. 340 million, on the terms and conditions to be contained in the agreement to be executed between the Company and Associated Company in terms of Section 199 of Companies Act, 2017.

   "**Resolved further that** Mr. Muhammad Asif Peer, the Chief Executive of the Company and Ms. Roohi Khan, the Chief Financial Officer of the Company (the "Authorized Officers"), be and are hereby empowered and authorized to undertake, execute and implement all the decisions in respect of the transaction and to take and do and/or cause to be taken or done any/all necessary acts, deeds and things, and to take any or all necessary actions which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution, including signing and execution of documents and agreements and to complete all necessary legal formalities and to file all necessary documents as may be necessary or incidental for the purposes of implementing the aforesaid resolution".

7. To consider and approve the establishment of a Sustainability Committee, in compliance with SECP SRO 1163 (I)/2019 Code of Corporate Governance Regulations. The committee will oversee sustainability risks, diversity, equality and inclusion (DE&I) practices, compliance with relevant laws, and annual reporting on sustainability integration.

   "**Resolved that** Systems Limited (the "**Company**") shall approve the establishment of a Sustainability Committee in compliance with Section 10A of the Code of Corporate Governance for Listed Companies."

Other Business

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

By Order of the Board

Hasan Waleed Majal
Company Secretary

7th April, 2025
Lahore

Notes

1. The Share Transfer books of the Company will be closed from 22nd April 2025 to 28th April 2025 (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 21st April 2025 will be treated in time for the purpose of above entitlement to the transferees.

2. 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 10:45 a.m., 28th April 2025, by completing the registration process through the following link:*(https://systemsltd.zoom.us/webinar/register/WN_fVgHK26iRVKsDLavov-qSQ)*.

   Login facility will open thirty minutes before the meeting time 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.

a) Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participation through proxies.

3. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote in his/her place. Proxies completed in all respect, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight (48) hours before the time of meeting.

4. 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. Pakistan.

5. The Government of Pakistan through Finance Act, 2017 made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding Tax on the amount of dividend paid by the companies/banks. These tax rates are as follows:

   (a) For filers of income tax returns 15%

   (b) For non-filers of income tax returns 30%

   To enable the Company to make tax deduction on the amount of cash dividend @15% instead of 30% all shareholders whose names are not entered into the Active Tax- payers list (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend, otherwise tax on their cash dividend will be deducted @30% instead of 15%.

   The joint shareholders are requested to provide shareholding proportions of principal shareholders & joint shareholders as withholding tax will be determined separately on Filer/Non-filer status based on their shareholding proportions otherwise it will be assumed that shares are equally held.

   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. THK Associates (Pvt.) Limited. The shareholders while sending NTN or NTN Certificate, as the case may be, must quote Company name and their respective folio numbers.

6. 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.

7. 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 2024, will be available on the Company Website: www.systemsltd.com through QR enabled code.

   Scan me!

8. In compliance with requirements of Companies Act, 2017 and Companies (Distribution of Dividends) Regulation, 2017, the Bank 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 Bank as stated above, shareholders are requested to contact Bank'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.

9. 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 Bank. On the address given above.

10. 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

11. 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 28th April 2025, at 11.00 AM, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

12. Procedure for E – Voting

(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 21st April 2025.

(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 23th April 2025, 09:00 a.m. and shall close on 27th April 2025 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.

13.Procedure for Voting Through Postal Ballot

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 corporate@systemsltd.com one day before the Annual General Meeting on 27th April 2025, 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 28th April 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. 5

To discuss and if aligned, then approve a stock split of 5-for-1 and setting the execution date, in accordance with the Guidelines on Stock Split for Listed Companies issued by the Pakistan Stock Exchange, Section 85(1)(c) of the Companies Act, 2017, and Chapter 8D, "Consolidation or Sub-division of Securities," under the regulations of the Central Depository Company of Pakistan

"Resolved that pursuant to Section 85 of the Companies Act , 2017 and the Articles of Association of the Company, the existing capital of the company, including authorized, issued and paid up capital, is hereby altered in a manner that each ordinary share of the Company having Face value of Rs. 10/- be and is hereby subdivided into five ordinary shares of Rs. 2/- each, with no change in rights and privileges of shares.

Resolution For Agenda Item No. 6

To consider and, if thought fit, pass, with or without modification, the following special resolution in terms of Section 199 of Companies Act, 2017, (a) for renewal of loan to SUS Joint Venture (Private) Limited, a subsidiary of the Company, of Rs. 50 million; (b) renewal of loan and guarantee in UUS Joint Venture (Private) Limited, an associated company of the Company, of Rs. 550 million; (c) renewal of loan in E-Processing Systems (Private) Limited, an associate of the Company, of Rs. 340 million.

"Resolved that Systems Limited (the "Company") shall renew the loan extended to its subsidiary and associated companies, (a) SUS Joint Venture (Private) Limited in the form of loan Rs. 50 million; (b) UUS Joint Venture (Private) Limited, an associated company of the Company, of Rs. 550 million; (c) E-Processing Systems (Private) Limited, an associate of the Company, of Rs. 340 million, on the terms and conditions to be contained in the agreement to be executed between the Company and Associated Company in terms of Section 199 of Companies Act, 2017.

"Resolved further that Mr. Muhammad Asif Peer, the Chief Executive of the Company and Ms. Roohi Khan, the Chief Financial Officer of the Company (the "Authorized Officers"), be and are hereby empowered and authorized to undertake, execute and implement all the decisions in respect of the transaction and to take and do and/or cause to be taken or done any/all necessary acts, deeds and things, and to take any or all necessary actions which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution, including signing and execution of documents and agreements and to complete all necessary legal formalities and to file all necessary documents as may be necessary or incidental for the purposes of implementing the aforesaid resolution"

Resolution For Agenda Item No. 7

To consider and approve the establishment of a Sustainability Committee, in compliance with SECP SRO 1163 (I)/2019 Code of Corporate Governance Regulations. The committee will oversee sustainability risks, diversity, equality and inclusion (DE&I) practices, compliance with relevant laws, and annual reporting on sustainability integration.

"Resolved that Systems Limited (the "Company") shall approve the establishment of a Sustainability Committee in compliance with Section 10A of the Code of Corporate Governance for Listed Companies."

Instructions For Poll

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

2. In case if both the boxes are marked as (✓), you 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. 5		
Resolution For Agenda Item No. 6		
Resolution For Agenda Item No. 7		

1. Duly filled ballot paper should be sent to the Chairman of Systems Limited at E-1, Sehjpal Near DHA Phase-VIII, (Ex-Air Avenue), Lahore or e-mail at **corporate@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 27th April 2025. 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 set out the material facts concerning the special business to be transacted at the annual general meeting of the Company to be held on 28th April 2025.

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 SUS 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	SUS Joint Venture (Private) Limited
ii	basis of relationship	95 % 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 2024
		Non-current assets: - Current assets: 55,335,810 Shareholders' equity: 44,180,227 Non-current liabilities: - Current liabilities: 11,155,583
		Profit & Loss A/C – 31 December 2024
		Revenue: 44,817,695 Cost of revenue: 46,937,628 Gross profit: -2,119,933 Profit for the year: -5,094,482
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;	Investment in the form of loan of Rs. 50 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 SUS Joint Venture (Private) Limited. Benefit: The completion of project will result in distribution of profits by SUS 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 granted by Systems Limited.
	i justification for investment through borrowings;	SUS Joint Venture (Private) Limited is only a special purpose vehicle for executing LRMIS project awarded to SUS Joint Venture (Private) Limited
	ii detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	N/A
	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 SUS 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	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	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;	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 loans or advances to be given to the associated company or associated undertaking;	Principal: One (1) year from disbursement. Mark-up: Quarterly basis.

Agenda item no.6 (B)

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 2024
		Non-current assets: - Current assets: 278,910,860 Shareholders' equity: (255,094,397) Non-current liabilities: - Current liabilities: 534,005,253
		Profit & Loss A/C – 31 December 2024
		Revenue: - Cost of revenue: 6,606,822 Gross profit: (6,606,822) Loss for the year: (41,803,136)
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 while guarantee shall be issued by the banker of Systems Limited.
	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	Building
	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 4 (Four) payments and 01 remaining partial and is yet awaiting the remaining for balance payments from the CAA against outstanding milestones. After the completion of the said milestones, CAA shall release the performance guarantees provided for the Project. In order to meet the working capital requirements for the remaining milestones / stages of the Project, the Company wishes to renew Rs. 200 million. 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	ERF 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.

Agenda item no.6 (C)

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 (Private) Limited is as follows:

Ref. No.	Requirement	Relevant Information
• Disclosures for all types of investments:- (1) Regarding associated company or associated undertaking:-		
i	name of the associated company	E-Processing Systems (Private) Limited
ii	basis of relationship	30.9% shareholding through EPS-BV/Associate Company/ Common directorship
iii	earnings per share for the last three years	31 Dec 2024 Rs. (1,540.26) 31 Dec 2023 Rs. (1,648.76) 31 Dec 2022 Rs. (385.90)
iv	break-up value per share, based on latest audited financial statements;	Rs. 4,294
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 2024 Non-current assets 397,807,222 Current assets 116,387,998 Shareholders' equity 394,042,983 Non-current liabilities 7,139,876 Current liabilities 113,012,361 Profit & Loss A/C – 31 December 2024 Revenue 1,609,860 Cost of revenue 9,769,430 Gross profit (8,159,570) Loss for the year (141,319,556)
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;	

Ref. No.	Requirement	Relevant Information
(B) General Disclosures		
i	maximum amount of investment to be made;	Rs. 340 million
ii	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Purpose: To meet increased working capital requirement of E-Processing Systems (Private) Limited arising due to expansion of operations, expected launch of new feature its product OneLoad and a new EMI product. Benefit: The investment would support E-Processing Systems (Private) Limited in smoothly meeting growing working capital requirements due to expansion of operations, launching of new features in its product OneLoad and a new EMI product. Expansion in operations and new features would generate profit for shareholders including investing company. Period of Investment: The period of investment shall be one (1) year with 1 year roll over. convertible into equity at the discretion of the investor.
iii	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	Own Funds
	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 E-Processing (Private) Limited. Mr. Aezaz Hussain, Chairman, Mr. Arshad Masood, Director and Mr. Asif Peer, CEO of Systems Limited are also member in E-Processing Systems (Private) Limited 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 this investment, E-Processing Systems (Private) Limited was able to develop its product OneLoad, launch its commercial operations in 2016 and met its working capital requirements. Since launch of commercial operation, E-Processing Systems (Private) Limited is able to multiply its revenues, number of transactions and number of retailers each month. Currently, OneLoad product is executing 7 million transactions per month while number of retailers using OneLoad product are around 50,000. The company is preparing for pilot operations of EMI. During the year, there was an impairment as disclosed in the financial statements due to notional gain on dilution of interest in 2021. The company is on cost carrying value right now as it was before the gain on dilution.
vii	any other important details necessary for the members to understand the transaction;	NA

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 – Single category
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	Average borrowing cost of investing company is SBP plus 0.5% for ERF Loan Facility
iii	rate of interest, mark-up, profit, fees or commission etc to be charged by investing company	KIBOR or borrowing cost of company whichever is higher
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 loan or advances to be given to the associated company or associated undertaking.	Principal: One (1) year from disbursement with rollover option of 1 year. Mark-up: Quarterly basis.

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 21st March 2025 has proposed a dividend on ordinary shares at Rs. 6.00 per ordinary share and Nil bonus shares issue.

BOOK CLOSURE DATES
Share Transfer Books of the Company will remain closed from 22 April 2025 to 28 April 2025 (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 from: 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 days after receipt

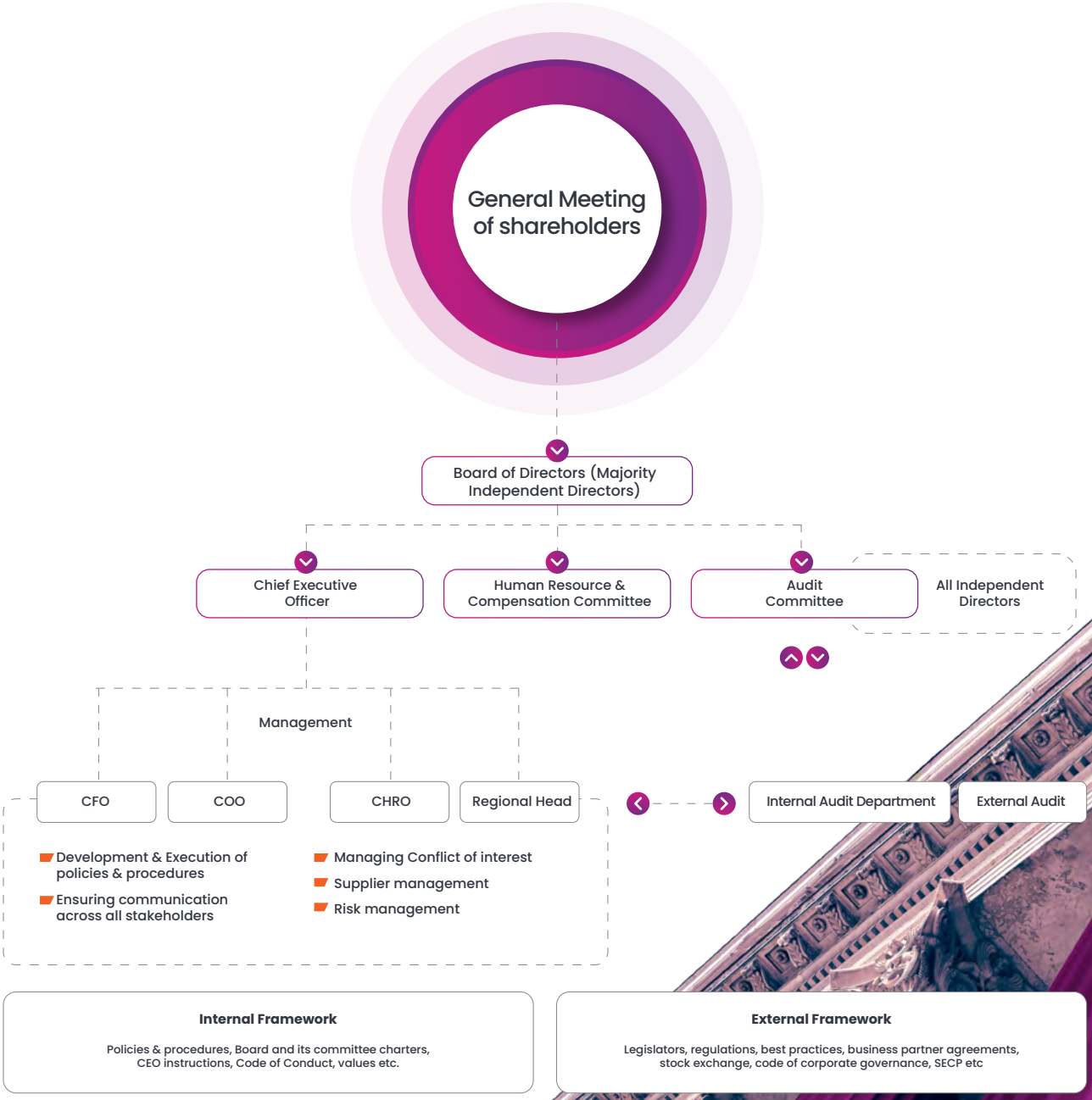
Well qualified personnel of the Shares Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

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 2024, 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 2024, 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 ensure 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 2024, 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.

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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, 2024 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, 2024.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: April 07, 2025
UDIN: CR202410128FXkHhw7M1

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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KARACHI ▪ LAHORE ▪ ISLAMABAD

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

Name of company: **Systems Limited**
Year ending : **December 31, 2024**

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 Somroo Mr. Omar Saeed
ii. Female Independent Directors:	Ms. Maheen Rahman Ms. Romana Abdullah
iii. Non-executive Director:	Mr. Aezaz Hussain (Chairman) Mr. Arshad Masood
iv. Executive Directors:	Mr. Asif Peer

3. The directors have confirmed that none of them is serving as a director on more than seven 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 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 the Board;

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 Certificates or are exempt from the requirements of Director's Training Program 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 Rahman	Member (Independent Director)
iii) Ms. Romana Abdullah	Member (Independent Director)

    b. **Human Resource and Compensation Committee:**

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

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 and Compensation Committee:**	2 Meetings (First and Last quarter)

15. The Board had outsourced the internal audit function to M/s. Uzair Hammad Faisal & Co. Chartered Accountants till June 30, 2024 and thereafter, the company has established an in-house internal audit department, 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 and nor any head of department have completed training under Directors' Training Program. However, their trainings are planned in the ensuing year.	19(3)
4	**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
5	**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 the element of workplace harassment. Nevertheless, the requirements introduced recently by SECP through its notification dated June 12, 2024 are being incorporated in an independent antiharassment policy	10(A)4
6	**Environmental, Social and Governance (ESG) matters** The board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The board may establish a dedicated sustainability committee having at least one female director.	At present the Board provides governance and oversight in relation to the Company's initiatives on Environmental, Social and Governance (ESG) matters. Nevertheless, the requirements introduced recently by SECP through notification dated June 12, 2024 will be complied with in due course.	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, 2024, 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, 2024 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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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 28 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 07, 2025
UDIN: AR2024101282bxulaPj9

Unconsolidated Statement of Financial Position
As at December 31, 2024

ASSETS	Note	2024	2023
		Rupees	Rupees
Non-current assets			
Property and equipment	6	3,402,587,193	3,509,622,717
Intangibles	7	109,615,749	3,377,286
Long term investments	8	8,218,812,981	8,112,953,916
Right-of-use assets	9	358,738,999	510,157,034
Long term loans	10	613,818,425	528,345,079
Deferred employee benefits	11	203,253,649	182,065,727
Long term deposits	12	74,061,160	71,792,327
Deferred taxation - net	37	-	36,096,850
		12,980,888,156	12,954,410,936
Current assets			
Contract assets	13	1,580,821,570	1,856,838,544
Trade debts	14	20,281,646,836	16,198,145,227
Loans, advances and other receivables	15	3,117,237,351	2,164,085,964
Current portion of deferred employee benefits		86,166,964	67,157,471
Trade deposits and short term prepayments	16	522,190,767	356,576,667
Income tax refunds due from the government		336,835,028	115,592,551
Short term investments	17	2,941,777,167	1,159,419,112
Interest accrued	18	-	3,096,777
Cash and bank balances	19	1,489,699,594	1,441,973,473
		30,356,375,277	23,362,885,786
TOTAL ASSETS		43,337,263,433	36,317,296,722
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
400,000,000 (2023: 400,000,000) ordinary shares of Rs 10 each		4,000,000,000	4,000,000,000
Issued, subscribed and paid-up share capital	20	2,929,861,489	2,914,213,989
Capital reserves	21	6,200,077,327	5,411,992,547
Revenue reserve: Un-appropriated profit		23,753,597,914	19,387,321,138
		32,883,536,730	27,713,527,674
Non-current liabilities			
Long term advances	22	-	4,281,065
Lease liabilities	23	292,081,761	449,798,210
		292,081,761	454,079,275
Current liabilities			
Trade and other payables	24	7,527,762,995	5,700,927,809
Unclaimed dividend		30,322,411	18,659,407
Contract liabilities	25	1,148,760,424	76,108,859
Short term borrowings from financial institutions - secured	26	1,279,799,247	2,119,000,000
Derivative financial instruments		1,461,010	-
Accrued mark-up on borrowings		9,395,836	96,093,532
Current portion of long term advances	22	5,171,459	8,395,243
Current portion of lease liabilities	23	158,971,560	130,504,923
		10,161,644,942	8,149,689,773
TOTAL EQUITY AND LIABILITIES		43,337,263,433	36,317,296,722
CONTINGENCIES AND COMMITMENTS	27		

The annexed notes 1 to 47 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, 2024

	Note	2024	(Restated) 2023
		Rupees	Rupees
Revenue from contracts with customers - net	28	38,526,983,552	32,037,995,164
Cost of revenue	29	(28,965,694,998)	(22,311,383,854)
Gross profit		**9,561,288,554**	**9,726,611,310**
Selling and distribution expenses	30	(748,429,704)	(392,255,261)
Administrative expenses	31	(2,511,514,952)	(2,085,697,629)
Research and development expenditure	32	(97,792,250)	(109,917,778)
Impairment losses on financial assets	33	(605,195,928)	(33,473,891)
Other operating expenses	34	-	(8,561,586)
		(3,962,932,834)	(2,629,906,145)
Operating profit		5,598,355,720	7,096,705,165
Other income	35	1,038,497,833	2,645,199,791
Impairment loss on investment in associate	8.10	-	(68,953,239)
Finance costs	36	(235,179,969)	(664,179,989)
Profit before taxation and levy		6,401,673,584	9,008,771,728
Levy	37.1	(187,366,105)	(459,605.255)
Profit before taxation		6,214,307,479	8,549,166,473
Taxation	37.2	(99,010,303)	9,994,018
Profit for the year		6,115,297,176	8,559,160,491
Earnings per share			
-Basic	41	20.94	29.41
-Diluted	41.1	20.80	29.22

The annexed notes 1 to 47 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, 2024

	2024	2023
	Rupees	Rupees
Profit for the year	6,115,297,176	8,559,160,491
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	**6,115,297,176**	**8,559,160,491**

The annexed notes 1 to 47 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, 2024

	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, 2023	2,904,076,989	4,671,279,664	323,650,758	12,283,429,147	20,182,436,558
Profit for the year	-	-	-	8,559,160,491	8,559,160,491
Other comprehensive income	-	-	-	-	-
Transactions with owners					
Exercise of share options	10,137,000	233,196,703	(93,380,867)	-	149,952,836
Share based payments	-	-	386,906,936	-	386,906,936
Forfeited share options	-	-	(109,660,647)	-	(109,660,647)
Final dividend for the year ended December 31, 2022 at the rate of Rs 5 per share	-	-	-	(1,455,268,500)	(1,455,268,500)
	10,137,000	233,196,703	183,865,422	(1,455,268,500)	(1,028,069,375)
Balance as at December 31, 2023	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	-	-	490,612,325	-	490,612,325
Forfeited share options	-	-	(44,010,115)	-	(44,010,115)
Final dividend for the year ended December 31, 2023 at the rate of Rs 6 per share	-	-	-	(1,749,020,400)	(1,749,020,400)
Balance as at December 31, 2024	15,647,500	529,499,914	258,584,866	(1,749,020,400)	(945,288,120)
	2,929,861,489	5,433,976,281	766,101,046	23,753,597,914	32,883,536,730

The annexed notes 1 to 47 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, 2024

	Note	2024	(Restated) 2023
		Rupees	Rupees
OPERATING ACTIVITIES			
Profit before taxation		6,214,307,479	8,549,166,473
Adjustments to reconcile profit before tax to net cash flows:			
Levy	37.1	187,366,105	459,605,255
Depreciation on property and equipment	6.1.3	748,284,738	629,810,393
Depreciation on right-of-use assets	9.1	151,354,255	152,142,832
Amortization of intangibles	7.4	3,361,678	10,125,731
Amortization of deferred employee benefits	11	84,029,657	53,010,107
Gain on derivative financial instruments	34	(19,484,138)	-
Impairment loss on investment in associate	8.10	-	68,953,239
Share based payment expense		340,739,969	234,192,261
Impairment losses on financial assets			
• contract assets - unsecured	33	17,672,786	3,984,527
• trade debts - unsecured	33	200,329,857	17,149,018
• Loans, advances and other receivables	33	384,973,285	12,340,346
Security deposits written off	34	-	171,033
Finance costs	36	235,179,969	664,179,989
(Gain) / loss on investments classified as fair value through profit or loss	35.1	(158,827,842)	28,917,136
Exchange loss / (gain)	35	220,091,599	(2,175,797,785)
Other Income (other than exchange gain and loss, gain on investments and derviatives classified as fair value through profit or loss):			
• Profit on deposit accounts	35	(73,167,567)	(61,268,186)
• Profit on term deposit receipts and sukuks	35	(43,689,537)	(69,634,100)
• Dividend income on mutual funds	35.1	(61,959,308)	(220,627,522)
• Interest on loan to related parties	35	(759,731,402)	(52,168,947)
• (Gain) / loss on disposal of property and equipment	34	(11,958,618)	79,231
• Effect of discounting of long term loans	35	(122,019,708)	(82,935,220)
• Effect of discounting of long term security deposits	35	(3,556,850)	(3,139,937)
		(1,076,082,990)	(489,694,681)
		1,318,988,928	(330,910,599)
Working capital changes			
Long term deposits		1,288,017	(41,298,523)
Loans paid to employees - net		(133,216,515)	(416,428,262)
Contract Assets		243,255,739	(831,152,029)
Trade debts		(4,513,689,358)	(4,956,418,559)
Advances and other receivables		(663,517,492)	(1,128,357,259)
Trade deposits and short term prepayments		(165,614,100)	(29,553,737)
Trade and other payables		1,879,920,380	2,732,921,579
Contract Liabilities		1,072,651,565	(187,835,506)
		(2,278,921,764)	(4,858,122,296)
Cash generated from operations		5,254,374,643	3,360,133,578
Finance costs paid		(259,502,223)	(573,672,840)
Taxes and levy paid		(471,522,035)	(414,912,269)
Long term advances		(7,504,849)	2,674,868
Settlement of derivative financial instruments		20,945,148	-
Net cash generated from operating activities		4,536,790,684	2,374,223,337
INVESTING ACTIVITIES			
Purchase of property and equipment		(680,015,394)	(1,404,399,019)
Expenditure on internally generated intangibles		(104,949,930)	-
Sale proceeds from disposal of property and equipment	6.1.4	46,938,674	28,293,347
Short term investments - net		(1,461,570,905)	3,463,269,443
Increase in long term investment		3,176	(1,407,182,000)
Profit received on deposit accounts		73,186,930	61,268,186
Profit received on short term investments		46,766,951	68,058,972
Interest received on loan to subsidiaries and associated undertakings		118,002,339	52,168,947
Net cash (used in) / generated from investing activities		(1,961,638,159)	861,477,876
FINANCING ACTIVITIES			
Disbursements against short term borrowings		8,178,586,017	3,800,824,334
Repayment of short term borrowings		(9,017,786,770)	(4,731,824,334)

Cont.

Unconsolidated Statement of Cash Flows
For the Year Ended December 31, 2024

	Note	2024	2023
		Rupees	Rupees
Proceeds from exercise of share options		357,130,070	158,192,836
Payments in respect of leases	23	(192,425,561)	(180,124,965)
Dividend paid		(1,737,357,396)	(1,450,145,245)
Net cash used in financing activities		(2,411,853,640)	(2,403,077,374)
Increase in cash and cash equivalents		163,298,885	832,623,839
Net foreign exchange difference		(15,572,764)	20,779,688
Cash and cash equivalents at the beginning of the year		1,441,973,473	588,569,946
Cash and cash equivalents at the end of year	19.2	1,589,699,594	1,441,973,473

Refer note 23 and 40 for reconciliation of liabilities arising from financing activities.

The annexed notes 1 to 47 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, 2024

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 of the Company, in which investments in the subsidiary companies namely, Systems Ventures (Private) Limited, TechVista Information Technology W.L.L., SUS-JV (Private) Limited, National Data Consultant (Private) Limited and Systems Holdings (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	Geographical Location	Address
Head Office	Lahore	E-1, Sehjpal, Near DHA Phase-VIII (Ex-Air Avenue),Lahore Cantt
Regional Office	Karachi	9 B, Sumya Building, Mohammad Ali Society Muhammad Ali Chs (Machs), Karachi
BPO Office	Karachi	3rd floor, M/S Azad Papers (PVT) LTD Syed House, I.L Chundrigar Road, 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	Old Ehsan Yousaf Building, East Canal Road, near Jhal Khanuwana,, Faisalabad
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. The accounting and reporting standards comprise of:

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

Where provisions of and directives issued under the Act, differ from the IFRS, the provisions of and directives issued under the Act, 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, 2024, 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, except as follows:

During the current period, the Institute of Chartered Accountants of Pakistan ('ICAP') has 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 has changed its accounting policy to designate 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.

The Company has accounted for the effects of this change in accounting policy retrospectively under 'IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors' and the corresponding figures have been restated in these unconsolidated financial statements. The effects of restatement is as follows:

Effect on unconsolidated statement of profit or loss	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	Rupees		
For the year ended December 31, 2024			
Levy	-	(187,366,105)	(187,366,105)
Profit before taxation	6,401,673,584	(187,366,105)	6,214,307,479
Taxation	(286,376,408)	187,366,105	(99,010,303)
Profit after taxation	6,115,297,176	-	6,115,297,176
For the year ended December 31, 2023			
Levy	-	(459,605,255)	(459,605,255)
Profit before taxation	9,008,771,728	(459,605,255)	8,549,166,473
Taxation	(449,611,237)	459,605,255	9,994,018
Profit after taxation	8,559,160,491	-	8,559,160,491

The related changes to the unconsolidated statement of cash flows with respect to the amount of profit before taxation have been made as well.

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, 2025 or later periods, but the Company has not early adopted them:

Standards or Interpretation	Effective date
	Accounting periods beginning on or after:
Amendments to IAS 21 - Lack of Exchangeability	January 01, 2025
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.

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 Provision for taxation (Notes 4.1 and 37)

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 and 6)

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 and 42.3.1)

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 28)

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 23)

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, 24 and 27)

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 21)

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 21.2.5.

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.

4. Material accounting policy information

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from January 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

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 Current

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.

4.1.2 Deferred

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.

The asset's residual values and useful lives are reviewed at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual value of its operating fixed assets as at December 31, 2024 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 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 and advances given for purchase of property and equipment. 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, 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.

4.5 Trade debts

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 payable 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 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.

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 our 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 seperate 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 is initially recognized for revenue earned because the receipt of consideration is conditional on successful completion of the milestones as per contract. Upon completion of the milestone and 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 satisifed 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.

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 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.

5.3 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.

5.4 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.

5.5 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.

5.6 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 recognized when the company's right to recieve the payment has been established.

5.7 Finance costs

Finance cost is charged to unconsolidated statement of profit or loss in the year in which it is incurred.

5.8 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	2024	2023
		Rupees	
Operating fixed assets	(6.1)	**3,401,072,321**	3,509,622,717
Capital work in progress	(6.2)	**1,514,872**	-
		3,402,587,193	3,509,622,717

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, 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	20	10	10	20	10	10-27	
At December 31, 2023											
Cost											
Accumulated	592,234,914	735,539,850	2,014,109,464	700,349,225	375,838,660	161,481,340	353,628,046	140,134,740	54,833,136	235,286,422	5,363,435,797
Depreciation	-	(86,437,850)	(932,104,006)	(281,922,583)	(177,664,252)	(59,395,347)	(107,367,684)	(85,063,040)	(31,700,747)	(92,157,571)	(1,853,813,080)
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
For the year ended December 31, 2023											
Opening net book value	592,234,914	505,698,559	656,392,278	167,862,017	142,235,493	91,585,179	147,176,905	60,166,761	23,597,134	133,018,791	2,519,968,031
Additions (at cost)	-	160,120,890	750,001,007	406,294,033	110,163,624	24,723,737	122,579,968	18,080,710	4,218,725	51,654,963	1,647,837,657
Disposal	-	-	(22,563,393)	(2,131,461)	(2,687,040)	-	(311,877)	(657,582)	(21,225)	-	(28,372,578)
Depreciation	-	(16,717,449)	(301,824,434)	(153,597,947)	(51,537,669)	(14,222,923)	(23,184,634)	(22,518,189)	(4,662,245)	(41,544,903)	(629,810,393)
Closing 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
Rate of depreciation (%)	-	2.5	20-33	33	20	10	10	20	10	10-27	

6.1.1 The cost of operating fixed assets includes assets amounting to Rs 690.18 million (2023: Rs 571.90 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 (2023: 21.42 kanals).

6.1.3 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		Rupees	
Cost of revenue	**(29)**	633,898,305	531,101,807
Selling and distribution expenses	**(30)**	8,602,740	7,270,621
Administrative expenses	**(31)**	102,702,835	86,799,485
Research and development expenditure	**(32)**	3,080,858	4,638,480
Intangibles	**(7)**	3,786,124	-
		752,070,862	629,810,393

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						
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**		

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain / (Loss)	Mode of disposal	Particulars of buyer
	Rupees						
Laptop - Apple Macbook Pro	682,500	145,981	536,519	536,519	-	Company Policy	Techvista Systems FZ LLC - Subsidiary
Laptop - Apple Macbook Pro	682,500	92,897	589,603	589,603	-	Company Policy	Techvista Systems FZ LLC - Subsidiary
HVAC System	2,338,133	1,754,886	583,247	64,300	(518,947)	Scrap Sale	Amir Pasha - Third Party
Honda Civic	3,586,850	2,929,268	657,582	4,400,000	3,742,418	Insurance claim	IGI General Insurance Limited - Third Party
Aggregate of items of property and equipment with individual net book value below Rs 500,000	49,214,418	23,208,791	26,005,627	22,702,925	(3,302,702)		
Year ended December 31, 2023	**56,504,401**	**28,131,823**	**28,372,578**	**28,293,347**	**(79,231)**		

6.2 Capital work-in-progress

This represents civil works movement of which is as follows:	Note	2024	2023
		Rupees	
Balance at the beginning of the year		-	161,020,955
Additions during the year		1,514,872	115,360,238
Transfer to operating fixed assets		-	(276,381,193)
Balance at the end of the year		**1,514,872**	**-**

7. Intangibles

	Note	2024	2023
		Rupees	
Intangibles - owned	(7.1)	-	3,377,286
Intangibles under development	(7.5)	109,615,749	-
		109,615,749	3,377,286

7.1 Intangibles - owned

Cost		193,385,241	193,385,241
Accumulated amortization		(193,385,241)	(190,007,955)
Net book value		-	3,377,286
The reconciliation of net book value is as follows:			
Opening value		3,377,286	13,503,017
Amortization charge	(7.4)	(3,377,286)	(10,125,731)
Closing value		-	3,377,286
Amortization rate % per annum		33	33

7.2 Intangible assets represented computer software licenses acquired having a finite useful life.

7.3 The cost of the intangibles includes assets amounting to Rs 193.39 million (December 31, 2023: Rs 163.01 million) with nil book value.

7.4 Amortization charge for the year has been allocated as follows:

	Note	2024	2023
		Rupees	
Cost of revenue	(29)	2,962,704	9,071,987
Selling and distribution expenses	(30)	54,824	88,053
Administrative expenses	(31)	322,459	893,019
Research & development expenditure	(32)	21,691	72,672
Intangibles		15,608	-
		3,377,286	10,125,731

7.5 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.

8. Long term investments

	Note	2024	2023
		Rupees	(Restated)
Investment in subsidiaries - unquoted			
Systems Ventures (Private) Limited	(8.1) & (8.2)	1,178,444,976	1,178,444,976
TechVista Information Technology W.L.L	(8.3)	144,568,884	144,568,884
National Data Consultant (Private) Limited	(8.4)	4,254,636,725	4,254,636,725
SUS-JV (Private) Limited	(8.5)	94,990	94,990
Systems Holdings (Private) Limited	(8.6)	-	-
		5,577,745,575	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)	211,033,818	105,174,753
Subscription money payable	(8.9)	3,295,600	3,295,600
		8,017,265,993	7,911,406,928
Investment in associate - unquoted			
E-Processing Systems B.V.	(8.10)	201,546,988	201,546,988
		8,218,812,981	8,112,953,916

8.1 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, during the year, has nominated its wholly owned subsidiary Systems International It Pte. Ltd. (Sys It Pte.) for holding the transferred assets. During the current year, SYS Egypt for Information Technology Services, Systems Arabia for Information Technology and Systems Africa for Information Technologies (Pty.) Ltd. have been transferred to Sys It Pte. after the approval of respective foreign regulators while the tranfer of ownership request in respect of Tech Vista Systems FZ-LLC was filed with the respective foreign regulator. In consideration, SVPL has issued 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company on July 08, 2024.

As the tranfer process of the Transferred Assets has been completed or substantively completed during the year and as consideration under the scheme has been transferred to the Company by SVPL during the current year therefore the impacts of the scheme has been recorded in these financial statements. However, as the effective date under the scheme is July 01, 2023 therefore the effects of separation of ownership interests in Transferred Assets have been recorded as per the applicable effective date by restating the corresponding figures in the disclosure above. The transfer of TechVista Systems FZ LLC has been completed to Systems International IT Pte. Ltd. subsequent to year end.

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

However, there is no impact on corresponding statement of financial position, statement of profit and loss, statement of changes in equity and statement of cash flows due to retrospective application of this scheme. The transfer of TechVista Systems FZ LLC has been completed to Systems International IT Pte. Ltd. subsequent to year end.

8.2 After incorporating the effects of note 8.1 above, this represents 138,960,284 fully paid ordinary shares of Rs 10/- each, representing 100% (2023: 72,100,000 fully paid 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.

8.3 Techvista Information Technology W.L.L. ('TVSQ') is a limited liability company incorporated in the State of Qatar. The Company owns 34% (2023: 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.

8.4 This represents 500,000 fully paid ordinary shares of Rs 10/- each, representing 100% (2023: 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. NdcTech 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.

8.5 This represents 9,499 full paid ordinary shares of Rs 10/- each, representing 94.99% (2023: 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.

8.6 This represents 100 ordinary shares of Rs. 10/- each, representing 100% (2023: 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, 2023: 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:

	2024	2023
	Rupees	
• Tech Vista Systems FZ-LLC	131,525,801	67,433,233
• TechVista Information Technology W.L.L.	2,971,866	1,297,730
• Systems Arabia for Information Technology	41,574,508	15,077,525
• National Data Consultant (Private) Limited	16,948,850	16,948,850
• SYS Egypt for Information Technology Services	3,108,650	723,277
• Systems APAC for Info Tech PTE Ltd	3,256,210	2,247,585
• Systems Africa for Information Technologies (Pty.) Ltd.	3,569,736	1,446,553
• Systems Australia for Information Technology (Pty.) Ltd.	8,078,197	-
	211,033,818	105,174,753

8.9 This represents subscription money payable in respect of the following subsidiaries:

	Note	2024	2023
		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 30.90% shares (2023: 179,507 fully paid ordinary shares at USD 0.01/- each representing 30.90% shares) in E-Processing Systems B.V ('EPBV'), a company setup in Netherlands. During the prior year, due to conversion of preference shares to ordinary shares pertaining to Melinda & Gates Foundation in EPBV., the shareholding of Systems Limited had been diluted and the revised shareholding is 30.90%.

9. Right-of-use assets

	Note	2024	2023
		Rupees	
Cost		771,367,927	771,367,927
Accumulated amortization		(412,628,928)	(261,210,893)
Net book value	(9.1)	358,738,999	510,157,034

9.1 These represent buildings on lease. The reconciliation of net book value is as follows:

Opening net book value		510,157,034	512,738,929
Additions		-	149,560,937
Depreciation for the year	(9.2)	(151,418,035)	(152,142,832)
Closing net book value		358,738,999	510,157,034
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	2024	2023
		Rupees	
Cost of revenue	(29)	136,780,483	125,365,658
Selling and distribution expenses	(30)	1,722,000	748,991
Administrative expenses	(31)	11,987,685	25,130,616
Research and development expenses	(32)	864,087	897,567
Intangibles		63,780	-
		151,418,035	152,142,832

10. Long term loans

Considered good - secured			
Due from executives	(10.1)	613,818,425	528,345,079

10.1 Due from executives

	Note	2024			2023
		Rupees			
		Motor Vehicle	Other loans	Total	Total
As at January 01		645,984,382	66,127,564	712,111,946	398,150,748
Loans disbursed during the year:					
• Undiscounted amount paid		684,156,657	-	684,156,657	756,957,159
• Deferred employee benefits	(11)	(181,538,547)	-	(181,538,547)	(216,332,847)
		502,618,110	-	502,618,110	540,624,312
Loans settled during the year		(194,203,255)	(28,614,542)	(222,817,797)	(112,042,773)
• Unwinding of discount	(35)	115,128,360	6,891,348	122,019,708	82,935,220
• Repayments		(249,326,209)	(21,484,661)	(270,810,870)	(197,555,561)
		820,201,388	22,919,709	843,121,097	712,111,946
Receivable within one year	(15)	(206,382,963)	(22,919,709)	(229,302,672)	(183,766,867)
		613,818,425	-	613,818,425	528,345,079

10.2 The remaining interest free loans are repayable between 21 to 60 (2023: 18 to 60) months and are granted to the executives of the Company, in accordance with their terms of employment. These are secured against post dated cheques. These loans were initially recognized at fair value using effective interest rates ranging from 11.3% to 17.51% (2023: 9.54% 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	2024	2023
		Rupees	
As at January 01		249,223,198	116,831,021
Additions during the year	(10.1)	181,538,547	216,332,847
Settlements during the year		(57,311,475)	(30,930,563)
Amortization during the year		(84,029,657)	(53,010,107)
		289,420,613	249,223,198
Current portion of deferred employee benefits		(86,166,964)	(67,157,471)
		203,253,649	182,065,727

12. Long term deposits

	Note	2024	2023
		Rupees	
Lease buildings			
Opening balance		26,910,135	19,349,849
Additions:			
Undiscounted amount paid		-	8,764,470
Effect of discounting		-	(4,344,121)
Fair value of additions		-	4,420,349
Unwinding of discount	(35)	3,556,850	3,139,937
Closing balance		30,466,985	26,910,135
Others			
Utilities and other deposits		43,594,175	44,882,192
		74,061,160	71,792,327

13. Contract assets

	Note	2024	2023
		Rupees	
Unbilled revenue	(13.1)	1,525,904,999	1,801,921,973
Retention money		54,916,571	54,916,571
		1,580,821,570	1,856,838,544

13.1 Unbilled revenue

Export		349,184,502	536,976,626
Local		1,203,574,917	1,274,126,981
		1,552,759,419	1,811,103,607
Less: Allowance for ECL	(13.1.2)	(26,854,420)	(9,181,634)
	(13.1.3)	1,525,904,999	1,801,921,973

13.1.2 Allowance for ECL

As at January 01	9,181,634	5,197,107
Expense for the year	17,672,786	3,984,527
Closing balance	26,854,420	9,181,634

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	2024	2023
		Rupees	
Export	(14.1)	18,203,064,581	14,248,389,307
Local		2,478,176,470	2,176,592,717
		20,681,241,051	16,424,982,024
Less: Allowance for ECL	(14.3)	(399,594,215)	(226,836,797)
		20,281,646,836	16,198,145,227

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. Detail of related party balances along with aging analysis of the amounts is as follows:

	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**

	2023						
	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	611,453,442	352,338,515	307,355,233	-	-	-	1,271,147,190
Systems Africa for Information Technologies	38,439,651	44,948,193	32,452,263	964,541	-	-	116,804,648
Systems APAC Pte. Ltd	245,621,931	89,339,324	14,795,870	-	-	-	349,757,125
Systems Arabia for Information Technology	651,985,605	319,551,973	295,063,851	21,999,370	-	758,437	1,289,359,236
Systems Australia for Information Technology PTY LTD.	16,155,437	-	-	-	-	-	16,155,437
TechVista Information Technology W.L.L.	230,697,389	157,933,198	134,134,469	162,700,713	122,109,198	546,040,126	1,353,615,093
TechVista Systems FZ-LLC - UAE	2,097,185,074	1,440,422,991	1,155,734,692	671,217,346	-	-	5,364,560,103
TreeHouse Consultancy LLC	678,193	2,754,161	6,258,388	127,213,492	32,594,380	14,530,368	184,028,982
Other Related Parties							
AtClose LLC	107,503,341	14,109,226	-	-	-	-	121,612,567
PartnerLinQ Incorporation	308,546,855	-	-	-	-	-	308,546,855
Visionet Canada Incorporation	3,159,546	4,099,773	-	-	-	-	7,259,319
Visionet EMEA Limited	313,981,548	76,115,373	-	789,782	-	-	390,886,703
Visionet Systems Incorporation - USA	2,651,891,528	-	-	-	-	-	2,651,891,528
	7,277,299,540	**2,501,612,727**	**1,945,794,766**	**984,885,244**	**154,703,578**	**561,328,931**	**13,425,624,786**

14.2 The maximum aggregate amount outstanding for these related parties by reference to month-end balances was as follows:

	2024	2023
	Rupees	
National Data Consultancy FZE	2,044,110,013	1,271,147,190
Systems Africa for Information Technologies	116,804,648	116,804,648
Systems APAC Pte. Ltd	1,020,666,329	349,757,125
Systems Arabia for Information Technology	3,258,598,944	1,289,359,236
Systems Australia for Information Technology PTY LTD.	97,986,606	30,125,747
TechVista Information Technology W.L.L.	1,415,667,832	1,373,296,227
TechVista Systems FZ-LLC - UAE	5,632,410,497	5,864,044,470
TreeHouse Consultancy LLC	181,840,494	198,782,976
AtClose LLC	318,976,658	121,612,567
PartnerLinQ Incorporation	577,215,423	308,546,855
Visionet Canada Incorporation	14,222,895	7,259,319
Visionet EMEA Limited	630,939,261	916,984,802
Visionet Systems Incorporation - USA	3,541,362,881	4,232,760,216
Visionet Deutschland GmbH	512,326,343	445,948,684
Systems Egypt for Information Technology	35,774,795	-
Systems Bahrain for Information Technology W.L.L.	153,831,202	-
Systems Information Technology Malaysia	8,652,231	-

14.3 Allowance for ECL

	Note	2024	2023
		Rupees	
As at January 01		226,836,797	232,975,696
Expense for the year		200,329,857	17,149,018
Balances written off during the year		(27,572,439)	(23,287,917)
Closing balance	(14.3.1)	399,594,215	226,836,797

14.3.1 These include allowance for ECL against receivables from the related parties amounting to Rs 113.04 million (2023: Rs 99.18 million).

15. Loans, advances and other receivables

	Note	2024	2023
		Rupees	
Current maturity of long term loans	(10.1)	229,302,672	183,766,867
Advances to staff against:			
salary	(15.1)	155,240,110	84,633,006
expenses		144,269,859	82,572,410
		299,509.969	167,205,416
Advances to suppliers - against goods and services		131,128,027	120,427,859
		659,940,668	471,400,142
Loans to related parties		743,220,773	700,342,015
Elimination on account of Joint Operation	(15.2)	(508,209,235)	(460,513,074)
	(15.3)	235,011,538	239,828,941
Other receivables from group entities:			
National Data Consultant (Private) Limited		1,093,700,764	983,407,109
National Data Consultancy FZE		35,731,350	17,014,631
Systems Ventures (Private) Limited		299,339,506	1,937,631
Systems Africa for Information Technologies Pty. Ltd.		6,721,750	11,579,703
Systems APAC for Information Technology Pte. Ltd.		-	34,024,749
Systems Arabia for Information Technology		618,214,041	340,090,892
SYS Egypt for Information Technology Services		-	2,729,767
Systems Australia for Information Technology Pty. Limited		91,469,360	35,438,819
Systems International IT Pte. Ltd.		862,835	919,442
Sys Bahrain for Information Technology W.L.L.		32,380,881	-
	(15.4) & (15.7)	2,178,420,487	1,427,142,743
Other receivables from other related parties:			
Visionet Deutschland GmbH		34,474,841	23,200,784
Visionet EMEA Limited		-	2,513,354
Visionet Canada Incorporation		50,142	-
PartnerLinQ Incorporation	(15.5)	9,339,675	-
		43,864,658	25,714,138
		3,117,237,351	2,164,085,964

15.1 This included advance given to the chief operating officer of the Company amounting to Rs 5.20 million (2023: Rs 4.60 million).

15.2 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 (2023: one-year KIBOR) on the outstanding loan balance at the end of each month.

15.3 This includes loans provided to the following related parties:

	Note	2024	2023
		Rupees	
E-Processing Systems (Private) Limited	(15.3.1)	227,556,284	236,257,805
SUS JV (Private) Limited	(15.3.2)	7,455,254	3,571,136
		235,011,538	239,828,941

15.3.1 This represents loan provided to E-Processing Systems (Private) Limited for meeting working capital requirements of Rs 243.73 million and accrued interest of Rs 36.17 million netted of by expected credit loss of Rs 52.34 million (2023: Rs 12.34 million). The loan is unsecured and carries mark-up at one-month KIBOR (2023: one-month KIBOR) on the outstanding loan balance. Disbursements of principal are payable within one year and mark-up is payable on quarterly basis.

15.3.2 This represents loan provided to SUS JV (Private) Limited for meeting working capital requirements. The loan is unsecured and carried mark-up at one-month KIBOR (2023: one-month KIBOR) on the outstanding loan balance. Disbursements of principal were payable within one year and mark-up was payable on quarterly basis.

15.3.3 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	2024	2023
	Rupees	
E-Processing Systems (Private) Limited	279,896,630	273,955,878
SUS JV (Private) Limited	19,540,484	16,459,772

15.4 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.

15.5 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.

15.6 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	2024	2023
	Rupees	
National Data Consultant (Private) Limited	1,438,272,170	1,040,227,040
Systems Ventures (Private) Limited	299,339,506	12,604,862
Systems Africa for Information Technologies Pty. Ltd.	13,509,890	11,579,703
Systems APAC for Information Technology Pte. Ltd.	45,201,685	34,024,749
Systems Arabia for Information Technology	677,759,445	340,090,892
SYS Egypt for Information Technology Services	2,912,144	2,729,767
Visionet Deutschland GmbH	34,474,841	51,252,587
Visionet EMEA Limited	2,477,021	13,743,205
National Data Consultancy FZE	139,801,748	17,014,631
Systems International IT Pte. Ltd.	883,112	1,320,087
Systems Australia for Information Technology Pty. Limited	91,556,279	35,438,819
Sys Bahrain for Information Technology W.L.L.	32,380,881	-
Visionet Canada Incorporation	50,142	-
PartnerLinQ Incorporation	9,339,675	-
SUS-JV (Private) Limited	19,540,484	-

15.7 This is net of allowance for ECL as follows:

	2024	2023
	Rupees	
As at January 01	-	-
Expense for the year	344,973,285	-
Closing balance	344,973,285	-

15.8 The aging analysis of these balance are as follows:	2024		2023	
	Rupees			
	Less than one year	More than one year	Less than one year	More than one year
National Data Consultant (Private) Limited	**110,293,655**	**983,407,109**	842,199,663	141,207,446
National Data Consultancy FZE	**19,976,685**	**17,014,631**	17,014,631	-
Systems Ventures (Private) Limited	**297,401,875**	**1,937,631**	1,937,631	-
Systems Africa for Information Technologies Pty. Ltd.	**6,721,750**	**-**	7,380,354	4,199,349
Systems APAC for Information Technology Pte. Ltd.	**-**	**-**	32,680,055	1,344,694
Systems Arabia for Information Technology	**278,123,149**	**340,090,892**	206,562,402	133,528,490
SYS Egypt for Information Technology Services	**-**	**-**	1,655,285	1,074,482
Systems Australia for Information Technology Pty. Limited	**56,030,541**	**35,438,819**	35,438,819	-
Systems International IT Pte. Ltd.	**862,835**	**-**	919,442	-
Sys Bahrain for Information Technology W.LL.	**32,380,881**	**-**	-	-
SUS-JV (Private) Limited	**7,455,254**	**-**	-	-
Visionet Deutschland GmbH	**11,274,057**	**23,200,784**	23,200,784	-
Visionet EMEA Limited	**-**	**-**	2,513,354	-
Visionet Canada Incorporation	**50,142**	**-**	-	-
PartnerLinQ Incorporation	**9,339,675**	**-**	-	-

16. Trade deposits and short term prepayments

	2024	2023
	Rupees	
Security deposits	95,841,377	122,623,177
Prepayments	428,569,390	233,953,490
	524,410,767	356,576,667
Less: Allowance for ECL	(2,220,000)	-
	522,190,767	356,576,667

17. Short term investments

	Note	2024	2023
		Rupees	
Fair value through profit or loss			
Mutual fund units	(17.1)	2,764,394,367	877,419,112
Amortized cost			
Term deposit receipts (TDRs)	(17.2)	177,382,800	282,000,000
		2,941,777,167	1,159,419,112

17.1 The details of investments in mutual funds are as follows:

	2024	2023
	Rupees	
HBL Islamic Asset Allocation Fund		
Number of units: Nil (2023 : 1,238,042)	-	125,258,150
Lakson Islamic Money Market Fund		
Number of units: 909,308 (2023 : Nil)	100,000,000	-
Meezan Balanced Fund		
Number of units: 5,176 (2023: Nil)	122,718	-
Meezan Rozana Amdani Fund		
Number of units: 792 (2023 : Nil)	39,624	-
NBP Islamic Income Fund		
Number of units: 604 (2023: Nil)	6,656	-
NBP Islamic Sarmaya Izafa Fund		
Number of units: 16,483 (2023: Nil)	504,527	-
HBL Islamic Money Market Fund		
Number of units: 5,034,611 (2023: Nil)	551,581,892	-
Meezan Islamic Fund		
Number of units: 2,034 (2023: Nil)	252,085	-
AL Habib Islamic Cash Fund		
Number of units: 1,390,481 (2023: Nil)	150,023,638	-
AWT Islamic Income Fund		
Number of units: 1,304,114 (2023: Nil)	150,204,094	-
Alfalah Islamic Money Market Fund		
Number of units: 5,575,713 (2023: Nil)	606,513,798	-
MCB Alhamra Cash Management Fund		
Number of units: 3,428,097 (2023: Nil)	372,875,509	-
MCB Alhamra Islamic Money Market Fund		
Number of units: 507 (2023 : Nil)	50,423	-
Meezan Islamic Income Fund		
Number of units: 105 (2023: Nil)	5,981	-
JS Islamic Money Market Fund		
Number of units: 1,440,092 (2023: Nil)	150,043,203	-
Atlas Islamic Money Market Fund		
Number of units: 274,130 (2023: Nil)	150,000,000	-
NBP Islamic Daily Dividend Fund		
Number of units: 8,903 (2023 : Nil)	89,032	-
NBP Islamic Stock Fund		
Number of units: 7,849 (2023: Nil)	173,041	-
Meezan Cash Fund		
Number of units: 1,807,412 (2023: Nil)	100,116,578	-
NBP Islamic Money Market Fund		
Number of units: 319 (2023: Nil)	3,520	-
ABL Islamic Cash Fund		
Number of units: 102,092 (2023: 25,071,041)	1,021,228	250,710,420
ABL Islamic Income Fund		
Number of units: 924 (2023: 665)	10,445	7,490
Faysal Islamic Cash Fund		
Number of units: 3,962,874 (2023: 2,503,467)	430,641,975	250,346,747
ABL Islamic Stock Fund		
Number of units: 3,255 (2023 : Nil)	87,363	-
Alfalah Islamic GHP Islamic Income Fund		
Number of units: 10 (2023 : Nil)	1,130	-
UBL Al Ameen Islamic Asset Allocation fund		
Number of units: 197 (2023 : Nil)	3,607	-
Alfalah Islamic Rozana Amdani Fund Class A		
Number of units: 222 (2023: 2,510,963)	22,300	251,096,305
	2,764,394,367	877,419,112

17.2 The details of investments in TDRs are as follows:

	Note	2024	2023
		Rupees	
Habib Metropolitan Bank Limited		177,382,800	255,000,000
Habib Bank Limited		-	27,000,000
	(17.2.1) & (17.2.2)	177,382,800	282,000,000

17.2.1 These TDRs include Nil (2023: Rs 255 million), Nil (2023: Rs 27 million) and Rs 77.38 million (2023: Nil) which are pledged against export re-finance facility availed from Habib Metropolitan Bank Limited, Habib Bank Limited respectively and letter of guarantee availed from Habib Metropolitan Bank Limited.

17.2.2 These carried markup at rates ranging from 10.82 % to 19.50% (2023: 15.40% to 19.50%) per annum and had maturities of 30-90 days from the date of initial recognition.

18. Interest accrued

	Note	2024	2023
		Rupees	
Term deposit receipts (TDRs)		-	3,077,414
Savings accounts		-	19,363
		-	3,096,777

19. Cash and bank balances

Cash in hand		127,070	175,643
Cheques in hand		90,182,250	134,644,245
		90,309,320	134,819,888
Balances with banks:			
Local currency:			
Current accounts		288,796,188	240,483,300
Savings accounts	(19.1)	897,842,986	895,008,939
		1,186,639,174	1,135,492,239
Foreign currency:			
Current accounts		212,751,100	171,661,346
		1,489,699,594	1,441,973,473

19.1 These carry markup at the rate of 6.00% to 20.51% (2023: 6.88% to 20.51%) per annum.

19.2 Cash and cash equivalents

	Note	2024	2023
		Rupees	
Cash and bank balances	(19)	1,489,699,594	1,441,973,473
Short term investments	(17)	100,000,000	-
		1,589,699,594	1,441,973,473

20. Issued, subscribed and paid-up share capital

2024	2023		2024	2023
(Number of shares)			Rupees	
118,297,326	116,732,576	Ordinary shares of Rs 10/- each fully paid in cash	1,182,973,259	1,167,325,759
162,866,323	162,866,323	Ordinary shares of Rs 10/- each fully paid up as bonus shares	1,628,663,230	1,628,663,230
11,822,500	11,822,500	Ordinary shares of Rs 10/- each issued for consideration otherwise than cash	118,225,000	118,225,000
292,986,149	291,421,399		2,929,861,489	2,914,213,989

20.1 Reconciliation of ordinary shares

2024	2023		2024	2023
(Number of shares)			Rupees	
291,421,399	290,407,699	Balance at January 01	2,914,213,989	2,904,076,989
1,564,750	1,013,700	Stock options exercised	15,647,500	10,137,000
292,986,149	291,421,399		2,929,861,489	2,914,213,989

20.2 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.

21. Capital reserves

	Note	2024	2023
		Rupees	
Share premium reserve	(21.1)	5,433,976,281	4,904,476,367
Employee compensation reserve	(21.2)	766,101,046	507,516,180
		6,200,077,327	5,411,992,547

21.1 This reserve shall be utilized only for the purpose as specified in section 81(2) of the Companies Act, 2017.

21.2 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.

21.2.1 The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	2024		2023	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	Rupees	Number	Rupees	Number
Outstanding at January 01	345.93	5,631,437	276.50	5,187,567
Granted during the year				
stock options awarded in April 2023	-	-	379.90	2,562,000
stock options awarded in March 2024	325.15	2,935,914	-	-
stock options awarded in December 2024	397.17	50,000	-	-
Forfeited share options	310.20	(410,500)	272.90	(1,104,430)
Exercised during the year:				
stock options awarded in 2020[1]	-	-	61.11	(220,000)
stock options awarded in March 2021[2]	173.10	(753,137)	173.10	(696,200)
stock options awarded in September 2021[3]	248.61	(70,500)	248.61	(97,500)
stock options awarded in March 2022[4]	289.20	(542,363)	-	-
stock options awarded in August 2022[5]	263.60	(198,750)	-	-
Outstanding at December 31	367.06	6,642,101	345.93	5,631,437
Vested and exercisable at December 31	274.98	1,431,687	185.71	1,123,437

- The weighted average share price at the date of the exercise of these options was Nil (2023: 424.87).
- The weighted average share price at the date of the exercise of these options was Rs 499.50 (2023: 473.49).
- The weighted average share price at the date of the exercise of these options was Rs 431.31 (2023: 422.68).
- The weighted average share price at the date of the exercise of these options was Rs 443.97 (2023: Nil).
- The weighted average share price at the date of the exercise of these options was Rs 507.86 (2023: Nil).

21.2.2 The weighted average remaining contractual life for the share options outstanding as at December 31, 2024 is 3.48 years (2023: 3.52 years).

21.2.3 The weighted average fair value of options granted during the period was Rs 171.89 (2023: Rs 212.90).

21.2.4 The range of exercise prices for options outstanding at the end of the year is Rs 173.1 to Rs.397.17 (2023: Rs 73.34 to Rs.379.90).

21.2.5 The following table lists the inputs to the model used for the plan:

	2024	2023
Dividend yield	1.41%	1.46%
Expected volatility	29% - 30%	33.00%
Risk–free interest rate	17.24% & 12.36%	19.27%
Expected life of share options (years)	2.30 to 2.38	2.25
Weighted average share price	Rs. 395.94 & Rs 552.77	Rs. 465.65
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.

22. Long term advances

	Note	2024	2023
		Rupees	
Long term advances		5,171,459	12,676,308
Less : Current portion shown under current liabilities		(5,171,459)	(8,395,243)
	(22.1)	-	4,281,065

22.1 These represent advances received from staff and will be adjusted as per Company's car policy against sale of vehicles.

23. Lease liabilities

	2024	2023
	Rupees	
Present value of lease rental.	451,053,321	580,303,133
Less: Current portion shown under current liabilities	(158,971,560)	(130,504,923)
	292,081,761	449,798,210

	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

	Lease Rentals	Finance cost for future periods	Principal outstanding
	2023		
	Rupees		
Not later than one year	192,982,683	62,477,760	130,504,923
Later than one year but not later than five years	505,490,096	81,267,826	424,222,270
Later than five years	26,886,713	1,310,773	25,575,940
	725,359,492	145,056,359	580,303,133

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Note	2024	2023
		Rupees	
As at January 01		580,303,133	541,723,263
Additions		-	142,164,900
Accretion of interest	(36)	62,375,442	76,539,935
Payments		(191,625,254)	(180,124,965)
		451,053,321	580,303,133
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

23.1 Amount recognized in unconsolidated statement of profit or loss:

The following are the amounts recognized in profit or loss:

	2024	2023
	Rupees	
Interest expense on lease liabilities	62,375,442	76,539,935
Expenses relating to short term leases	103,611,721	59,800,163
Total amount recognized in profit or loss	165,987,163	136,340,098

23.2 Cash outflow for leases

The Company had total cash outflows for leases of Rs 295.27 million (2023: Rs 239.92 million). The Company also had non-cash additions to right-of-use assets and lease liabilities of Nil (2023: Rs 149.56 million) and Nil (2023: Rs 142.16 million) respectively.

24. Trade and other payables

	Note	2024	2023
		Rupees	
Creditors	(24.1)	362,558,624	104,039,999
Accrued liabilities	(24.2)	2,676,178,581	2,344,843,898
Provident fund contribution payable	(24.3)	93,243,169	169,477,960
Withholding income tax payable		340,274,219	227,038,001
Sales tax payable		275,319,282	74,004,982
Payable to related parties	(24.4)	3,774,400,234	2,775,733,986
Subscription money payable		5,788,886	5,788,983
		7,527,762,995	5,700,927,809

24.1 These are non-interest bearing, are in normal course of business and are normally settled on terms of between 30 and 60 days.

24.2 This includes Rs 1.6 million (2023: Rs 2.6 million) payable to directors of the Company for attending board meetings.

24.3 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	2024	2023
		Rupees	
24.4 This includes payable to the following related parties:			
Tech Vista Systems FZ-LLC		3,303,549,197	2,514,805,935
Visionet Systems Incorporation - USA		241,069,762	235,517,676
Techvista Information Technology W.L.L Qatar		15,698,911	25,410,375
Systems APAC for Information Technology		116,125,096	-
Systems Egypt for Information Technology		4,148,897	-
Visionet EMEA		93,807,053	-
AtClose LLC		1,318	-
	(24.4.1)	3,774,400,234	2,775,733,986

24.4.1 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.

25. 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.

26. Short term borrowings from Financial institutions - secured

	Note	2024	2023
		Rupees	
Export Refinance (ERF)			
MCB Bank Limited	(26.1)	-	400,000,000
Habib Metropolitan Bank Limited	(26.2)	-	1,400,000,000
Habib Bank Limited	(26.3)	-	319,000,000
Export Finance Scheme (EFS)			
Habib Metropolitan Bank Limited	(26.4)	999,999,857	-
Habib Bank Limited	(26.5)	180,058,083	-
Bank Al Habib Limited	(26.6)	99,741,307	-
		1,279,799,247	2,119,000,000

26.1 This represents islamic export re-finance (IERF) availed against aggregate sanctioned limit of Nil (2023: Rs 2,000 million). The rate of mark up is Nil (2023: SBP rate plus 0.5%). These borrowings were secured against first pari passu hypothecation charge of Rs 2,950 million over current assets and equitable mortgage charge of Rs 305.99 million over land.

26.2 This represented islamic export re-finance (IERF) availed against aggregate sanctioned limit of Rs 2,000 million (2023: Rs 2,000 million). The rate of mark up is SBP rate plus 0.5% (2023: SBP rate plus 0.5%). These borrowings are secured against first pari passu hypothecation charge of Rs 2,950 million over current assets and equitable mortgage charge of Rs 305.99 million over land. This facility remains unutilized as at year end.

26.3 This represented export re-finance (ERF) availed against the aggregate sanctioned limit of Rs 700 million (2023: Rs 700 million). The rate of markup is SBP rate plus 0.5% (2023: SBP rate plus 0.5%). These borrowings are secured against the first pari passu hypothecation charge over the Company's current assets with a 25% margin. This facility remains unutilized as at year end.

26.4 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 as in note 26.2. The rate of mark up is SBP EFS rate for tenor upto 90 days which is 3% per annum. These borrowings are secured against first pari passu hypothecation charge of Rs 2,950 million over current assets and equitable mortgage charge of Rs 305.99 million over land.

26.5 This represents Export Finance scheme (EFS) availed as a sub-limit against the aggregate sanctioned limit of Rs 700 million as in note 26.3. The rate of mark up is SBP EFS rate for tenor upto 90 days which is 3% per annum. These borrowings are secured against the first pari passu hypothecation charge over the Company's current assets with a 25% margin.

26.6 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 which is 3% per annum. These borrowings are secured against ranking hypothecation charge over current assets of the Company amounting Rs 667 million with a 25% margin.

27. Contingencies and commitments

27.1 Contingencies

Income tax

27.1.1 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.

27.1.2 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.

27.1.3 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.

Sales tax

27.1.4 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.

27.1.5 Guarantees issued by the financial institutions on behalf of the Company amount to Rs 682.28 million (2023: Rs 524.65 million). This includes guarantee of Rs 77.38 million (2023: Rs 77.38 million) given on behalf of UUS Joint Venture (Private) Limited, a joint operation of the Company.

27.2 Commitments

27.2.1 The Company has commitments in respect of short-term lease rentals against properties of Rs 43.40 million (2023: Rs 29.07 million).

27.2.2 The Company has availed facilities for opening letters of credits amounting to Rs. 18.702 million (2023: Nil) as at year end. These are secured by lien over import documents.

28. Revenue from contracts with customers - net

28.1 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Note	2024		
		Export	Local	Total
		Rupees		
Type of goods or services				
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	(28.1.1)	-	(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

	Note	2023		
		Export	Local	Total
Type of goods or services		Rupees		
Outsourcing services:				
Business process outsourcing		1,003,294,059	531,360,580	1,534,654,639
IT services		22,564,565,149	2,382,135,762	24,946,700,911
Software and hardware trading		132,183,337	3,257,793,888	3,389,977,225
Software implementation		1,331,017,037	1,487,936,617	2,818,953,654
Less: Sales tax	(28.1.1)	-	(652,291,265)	(652,291,265)
Total revenue from contracts with customers		25,031,059,582	7,006,935,582	32,037,995,164
Timing of revenue recognition - net				
Goods and services transferred at a point in time		127,299,303	2,520,035,403	2,647,334,706
Goods and services transferred over time		24,903,760,279	4,486,900,179	29,390,660,458
Total revenue from contracts with customers		25,031,059,582	7,006,935,582	32,037,995,164

28.1.1 This represents sales tax chargeable under provincial and federal sales tax laws on revenue as defined under relevant laws.

28.2 The amount of revenue recognized from amounts included in contract liabilities at the beginning of the year is Rs 31.81 million (2023: Rs 263.18 million).

28.3 Transaction prices of remaining performance obligations

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is as follows:

	2024	2023
	Rupees	
Within one year	1,709,690,764	1,476,216,491

28.4 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.

29. Cost of revenue

	Note	2024	2023
		Rupees	
Salaries, allowances and amenities	(29.1)	22,922,017,623	16,449,308,953
Purchase of software and hardware		2,717,636,230	2,863,276,212
Technical consultancy		471,082,507	190,471,012
Printing and stationery		942,062	2,912,123
Computer supplies		23,049,328	50,473,978
Rent, rates and taxes		58,575,400	42,340,508
Electricity, gas and water		196,989,598	173,116,879
Traveling and conveyance		217,944,246	445,303,811
Repair and maintenance		7,763,897	2,493,363
Postage, telephone and telegrams		210,595,758	197,002,220
Vehicle running and maintenance		719,316,013	645,389,906
Entertainment		2,998,947	5,966,856
Fee and subscriptions		620,445,351	560,221,293
Insurance		16,424,250	7,910,990
Depreciation of property and equipment	(6.1.3)	633,898,305	531,101,807
Amortization	(7.4)	2,962,704	8,174,420
Advertisement & publicity		11,800	840,000
Depreciation of right-of-use asset	(9.2)	136,780,483	126,263,225
Others		6,260,496	8,816,298
		28,965,694,998	22,311,383,854

29.1 This includes employees retirement benefit expense amounting to Rs 957.99 million (2023: Rs 892.68 million) and share based payment expense amounting to Rs 211.69 million (2023: Rs 152.93 million).

30. Selling and distribution expenses

	Note	2024	2023
		Rupees	
Salaries, allowances and amenities	(30.1)	583,172,578	312,646,285
Technical consultancy		3,959,413	5,406,496
Printing and stationery		787,374	1,306,704
Computer supplies		524,317	541,017
Electricity, gas and water		6,163,258	3,294,913
Traveling and conveyance		66,170,748	18,091,328
Repair and maintenance		125,975	1,791,450
Postage, telephone and telegrams		5,430,537	2,521,856
Vehicle running and maintenance		21,045,979	10,297,919
Insurance		717,442	194,645
Fee and subscriptions		12,930,203	10,287,545
Shows, seminars and advertising		34,108,338	15,032,291
Depreciation of property and equipment	(6.1.3)	8,602,740	7,270,621
Amortization	(7.4)	54,824	88,053
Depreciation of right-of-use asset	(9.2)	1,722,000	748,991
Entertainment		2,913,978	2,735,147
		748,429,704	392,255,261

30.1 This includes employees retirement benefit expense amounting to Rs 24.79 million (2023: Rs 11.75 million) and share based payment expense amounting to Rs 16.74 million (2023: Rs 9.86 million).

31. Administrative expenses

	Note	2024	2023
		Rupees	
Salaries, allowances and amenities	(31.1)	1,341,913,319	1,169,656,169
Printing and stationery		18,193,245	13,807,837
Computer supplies		21,926,045	18,766,841
Rent, rates and taxes		44,948,016	17,459,655
Electricity, gas and water		32,531,653	36,101,953
Traveling and conveyance		74,128,962	62,863,194
Repair and maintenance		136,716,539	129,840,709
Office supplies		52,101,809	56,075,117
Postage, telephone and telegrams		73,660,250	51,911,401
Vehicle running and maintenance		99,863,982	77,945,968
Legal and professional		42,312,561	62,435,047
Auditors' remuneration	(31.2)	23,069,313	23,967,338
Entertainment		10,109,672	8,592,922
Donations	(31.3)	67,722,000	63,154,668
Fee and subscriptions		347,947,746	176,591,621
Insurance		6,798,752	2,696,531
Depreciation of property and equipment	(6.1.3)	102,702,835	86,799,485
Amortization	(7.4)	322,459	893,019
Depreciation of right-of-use asset	(9.2)	11,987,685	25,130,616
Others		2,558,109	1,007,538
		2,511,514,952	2,085,697,629

31.1 This includes employees retirement benefit expense amounting to Rs 52.01 million (December 31, 2023: Rs 52.3 million) and share based payment expense amounting to Rs 110.83 million (December 31, 2023: Rs 70.3 million).

31.2 Auditors' remuneration

	2024	2023
	Rupees	
Statutory audit fee	8,723,750	7,550,000
Special purpose audit	-	4,000,000
Half yearly review	1,856,250	1,650,000
Code of corporate governance, 2019	345,000	300,000
Other certifications	1,282,962	1,837,500
Tax services	9,700,243	7,447,580
Out-of-pocket	1,161,108	1,182,258
	23,069,313	23,967,338

31.3 This includes donations to the following parties:

	2024	2023
	Rupees	
Pakistan Children's Heart Foundation	12,000,000	10,000,000
Million Smiles Foundation	22,300,000	13,300,000
Baitussalam Welfare Trust	-	15,050,000

The directors of the Company or their spouses do not have any interest in the donees.

32. Research and development expenditure

	Note	2024	2023
		Rupees	
Salaries, allowances and amenities	(32.1)	80,111,572	93,955,488
Technical consultancy		5,527,332	-
Printing and stationery		18,500	2,111
Computer supplies		107,447	290,083
Electricity, gas and water		528,659	1,055,517
Traveling and conveyance		851,755	399,459
Repair and maintenance		39,297	23,801
Postage, telephone and telegrams		876,827	1,252,431
Vehicle running and maintenance		2,191,778	3,405,910
Insurance		12,305	13,102
Fee and subscriptions		3,467,385	3,382,593
Rent, rates and taxes		88,305	256,684
Depreciation of property and equipment	(6.1.3)	3,080,858	4,638,480
Amortization	(7.4)	21,691	72,672
Depreciation of right-of-use asset	(9.2)	864,087	897,567
Entertainment		4,452	271,880
		97,792,250	109,917,778

32.1 This includes employees retirement benefit expense amounting to Rs 3.56 million (December 31, 2023: Rs 5.17 million) and share based payment expense amounting to Rs 1.48 million (December 31, 2023: Rs 0.68 million).

32.2 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.

33. Impairment losses on financial assets

	Note	2024	2023
		Rupees	
Allowance for ECLs			
Contract assets	(13.1.2)	17,672,786	3,984,527
Trade debts	(14)	200,329,857	17,149,018
Loans, advances and other receivables	(15)	384,973,285	12,340,346
Security deposits		2,220,000	-
		605,195,928	33,473,891

34. Other operating expenses

	Note	2024	2023
		Rupees	
Security deposits written off		-	171,033
Loss on disposal of property and equipment		-	79,231
Others		-	8,311,322
		-	8,561,586

35. Other income

	Note	2024	2023
		Rupees	
Profit on deposit accounts		73,167,567	61,268,186
Profit on term deposit receipts and sukuks		43,689,537	69,634,100
Income on mutual funds	(35.1)	220,787,150	191,710,386
Exchange (loss) / gain		(220,091,599)	2,175,797,785
Interest income from related parties		759,731,402	52,168,947
Effect of discounting of long term loans		122,019,708	82,935,220
Effect of discounting of long term security deposits		3,556,850	3,139,937
Gain on disposal of property and equipment	(6.1.4)	11,958,618	-
Gain on derivative financial instruments		19,484,138	-
Others		4,194,462	8,545,230
		1,038,497,833	2,645,199,791

35.1 This represents the following:

	Note	2024	2023
		Rupees	
Dividend income		61,959,308	220,627,522
Gain / (loss) on mutual funds		158,827,842	(28,917,136)
		220,787,150	191,710,386

36. Finance costs

	Note	2024	2023
		Rupees	
Guarantee commission		756,273	12,493,482
Markup on borrowings		137,672,712	553,681,803
Bank charges		34,375,542	21,464,769
Finance cost on lease liabilities	(23)	62,375,442	76,539,935
		235,179,969	664,179,989

37. Levy and taxation

	Note	2024	2023
		Rupees	
Levy	(37.1)	187,366,105	459,605,255
Taxation	(37.2)	99,010,303	(9,994,018)
		286,376,408	449,611,237

37.1 Levy

	2024	2023
	Rupees	
- Current year	344,531,462	421,034,011
- Prior year	(157,165,357)	38,571,244
	187,366,105	459,605,255

37.2 Taxation

- Current tax - current	62,915,262	12,637,626
- Deferred	36,095,041	(22,631,644)
	99,010,303	(9,994,018)

37.3 Reconciliation of tax charge for the year:

	Note	2024	2023
		Rupees	
Profit before taxation		6,214,307,479	8,549,166,473
Tax on profit		1,802,149,169	2,479,258,277
Tax effect of income under FTR and MTR		(1,802,149,169)	(2,479,258,277)
Impact of super tax		62,915,262	12,637,626
Deferred tax asset reversed/ (recognized) during the year		36,095,041	(22,631,644)
		99,010,303	(9,994,018)

37.4 The Company had recorded deferred tax asset of Rs. 36.10 million on business loss of Rs. 169.29 million net of taxable temporary differences of Rs 158.39 million as at December 31, 2023. However, as at December 31, 2024, the Company has not recorded any deferred tax asset of Rs 99.61 million on business loss of Rs 169.29 million and deductible temporary differences of 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.

38. 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 39). 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	2024	2023
				Rupees	
TechVista Systems FZ- LLC	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	6,972,707,069	5,747,294,177
			Expenses incurred on behalf of the party by the Company	481,726,148	233,184,992
			Expenses incurred on behalf of the Company by the party	1,183,940,432	667,894,300
			Share options issued to employees of the subsidiary	64,092,568	17,929,667
			Consultancy fee by the party	3,266,781	85,454,529
			Payment of licenses made by the party on behalf of the Company	111,352,368	313,343,182
E Processing Systems (Private) Limited.	Associated company	Wholly owned by Associate: E-Processing Systems B.V.	Disbursements against loan	14,382,444	32,144,910
			Receipts against loan	28,075,817	100,793,974
			Finance income on loan	41,972,291	50,752,895
			Property and equipment sold to the party during the year	2,797,524	8,067,182

Undertaking	Relation	Basis of relationship	Nature of transaction	2024	2023
				Rupees	
SUS-JV (Private) Limited.	Subsidiary	94.99% owned subsidiary	Disbursement against loan	47,535,157	31,570,956
			Receipts against loan	43,651,039	41,710,273
			Finance income on loan	3,019,561	1,052,724
Visionet Systems Incorporation - USA	Associated company	Common shareholding of directors	Revenue	11,491,396,490	11,009,088,958
			Expenses incurred on behalf of the party by the Company	308,892,792	73,187,167
			Consultancy fee by the party	-	7,674,729
			Payment of licenses made by the party on behalf of the company	-	28,206,832
			Expenses incurred on behalf of the Company by the party	318,363,208	246,269,332
Visionet Deutschland GMBH	Associated company	Common shareholding of directors	Revenue	839,609,072	646,428,545
			Expenses incurred on behalf of the party by the Company	11,671,751	17,820,917
Systems Ventures (Private) Limited	Subsidiary	Wholly owned	Expenses incurred on behalf of the party by the Company	5,112,399	3,407,969
			Payment made on behalf of the party to Systems International IT Pte. Ltd.	-	1,407,182,000
			Interest income on advance against shares not issued	395,527,700	-
			Shares issued by the related party on behalf of Systems International It Pte Ltd	668,602,840	-
			Assets transferred to Systems International IT Pte. Ltd on behalf of the party	457,344,976	-
			Ownership interest in Systems International IT Pte. Ltd. transferred to the party	-	818,009,000
System Australia for Information Technology Pty.Ltd	Sub-Subsidiary	Wholly owned by sub-subsidiary: TechVista Systems FZ LLC	Revenue	81,461,229	20,985,955
			Expenses incurred on behalf of the party by the Company	29,497,985	35,709,020
			Interest income	10,284,251	-
			Share options issued to employees of the subsidiary	8,078,197	-
Systems Limited Employees' Provident Fund	Staff retirement fund	Staff retirement fund	Contribution	1,394,742,412	1,001,065,999
			Payments made on behalf of the party by the Company	648,870,376	464,540,571
TechVista Information Technology W.L.L.	Subsidiary	Management Control	Revenue	734,320,058	618,226,704
			Share options issued to employees of the subsidiary	1,674,136	1,149,142
			Expenses incurred on behalf of the party by the Company	35,375,085	42,279,656
			Consultancy fee by the party	-	11,129,900
			Payment of licenses made by the party on behalf of the company	-	300,207
			Expenses incurred on behalf of the Company by the party	37,541,261	88,906,160

Undertaking	Relation	Basis of relationship	Nature of transaction	2024	2023
				Rupees	
Visionet EMEA Limited	Associated company	Common shareholding of directors	Revenue	879,729,575	856,097,575
			Expenses incurred on behalf of the party by the Company	8,502,929	4,730,444
			Expenses incurred on behalf of the Company by the party	103,299,289	-
National Data Consultant (Private) Limited	Subsidiary	Wholly owned	Share options issued to employees of the subsidiary	-	1,356,985
			Consultancy fee by the party	-	22,936,545
			Expenses incurred on behalf of the party by the Company	400,279,296	988,580,905
			Interest income	197,509,127	-
			Receipts held on behalf of Systems Limited	726,032,724	-
			Expenses incurred on behalf of the Company by the party	29,710,489	59,801,682
Systems Arabia for Information Technology	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	2,507,276,660	1,393,317,394
			Share options issued to employees of the subsidiary	26,496,983	9,960,819
			Interest income	98,116,079	-
			Consultancy fee by the party	-	33,261,845
			Expenses incurred on behalf of the party by the Company	453,464,982	289,279,917
			Expenses incurred on behalf of the Company by the party	12,223,372	83,541,783
Treehouse Consultancy LLC	Sub-Subsidiary	Wholly owned by subsidiary: TechVista Systems FZ LLC	Revenue	-	38,305,384
Systems Africa for Information Technologies Pty Ltd.	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	381,310	118,844,452
			Expenses incurred on behalf of the party by the Company	2,056,978	6,325,087
			Share options issued to employees	2,123,183	1,446,553
Systems APAC for Information Technology Pte. Ltd.	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	896,374,527	355,833,046
			Share options issued to employees	1,008,625	2,247,585
			Expenses incurred on behalf of the party by the Company	58,983,264	45,496,082
			Expenses incurred on behalf of Company by the party	162,452,034	-

Undertaking	Relation	Basis of relationship	Nature of transaction	2024	2023
				Rupees	
Systems International IT Pte. Ltd.	Sub-Subsidiary	Wholly owned by subsidiary: Systems Ventures (Private) Limited	Expenses incurred on behalf of the party by the Company	-	1,002,242
SYS Egypt for Information Technology Services	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	35,778,410	-
			Expenses incurred on behalf of the party by the Company	2,270,021	3,058,014
			Consultancy fee by the party	8,622,585	1,284,806
			Expenses incurred on behalf of Company by the party	-	224,646
			Share options issued to employees of the subsidiary	2,385,373	723,277
National Data Consultancy FZE	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	789,430,851	1,291,877,656
			Expenses incurred on behalf of the party by the company	7,211,210	17,104,614
			Interest income	12,099,667	-
Visionet Canada Inc.	Associated company	Common shareholding of directors	Revenue	8,027,621	7,371,620
			Expenses incurred on behalf of the party by the company	52,734	-
Systems Information Technology Malaysia SDN. BHD.	Sub-Subsidiary	Wholly owned by sub-subsidiary: Systems International IT Pte. Ltd.	Revenue	8,644,264	-
Sys Bahrain for Information Technology W.L.L.	Subsidiary	Wholly owned	Revenue	153,667,552	-
			Interest income	1,202,726	-
			Expenses incurred on behalf of the party by the company	31,142,804	-
AtClose	Associated company	Common shareholding of directors	Revenue	310,280,397	123,788,827
PartnerLinQ, Inc.	Associated company	Common shareholding of directors	Revenue	1,475,756,319	314,599,158
			Expenses incurred on behalf of the party by the company	9,327,684	-
Key management personnel - note 38.2	Key management personnel	Key management personnel	Salaries and other employee benefits	307,960,996	236,493,054

38.1 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 Technology	Kingdom of Saudi Arabia	Anas Ibn Malik Road, Al Malqa, Riyadh	Sub-Subsidiary	-
TechVista Systems FZ- LLC	UAE	TechVista Systems LLC, Office 603, 6th Floor, Exchange Tower, Business Bay, Dubai, UAE	Sub-Subsidiary	-
Systems Australia for Information Technology Pty Limited	Australia	Level 16 1 Market Street Sydney NSW 2000	Sub-Subsidiary	-
Systems APAC for Information Technology Pte. Ltd.	Singapore	30 Cecil Street, #19-08 Prudential Tower, Singapore 049712	Sub-Subsidiary	-
Systems International IT Pte. Ltd.	Singapore	30 Cecil Street, #19-08 Prudential Tower, Singapore 049712	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	Central Office Park No.4, 257 Jean Avenue, Centurion, 0157, PO Box 7750, Centurion, 0046	Sub-Subsidiary	-
National Data Consultancy FZE	UAE	P.O Box 42741, Hamriyah Free Zone, Sharjah, UAE	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	30.9%
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	-
Treehouse Consultancy LLC	UAE	Office No. 3204 Latifa Tower, Sheikh Zayed Road, Dubai, United Arab Emirates	Sub-Subsidiary	-

38.2 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 39 to these unconsolidated financial statements.

38.3 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 Rahman	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%
Toima Asghar	Chief Human Resource Officer	0.04%

39. 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	2024	2023	2024	2023	2024	2023
		NOS					
Number of persons		1	1	6	6	4,744	3,361
		Rupees					
Managerial remuneration		121,769,812	97,993,395	-	-	19,484,303,352	12,342,603,419
Retirement benefits		8,116,365	6,532,893	-	-	1,268,854,319	818,499,057
Bonus		-	-	-	-	448,154,192	345,179,776
Fees	(39.2)	-	-	5,600,000	5,300,000	-	-
		129,886,177	104,526,288	5,600,000	5,300,000	21,201,311,863	13,506,282,252

39.1 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.

39.2 Fees represent the amounts paid to non executive directors for attending meetings of the Board and its sub-committees.

39.3 During the year, the Chief Executive Officer and other executives were granted 499,914 (2023: 235,000) and 1,693,000 (2023: 1,850,500) share options respectively, which have a vesting period of two years and the impact of this benefit during the year for the CEO and other executives recognized by the Company on account of share-based payment plans aggregated to Rs 33.09 million (2023: Rs 16.99 million) and Rs 110.65 million (2023: Rs 124.62 million), respectively.

39.4 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 600,000 (2023: nil) and 771,250 (2023: 1,013,700) shares respectively were issued to them.

40. Reconciliation of liabilities arising from financing activities

	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	2,119,000,000	(839,200,753)	-	1,279,799,247

During the year, the Company declared final dividend of Rs 1,749.02 million as disclosed in statement of changes in equity against which payment of Rs 1,737.36 million has been made. The remaining amount of Rs. 11.66 million is transferred to unclaimed dividend as at December 31, 2024.

41. 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:

	2024	2023
	Rupees	
Profit for the year	6,115,297,176	8,559,160,491
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	291,999,647	291,016,682
Basic earnings per share (Rupees)	20.94	29.41

41.1 Diluted earnings per share

	Rupees	
Profit for the year	6,115,297,176	8,559,160,491
	(Number of shares)	
Weighted average number of ordinary shares - basic	291,999,647	291,016,682
Effect of share options	2,025,408	1,912,326
Weighted average number of ordinary shares - diluted	294,025,055	292,929,008
Diluted earnings per share (Rupees)	20.80	29.22

42. 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.

42.1 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.

42.2 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:

	2024	2023
USD		
Trade debts	62,548,067	48,335,794
Bank balance	764,329	581,130
Other receivable	2,233,185	1,744,328
Other payable	(10,009,413)	(7,353,760)
	55,536,168	43,307,492
AUD		
Trade debts	272,705	162,259
Other receivable	-	110,446
	272,705	272,705
AED		
Trade debts	10,282,594	10,282,594
Other payable	(11,959,700)	(11,959,700)
	(1,677,106)	(1,677,106)
QAR		
Trade debts	365,062	5,644,326
Other receivable	233,766	274,801
	598,828	5,919,127
GBP		
Trade debts	1,807,899	1,735,156
Other receivable	(268,867)	6,990
	1,539,032	1,742,146
EUR		
Trade debts	1,895,969	-
Other receivable	119,232	1,366
	2,015,201	1,366
CAD		
Trade debts	73,462	34,089
Other receivable	259	
	73,721	34,089
SAR		
Trade debts	122,728	122,728
Other receivable	2,363,666	2,363,666
	2,486,394	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
		2024		2023	
		Rupees			
USD	+10%	**1,546,349,062**	**1,546,349,062**	1,219,972,045	1,219,972,045
	-10%	**(1,546,349,062)**	**(1,546,349,062)**	(1,219,972,045	(1,219,972,045)
AUD	+10%	**4,715,888**	**4,715,888**	5,256,387	5,256,387
	-10%	**(4,715,888)**	**(4,715,888)**	(5,256,387)	(5,256,387)
AED	+10%	**(12,715,818)**	**(12,715,818)**	(12,873,466)	(12,873,466)
	-10%	**12,715,818**	**12,715,818**	12,873,466	12,873,466
QAR	+10%	**4,576,842**	**4,576,842**	45,322,755	45,322,755
	-10%	**(4,576,842)**	**(4,576,842)**	(45,322,755)	(45,322,755)
GBP	+10%	**53,741,458**	**53,741,458**	62,644,084	62,644,084
	-10%	**(53,741,458)**	**(53,741,458)**	(62,644,084)	(62,644,084)
EUR	+10%	**58,366,267**	**58,366,267**	42,603	42,603
	-10%	**(58,366,267)**	**(58,366,267)**	(42,603)	(42,603)
CAD	+10%	**1,429,598**	**1,429,598**	725,550	725,550
	-10%	**(1,429,598)**	**(1,429,598)**	(725,550)	(725,550)
SAR	+10%	**18,431,639**	**18,431,639**	18,680,278	18,680,278
	-10%	**(18,431,639)**	**(18,431,639)**	(18,680,278)	(18,680,278)

Profit and equity are more sensitive to movements in exchange rates in 2024 than 2023 because of the increased amount of foreign currency denominated revenue.

The following exchange rates were applicable during the year:

	2024	2023
Reporting date rate:		
USD	278.44	281.70
AUD	172.93	192.75
AED	75.82	76.76
QAR	76.43	76.57
GBP	349.19	359.58
EUR	289.63	311.94
CAD	193.92	212.84
SAR	74.13	75.13
Average rate:		
USD	278.48	283.30
AUD	183.62	189.32
AED	75.82	77.14
QAR	76.41	77.75
GBP	355.74	358.41
EUR	301.23	308.94
CAD	203.28	210.83
SAR	74.20	75.51

(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	2024	2023
	Rupees	
Financial assets		
Short term investments	177,382,800	282,000,000
	177,382,800	282,000,000
Variable rate instruments		
Financial assets		
Bank balances - deposit accounts	897,842,986	895,008,939
Loans, advances and other receivables	2,405,847,440	239,828,941
	3,303,690,426	1,134,837,880
Financial liabilities		
Short term borrowings	1,279,799,247	2,119,000,000
Net exposure	2,023,891,179	(984,162,120)

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				
	2023	+1	11,348,379	11,348,379
		-1	(11,348,379)	(11,348,379)
	2024	+1	33,036,904	33,036,904
		-1	(33,036,904)	(33,036,904)
Financial liabilities				
	2023	+1	(21,190,000)	(21,190,000)
		-1	21,190,000	21,190,000
	2024	+1	(12,797,992)	(12,797,992)
		-1	12,797,992	12,797,992

(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 31st December 2024, 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 1.59 million (2023: Rs .29 million) and Rs 1.13 million (2023: Rs. 21 million).

42.3 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:

		2024	2023
		Rupees	
Interest free loans to employees		**843,121,097**	712,111,946
Contract assets		**1,580,821,570**	1,856,838,544
Trade debts		**20,281,646,836**	16,198,145,227
Trade deposits		**95,841,377**	122,623,177
Long term deposits		**74,061,160**	71,792,327
Loans, advances and other receivables		**3,117,237,351**	2,164,085,964
Short term investments		**2,941,777,167**	1,159,419,112
Interest accrued		**-**	3,096,777
Bank balances		**1,489,572,524**	1,441,973,473
		30,424,079,082	23,730,086,547
The aging of trade debts at the reporting date is:			
Not Past Due		**10,916,884,753**	8,554,995,016
Past due 0-90 days		**3,638,616,523**	3,251,252,231
Past due 91-180 days		**2,104,745,380**	2,248,515,521
Past due 181-270 days		**1,457,412,190**	682,408,268
Past due 271-360 days		**1,188,705,215**	959,128,126
Past due 361 days and above		**1,374,876,990**	728,682,862
	(14)	**20,681,241,051**	16,424,982,024

Contract assets represents not past due balances as these are not invoiced to the customers.

As at year end, 47.93% of revenue (2023: 52.30%) were represented by two customers (2023: two customers) amounting to Rs 18,464.10 million (2023: Rs 16,756.38 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				
	Short term	Long term	Agency	2024	2023
				Rupees	
Bank balances					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**879,761,805**	980,349,984
Bank Islami Pakistan Limited	A1	AA-	PACRA	**7,660,184**	7,694,419
United Bank Limited	A1+	AAA	VIS	**25,588,506**	11,322,152
Faysal Bank Limited	A1+	AA	PACRA	**20,911,781**	45,948,846
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	**88,850,957**	73,932,053
FINJA Microfinance Bank Limited	A3	BBB+	PACRA	**1,590,997**	1,134,223
Meezan Bank Limited	A1+	AAA	VIS	**7,045,212**	17,286,201
Habib Bank Limited	A1+	AAA	VIS	**280,867,859**	24,079,932
MCB Bank Limited	A1+	AAA	PACRA	**80,003,021**	139,787,128
Allied Bank Limited	A1+	AAA	PACRA	**4,939,783**	5,246,837
Bank Al Habib Limited	A1+	AAA	PACRA	**2,170,169**	371,810
				1,399,390,274	1,307,153,585
TDRs					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**177,382,800**	255,000,000
Habib Bank Limited	A1+	AAA	VIS	**-**	27,000,000
				177,382,800	282,000,000
Mutual funds					
AL Habib Asset Management Limited	Not Available	AM2+	PACRA	**150,023,638**	125,258,150
Al-Meezan Investment Management Limited	Not Available	AM1	VIS	**100,536,986**	-
NBP Fund Management Limited	Not Available	AM1	PACRA	**776,777**	-
MCB-Arif Habib Savings and Investments Limited	Not Available	AM1	PACRA	**372,925,931**	-
ABL Asset Management Company Limited	Not Available	AM1	PACRA	**1,119,035**	250,717,910
Alfalah Asset Management Limited	Not Available	AM1	PACRA	**606,537,229**	251,096,305
Lakson Investments Limited	Not Available	AM2+	PACRA	**100,000,000**	-
UBL Fund Managers Limited	Not Available	AM1	VIS	**3,607**	-
HBL Asset Management	Not Available	AM1	VIS	**551,581,892**	-
AWT Investments Limited	Not Available	AM2	PACRA	**150,204,094**	
JS Investments Limited	Not Available	AM2+	PACRA	**150,043,203**	
Atlas Islamic Fund of Funds	Not Available	AA	PACRA	**150,000,000**	
Faysal Asset Management Limited	Not Available	AM1	VIS	**430,641,975**	250,346,747
				2,764,394,367	877,419,112

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.

42.3.1

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**

December 31, 2023	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	0.14%	995,754,125	1,403,839	0.29%	209,059,110	607,926	0.01%	6,525,974,046	491,833	7,730,787,281	2,503,598
Past due 0-90 days	1.34%	132,377,270	1,775,160	1.45%	8,778,665	127,594	0.13%	1,679,880,680	2,158,034	1,821,036,615	4,060,788
Past due 91-180 days	7.49%	11,752,566	880,401	6.37%	29,296,267	1,866,162	0.36%	1,230,436,812	4,378,336	1,271,485,645	7,124,899
Past due 181-270 days	26.37%	20,048,968	5,286,244	23.90%	183,001	43,735	0.34%	810,166,040	2,721,133	830,398,009	8,051,112
Past due 271-360 days	82.12%	7,524,337	6,178,719	69.87%	14,105,982	9,855,816	12.03%	54,870,536	6,601,026	76,500,855	22,635,561
Past due 361 days and above	100.00%	34,970,694	34,970,694	100.00%	16,856,472	16,856,472	56.00%	32,939,674	18,446,245	84,766,840	70,273,411
		1,202,427,960	50,495,057		278,279,497	29,357,705		10,334,267,788	34,796,607	11,814,975,245	114,649,369
Subsidiaries 1		-	-		-	-		3,914,121,519	99,179,279	3,914,121,519	99,179,279
Financial institutions 2		695,885,260	13,008,149		-	-		-	-	695,885,260	13,008,149
Gross trade debts		**1,898,313,220**	**63,503,206**		**278,279,497**	**29,357,705**		**14,248,389,307**	**133,975,886**	**16,424,982,024**	**226,836,797**

1 For subsidiaries, ECL is recognized on the basis of their ability to pay as disclosed in note 3.2.3.

2 For financial institutions, ECL has been computed on the basis of their credit ratings issued by external credit rating agencies.

42.4 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, 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	1,279,799,247	1,279,799,247	1,279,799,247	-	-
Derivative financial instruments	1,461,010	1,461,010	1,461,010	-	-
Accrued mark-up on borrowings	9,395,836	9,395,836	9,395,836	-	-
	8,684,201,319	8,764,251,521	8,436,379,520	327,872,001	-

The following are the contractual maturities of financial liabilities as at December 31, 2023:

	Carrying amount	Contractual cash flows	Less than one year	One to five years	More than five years
	Rupees				
Lease Liabilities	580,303,133	725,359,492	192,982,683	505,490,096	26,886,713
Trade and other payables	5,399,884,826	5,399,884,826	5,399,884,826	-	-
Unclaimed dividend	18,659,407	18,659,407	18,659,407	-	-
Short term borrowings from financial institutions - secured	2,119,000,000	2,119,000,000	2,119,000,000	-	-
Accrued mark-up on borrowings	96,093,532	96,093,532	96,093,532	-	-
	8,213,940,898	8,358,997,257	7,826,620,448	505,490,096	26,886,713

42.5 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.

42.6 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

	2023		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
	Rupees		
Interest free loans to employees	-	712,111,946	712,111,946
Contract assets	-	1,856,838,544	1,856,838,544
Trade debts	-	16,198,145,227	16,198,145,227
Trade deposits	-	122,623,177	122,623,177
Loans, advances and other receivables	-	2,164,085,964	2,164,085,964
Long term deposits	-	71,792,327	71,792,327
Short term investments	877,419,112	282,000,000	1,159,419,112
Interest accrued	-	3,096,777	3,096,777
Cash and bank balances	-	1,441,973,473	1,441,973,473
	877,419,112	22,852,667,435	23,730,086,547

	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

	2023		
	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	-	580,303,133	580,303,133
Mark-up accrued on short term borrowings	-	96,093,532	96,093,532
Short term borrowings from financial institutions	-	2,119,000,000	2,119,000,000
Unclaimed dividend	-	18,659,407	18,659,407
Trade and other payables	-	5,626,922,827	5,626,922,827
	-	8,440,978,899	8,440,978,899

42.7 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, 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
As at December 31, 2023				
Fair value through profit and loss				
Mutual fund units	877,419,112	-	-	877,419,112

42.7.1 There were no transfers between Level 1, Level 2 and Level 3 during 2024 and 2023.

42.7.2 Fair value of mutual funds is measured with reference to their respective net asset value.

42.8 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:

- 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
- 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	2024	2023
		Rupees	
Lease liabilities	(23)	451,053,321	580,303,133
Trade and other payables	(24)	7,527,762,995	5,700,927,809
Short term borrowings - secured	(26)	1,279,799,247	2,119,000,000
Accrued mark-up on borrowings		9,395,836	96,093,532
		9,268,011,399	8,496,324,474
Less: Cash and cash equivalents	(19)	(1,589,699,594)	(1,441,973,473)
Net debt		7,678,311,805	7,054,351,001
Total capital		32,883,536,730	27,713,527,674
Capital and net debt		40,561,848,535	34,767,878,675
Capital gearing ratio		19%	20%

No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2024 and December 31, 2023. In accordance with the terms of agreement with the lenders of short term borrowing facilities (as disclosed in note 26 to these financial statements), the Company is required to comply with financial covenants. The Company has complied with these covenants throughout the reporting period.

42.9 Shariah screening disclosure

	2024		2023	
	Conventional	Shariah compliant	Conventional	Shariah compliant
	Rupees		Rupees	
Long term investments	-	8,218,812,981	-	8,112,953,916
Short term investments and interest accrued	-	2,941,777,167	30,096,777	1,132,419,112
Short term borrowings - secured	180,058,083	1,099,741,164	719,000,000	1,400,000,000
Accrued mark-up on borrowings	1,321,923	8,073,913	32,605,592	63,487,940
Bank balances	321,625,097	1,077,765,177	173,925,277	1,133,228,308
Revenue from contracts with customers - net	-	38,526,983,552	-	32,037,995,164
Other income				
Profit on deposit accounts	46,589,592	26,577,975	34,238,005	27,030,181
Profit on term deposit receipts and sukuks	1,096,274	42,593,263	4,961,121	64,672,979
Income on mutual funds	-	220,787,150	-	220,627,522
Gain on derivates fianancial instruments	4,158,084	15,326,054	-	-
Exchange (loss) / gain	-	(220,091,599)	-	2,175,797,785
Gain/(loss) on disposal of property & equipment	-	11,958,618	-	(79,231)
Interest income from related parties	759,731,402	-	52,168,947	-
Others	-	4,194,462		8,545,230
Mark-up on short term borrowings	59,303,314	78,369,398	95,721,326	233,394,038
Impairment loss on investment in associate	-	-	-	68,953,239

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 1,077.77 million (2023: Rs 1,133.29 million) and availed borrowing facilities amounting to Rs 1,099.74 million (2023: Rs 1,400 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 2,764.39 million (2023: Rs 1,132.42 million).

43. Number of employees

	2024	2023
Total number of employees at the end of the year are as follows:		
Regular	5,553	5,218
Contractual	1,148	1,371
	6,701	6,589
Average number of employees during the year are as follows:		
Regular	5,242	5,103
Contractual	1,341	884
	6,583	5,987

44. Date of authorisation for issue

These unconsolidated financial statements were authorized for issue on March 21, 2025 by the Board of Directors of the Company.

45. Subsequent events

Subsequent events after the reporting date other than those mentioned elsewhere in these financial statements are as follows:

45.1 The Board of Directors in their meeting held on March 21, 2025 have proposed a final cash dividend for the year ended December 31, 2024 of Rs 6 (2023: Rs 6) per share for approval of the members at the Annual General Meeting to be held on April 28, 2025. These financial statements for the year ended December 31, 2024 do not include the effect of this appropriation.

45.2 The Board of Directors in their meeting held on March 21, 2025, resolved to recommend for approval of the members at the Annual General Meeting to be held on April 28, 2025, a split of the Company's shares to sub-divide the face value of shares of the Company from Rs. 10/- to Rs. 2/- per share, in the ratio of 5 shares for each 1 share held. These financial statements for the year ended December 31, 2024 do not include the effect of this.

46. 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

- Classification of research and development expenditure previously included in 'Cost of revenue' is now shown as a separate line item on the face of statement of profit or loss namely 'Research and development expenditure' 109,917,778

47. General

Figures have been rounded off to the nearest rupee, unless otherwise stated.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

Systems Limited

Consolidated Financial Statements

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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, 2024, 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, 2024, 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 Matter	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 consolidated 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 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.

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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 07, 2025
UDIN: AR2024101287GjB0Vmz6

Consolidated Statement of Financial Position
As at December 31, 2024

ASSETS	Note	2024 Rupees	2023 Rupees
Non-current assets			
Property and equipment	7	3,654,816,354	3,740,581,192
Intangibles	8	9,881,435,504	10,511,603,969
Long term investments	9	101,076,560	101,886,235
Investment in associates	10	162,194,362	282,459,724
Right-of-use asset	11	419,075,401	652,229,054
Long term loans	12	613,818,425	528,345,079
Deferred employee benefits	13	203,253,649	182,065,727
Long term receivable	14	569,948,187	886,067,903
Long term deposits	15	485,584,447	265,508,795
		16,091,202,889	17,150,747,678
Current assets			
Contract assets	16	9,453,109,283	7,960,461,635
Trade debts	17	17,570,516,867	12,706,815,283
Current portion of long term receivable	14	361,980,429	298,167,633
Loans, advances and other receivables	18	1,295,142,207	1,819,993,202
Trade deposits and short term prepayments	19	1,443,037,626	1,060,427,214
Interest accrued		-	3,096,777
Short term investments	20	2,941,777,167	1,594,725,452
Income tax refunds due from the governments	41	387,121,322	21,768,471
Current portion of deferred employee benefits		86,166,964	67,157,471
Cash and bank balances	21	7,820,717,667	7,982,850,983
		41,359,569,532	33,515,464,121
TOTAL ASSETS		57,450,772,421	50,666,211,799
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
400,000,000 (2023: 400,000,000) ordinary shares of Rs. 10/- each		4,000,000,000	4,000,000,000
Issued, subscribed and paid up share capital	22	2,929,861,489	2,914,213,989
Capital reserves	23	8,668,675,976	8,076,144,012
Revenue reserve - unappropriated profit		27,129,935,811	21,338,813,911
		38,728,473,276	32,329,171,912
Non-controlling interest		2,192,380	2,447,154
		38,730,665,656	32,331,619,066
Non-current liabilities			
Long term advances	24	14,754,443	4,281,065
Lease liabilities	25	344,483,686	551,237,073
Other long term liability - unsecured	26	1,184,866,510	1,818,407,518
Deferred taxation - net	41	83,618,990	117,775,797
Provision for gratuity	27	675,541,301	474,227,448
		2,303,264,930	2,965,928,901
Current liabilities			
Trade and other payables	28	8,618,942,908	7,291,830,942
Provision for taxation	41	307,963,940	-
Unclaimed dividend		30,322,411	18,659,407
Contract liabilities	29	3,875,428,986	4,637,734,357
Short term borrowings from financial institutions - secured	30	2,675,152,048	2,119,000,000
Mark-up accrued on short term borrowings - secured		9,395,836	96,586,682
Derivative financial instruments		1,461,010	-
Current portion of long term advances		5,171,459	8,395,243
Current portion of lease liabilities		174,362,132	190,062,090
Current portion of other long term liability - unsecured	26	718,641,105	1,006,395,111
		16,416,841,835	15,368,663,832
TOTAL EQUITY AND LIABILITIES		57,450,772,421	50,666,211,799

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, 2024

	Note	2024	2023 (Restated)
		Rupees	Rupees
Revenue from contracts with customers - net	32	67,473,021,160	53,435,483,177
Cost of revenue	33	(51,437,339,563)	(39,589,963,289)
Gross profit		16,035,681,597	13,845,519,888
Selling and distribution expenses	34	(2,482,298,867)	(1,569,563,845)
Administrative expenses	35	(4,820,394,646)	(3,982,646,207)
Research & development expenses	36	(92,264,918)	(109,917,778)
Impairment losses on financial assets	37	(485,686,404)	(205,137,109)
Other operating expenses	38	(5,083,691)	(166,791,530)
		(7,885,728,526)	(6,034,056,469)
Operating profit		8,149,953,071	7,811,463,419
Other income	39	725,575,753	3,193,598,145
Share of loss from associates	10	(118,973,681)	(48,069,294)
Impairment loss on investment in associates	10	-	(729,463,249)
Finance costs	40	(465,258,660)	(868,990,456)
Profit before taxation and levy		8,291,296,483	9,358,538,565
Levy	41	(474,934,619)	(574,977,711)
Profit before taxation		7,816,361,864	8,783,560,854
Taxation	41	(356,349,091)	(94,670,961)
Profit for the year		7,460,012,773	8,688,889,893
Attributable to:			
Equity holders of the parent		7,460,267,547	8,688,546,281
Non-controlling interest		(254,774)	343,612
		7,460,012,773	8,688,889,893
Earnings per share			
Basic earnings per share	46	25.55	29.86
Diluted earnings per share	46	25.37	29.66

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, 2024

	2024	2023
	Rupees	Rupees
Profit for the year	**7,460,012,773**	8,688,889,893
Items that will not be reclassified subsequently to profit or loss		
Remeasurement gain on retirement benefit liability	**76,550,594**	11,280,262
Share of other comprehensive income of associates / (loss)	**3,324,159**	(10,630,398)
	79,874,753	649,864
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	**(195,552,816)**	1,741,869,144
Total comprehensive income for the year	**7,344,334,710**	**10,431,408,901**
Attributable to:		
Equity holders of the parent	**7,344,589,484**	10,431,065,287
Non-controlling interest	**(254,774)**	343,612
	7,344,334,710	**10,431,408,899**

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, 2024

	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			
Balance as on 01 January 2023	2,904,076,989	4,671,279,598	323,650,758	922,282,387	14,104,886,266	22,926,175,998	2,103,542	22,928,279,540
Profit for the year	-	-	-	-	8,688,546,281	8,688,546,281	343,612	8,688,889,893
Other comprehensive income	-	-	-	1,741,869,144	649,864	1,742,519,008	-	1,742,519,008
Total comprehensive income for the year	-	-	-	1,741,869,144	8,689,196,145	10,431,065,289	343,612	10,431,408,901
Transactions with owners								
Final dividend for the year ended 31 December 2022 at the rate of Rs 5 per share	-	-	-	-	(1,455,268,500)	(1,455,268,500)	-	(1,455,268,500)
Exercise of share options	10,137,000	233,196,703	(93,380,867)	-	-	149,952,836	-	149,952,836
Forfeited share options	-	-	(109,660,647)	-		(109,660,647)	-	(109,660,647)
Share based payments		-	386,906,936	-	-	386,906,936	-	386,906,936
	10,137,000	233,196,703	183,865,422	-	(1,455,268,500)	(1,028,069,375)	-	(1,028,069,375)
Balance as on 31 December 2023	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	-	-	-	-	(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
Forfeited share options	-	-	(44,010,115)	-	-	(44,010,115)	-	(44,010,115)
Share based payments	-	-	490,612,325	-	-	490,612,325	-	490,612,325
	15,647,500	529,499,914	258,584,866	-	(1,749,020,400)	(945,288,120)	-	(945,288,120)
Balance as at 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**

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, 2024

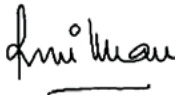
	Note	2024	(Restated) 2023
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	47	**5,077,422,214**	6,541,000,181
Finance costs paid		**(360,443,855)**	(633,921,012)
Taxes and levy paid		**(922,829,429)**	(516,323,880)
Gratuity Paid		**(12,636,829)**	(106,587,999)
Increase in long term advances		**7,249,594**	2,674,868
Settlement of derivative financial instruments		**20,945,148**	-
Receipts against long term receivables		**307,707,758**	-
		(960,007,613)	(1,254,158,023)
Cash flows from operating activities		**4,117,414,601**	**5,286,842,158**
Cash Flows From Investing Activities			
Purchase of property and equipment		**(888,802,624)**	(1,542,929,649)
Acquisition of subsidiaries		**-**	(1,746,121,672)
Dividend receipt from associates		**5,028,878**	-
Purchase / Development of intangibles		**(1,135,777,989)**	(1,271,400,041)
Sale proceeds from disposal of property and equipment		**46,938,674**	32,988,133
Short term investments - net		**(1,461,570,905)**	3,463,269,443
Increase in long term investment - net		**-**	(13,331,234)
Profit received on deposit accounts		**47,580,632**	82,711,626
Profit received on short term investments		**115,042,604**	68,058,972
Interest received on loan to associated undertakings		**5,997,212**	51,222,549
Net cash used in investing activities		**(3,265,563,518)**	**(875,531,873)**
Cash Flows From Financing Activities			
Disbursements against short term borrowings		**8,178,586,017**	3,800,824,334
Repayment of short term borrowings		**(9,017,786,770)**	(4,791,824,334)
Proceeds from exercise of share options		**357,130,070**	158,192,836
Payments in respect of leases		**(257,561,444)**	(226,369,865)
Dividend paid		**(1,737,357,396)**	(1,450,145,245)
Net cash used in financing activities		**(2,476,989,523)**	**(2,509,322,274)**
Increase in cash and cash equivalents		**(1,625,138,440)**	1,901,988,011
Net foreign exchange difference		**(122,025,325)**	296,128,017
Cash and cash equivalents at the beginning of the year		**7,260,759,219**	5,062,643,191
Cash and cash equivalents at the end of year	48	**5,513,595,454**	**7,260,759,219**

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, 2024

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% (2023: 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% (2023: 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% (2023: 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% (2023: 100%) owned subsidiary of Systems Limited incorporated in April 2023, 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% (2023: 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 NDC Tech APAC Pte. Ltd., is a 100% (2023: 100%) owned subsidiary of Systems International IT Pte Ltd. acquired in 2022 with authorized share capital of SGD 100 for the purpose of sale of software services and trading software licenses in the Asia Pacific region.

1.2.9 National Data Consultancy FZE, is a 100% (2023: 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.

1.2.10 Sys Bahrain for information Technology W.L.L, is a 100% (2023: 100%) owned subsidiary of Systems International IT Pte. Ltd. incorporated in February 2023 as a limited liability Company for the purpose of software publishing, computer consultancy and computer facilities management activities in the Kingdom of Bahrain.

1.2.11 TechVista Systems East Africa (Private) Limited is a 100% (2023: 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.

1.2.12 Sys for information Technology Malaysia SDN. BHD. is a 100% (2023: 100%) owned subsidiary of Systems International IT Pte. Ltd. incorporated in Malaysia.

1.2.13 Systems for information Technology QFZ LLC, is a 100% (2023: 100%) owned subsidiary of Systems International IT Pte. Ltd. incorporated in Qatar.

1.2.14 Systems Arabia for Information Technology LLC, was a 100% (2023 : 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 1.2.22.

1.2.15 SYS Egypt for Information Technology Services, was a 100% (2023 : 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 1.2.22.

1.2.16 Systems Africa for Information Technologies Pty. Ltd., was a 100% (2023 : 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 1.2.22.

1.2.17 TechVista Systems FZ - LLC, a limited liability Company incorporated in Dubai Technology and Media Free Zone Authority, was a 100% (2023: 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 as referred to in note 1.2.22.

1.2.18 Treehouse Consultancy LLC is a 100% (2023 : 100%) owned subsidiary of TechVista Systems FZ- LLC in Dubai and was acquired in July 2022.

1.2.19 TechVista Systems LLC is a limited liability Company registered in the Emirate of Dubai under Federal Law No. 2 of 2015, is 100% (2023: 100%) controlled by TechVista Systems FZ-LLC. The Company is licensed as a software house.

1.2.20 TechVista Manpower LLC (TechVista MP LLC), a sole establishment, duly licensed by Dubai Economic Department, under License No. 800123, is 100% (2023: 100%) controlled by TechVista Systems FZ-LLC.

1.2.21 Systems Australia for information Technology Pty Limited (formerly TechVista Systems Pty Ltd), is a 100% (2023: 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.

1.2.22 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, during the year, has nominated its wholly owned subsidiary Systems International It Pte. Ltd. (Sys It Pte.) for holding the transferred assets. During the current year, SYS Egypt for Information Technology Services, Systems Arabia for Information Technology and Systems Africa for Information Technologies (Pty.) Ltd. have been transferred to Sys It Pte. after the approval of respective foreign regulators while the tranfer of ownership request in respect of Tech Vista Systems FZ-LLC was filed with the respective foreign regulator. In consideration, SVPL has issued 66,860,284 fully paid up ordinary shares of Rs 10 each to the Company on July 08, 2024.

As the transfer process of the Transferred Assets has been substantively completed and consideration under the scheme has been transferred to the Company by SVPL during the current year therefore the impacts of the scheme has been recorded in the current year. However, the effective date under the scheme is July 01, 2023 therefore the effects of separation of ownership interests in Transferred Assets have been recorded as per the applicable effective date. The transfer of TechVista Systems FZ LLC has been completed to Systems International IT Pte. Ltd. subsequent to year end.

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% (2023: 20%) 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 30.9% (2023: 30.9%) 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 19.9675% 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% 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	9 B, Sumya Building, Mohammad Ali Society Muhammad Ali Chs (Machs), Karachi
BPO Office - Systems Limited	Karachi	3rd floor, M/S Azad Papers (PVT) LTD Syed House , I.L Chundrigar Road, 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
Dubai Office - TechVista Systems FZ LLC	Dubai	404, Dubai Hills Business park 3, Emaar Hills Estate ! PO BOX 500497 Dubai, UAE
Dubai Office - TechVista Systems 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 Manpower LLC	Dubai	404, Dubai Hills Business park 3, Emaar Hills Estate ! PO BOX 500497 Dubai, UAE
Systems Ventures (Private) Ltd.	Lahore	E-1, Sehjpal, Near DHA Phase-VIII (Ex-Air Avenue), Lahore Cantt
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	7069 King Fahd Road, Al Hital Tower, 5th Floor, Al Sahafah Dist, 13315
Systems APAC for Information Technology Pte. Ltd.	Singapore	30 Cecil Street, #19-08 Prudential Tower, Singapore 049712
Systems International IT Pte. Ltd.	Singapore	30 Cecil Street, #19-08 Prudential Tower, Singapore 049712

Business Units	Geographical Location	Address
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	Central Office Park No.4, 257 Jean Avenue, Centurion, 0157, PO Box 7750, Centurion, 0046
National Data Consultancy FZE	UAE	P.O Box 42741, Hamriyah Free Zone, Sharjah, UAE
NdcTech APAC Pte. Ltd.	Singapore	68 Circular Road #02-01, Singapore
National Data Consultant (Private) Limited	Karachi	Plot no 2-C, Lane no 12, Nishat Commercial Area, DHA Phase VI, Karachi.
E-Processing Systems B.V.	Netherlands	Edvard Munchweg 14 B, 1328 MA Almere
SalesFlo Pte Limited	Singapore	23 Leonie Hill, unit 18-01 Leonie Gardens, Singapore
Treehouse Consultancy LLC	UAE	Office No. 3204 Latifa Tower, Sheikh Zayed Road, Dubai, United Arab Emirates
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 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. The accounting and reporting standards comprise of:

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

Where provisions of and directives issued under the Act, differ from the IFRS, the provisions of and directives issued under the Act, 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 approved accounting standards that are effective in current year

Certain standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting periods beginning on January 1, 2024, 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 consolidated financial statements, except as follows:

During the current period, the Institute of Chartered Accountants of Pakistan ('ICAP') has 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 has changed its accounting policy to designate 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.

The Company has accounted for the effects of this change in accounting policy retrospectively under 'IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors' and the corresponding figures have been restated in these unconsolidated financial statements. The effects of restatement is as follows:

Effect on consolidated statement of profit or loss	Notes	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
		Rupees		
For the year ended December 31, 2024				
Levy		-	(474,934,619)	(474,934,619)
Profit before taxation		8,291,296,483	(474,934,619)	7,816,361,864
Taxation		(831,283,710)	474,934,619	(356,349,091)
Profit after taxation		7,460,012,773	-	7,460,012,773
For the year ended December 31, 2023				
Levy	(2.1.2.1)	-	(496,061,388)	(496,061,388)
Profit before taxation		9,279,622,243	(496,061,388)	8,783,560,855
Taxation		(590,732,350)	496,061,388	(94,670,962)
Profit after taxation		8,688,889,893	-	8,688,889,893

2.1.2.1 The related changes to the consolidated statement of cash flows with respect to the amount of profit before taxation have been made as well. This does not include the impact of reclassficiation of 'Foreign remittance - WHT' expense classfied from cost of revenue to levy as disclosed in Note 54 to these consolidated 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, 2025 or later periods, but the Company has not early adopted them:

Standards or Interpretation	Effective date Accounting periods beginning on or after
Amendments to IAS 21 - Lack of Exchangeability	January 01, 2025
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

2.1.4 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.

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's material accounting policies are stated in Note 5. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. 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 significant to the consolidated financial statements are as follows:

3.2.1 Provision for taxation (Note 5.1 and 41)

The Group takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the Group'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 (Note 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.

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 Current

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.

5.1.2 Deferred

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, 2024 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 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 Group considers whether it is a principal or an agent by evaluating the nature of its promise to the customer. The Group 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 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 is initially recognized for revenue earned because the receipt of consideration is conditional on successful completion of the milestones as per contract. Upon completion of the milestone and 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 delivered 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. (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, 2024. 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

Leaves encashment is given to employees of certain territories which is paid to employees at the time of separation. The leaves are calculated based on un utilized accrued leave balance. For employees whose service is less than one year, the accrued leaves are calcualed based on pro-rata basis.

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. Initially, the CODM's focus was on reviewing the Company's operating segments based on geographical regions. However, due to a realignment of the group's strategy, the CODM's approach has shifted toward monitoring segments based on industry verticals.

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.

The segment information relating to the corresponding period has been restated to reflect the rearrangement of segments as detailed 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 polices 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:

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 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	2024	2023
		Rupees	
Operating fixed assets	(7.1)	3,653,301,482	3,740,581,192
Capital work in progress	(7.1.4)	1,514,872	-
		3,654,816,354	3,740,581,192

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, 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	20 - 33	10	10 - 33	20 - 25	10 - 20	10-27	
At December 31, 2023											
Cost	592,234,914	735,539,849	2,308,768,290	716,637,478	384,719,195	166,004,033	416,826,606	156,169,009	71,927,440	300,340,690	5,849,167,504
Accumulated Depreciation	-	(86,437,849)	(1,086,007,365)	(288,034,297)	(185,742,363)	(61,618,312)	(126,018,732)	(107,787,666)	(38,719,914)	(128,219,814)	(2,108,586,312)
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
For the year ended December 31, 2023											
Opening net book value	592,234,914	505,698,559	754,102,805	168,822,414	145,888,835	94,348,827	181,239,103	59,754,454	35,059,984	162,010,816	2,699,160,711
Additions (at cost	-	160,120,890	855,933,606	416,996,325	110,673,686	24,723,737	143,662,315	18,080,710	4,522,055	51,654,963	1,786,368,287
Disposal	-	-	(24,906,828)	(2,170,791)	(4,751,600)	-	(1,657,594)	(657,582)	(28,733)	-	(34,173,128)
Depreciation	-	(16,717,449)	(365,940,375)	(154,833,112)	(52,833,892)	(14,686,843)	(29,254,904)	(35,893,742)	(6,365,322)	(41,544,903)	(718,070,542)
Exchange differences	-	-	3,571,717	(211,655)	(197)	-	(3,181,046)	7,097,503	19,542	-	7,295,864
Closing 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
Rate of depreciation (%)	-	2.5	20 - 33	33	20 - 33	10	10 - 33	20 - 25	10 - 20	10-27	

7.1.1 The cost of operating fixed assets includes assets amounting to Rs 822.39 million (2023: Rs 521.25 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 (2023: 21.42 kanals).

7.1.3 Depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		Rupees	
Cost of revenue	(33)	725,223,102	605,406,966
Selling and distribution expenses	(34)	11,407,303	10,254,076
Administrative expenses	(35)	170,469,672	97,771,020
Research and development expenses	(36)	3,080,858	4,638,480
Intangibles under development		3,786,124	-
		913,967,059	718,070,542

7.1.4 This represents capital work in progress as follows:

Opening	-	161,020,955
Additions during the year	1,514,872	115,360,238
Transfer to operating fixed assets	-	(276,381,193)
Balance at the end of the year	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						
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		

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(Loss)	Mode of disposal	Particulars of buyer
Vehicles	Rupees						
HVAC System	2,338,133	1,754,886	583,247	64,300	(518,947)	Scrap Sale	Amir Pasha - Third Party
Honda Civic	3,586,850	2,929,268	657,582	4,400,000	3,742,418	Insurance claim	IGI General Insurance
Aggregate of items of property and equipment with individual net book value below Rs 500,000	58,498,832	25,566,533	32,932,299	28,523,833	(4,408,466)		
2023	64,423,815	30,250,687	34,173,128	32,988,133	(1,184,995)		

8. Intangibles

	Note	2024	2023
		Rupees	
Intangibles - owned	(8.1)	9,771,819,755	10,316,498,962
Intangibles under development	(8.2)	109,615,749	195,105,007
		9,881,435,504	10,511,603,969

8.1 Intangibles - owned

	Note	Goodwill	License: Country Model Bank	Customer contracts	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)								
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
At December 31, 2023												
Cost	(8.1.1)	5,353,083,748	5,513,297,142	620,696,906	193,385,241	-	-	-	-	-	-	11,680,463,037
Accumulated amortization		-	(969,131,234)	(204,824,886)	(190,007,955)	-	-	-	-	-	-	(1,363,964,075)
Net book value		5,353,083,748	4,544,165,908	415,872,020	3,377,286	-	-	-	-	-	-	10,316,498,962
For the year ended December 31, 2023												
Opening net book value		4,367,552,719	3,075,846,719	431,161,023	13,503,017	-	-	-	-	-	-	7,888,063,478
Additions (at cost)		-	1,521,376,215	-	-	-	-	-	-	-	-	1,521,376,215
Amortization	(8.1.2)	-	(807,360,563)	(156,404,417)	(10,125,731)	-	-	-	-	-	-	(973,890,711)
Adjustment due to TreeHouse purchase price allocation		(72,203,373)	-	72,203,373	-	-	-	-	-	-	-	-
												-
Exhange differences		1,057,734,402	754,303,537	68,912,041	-	-	-	-	-	-	-	1,880,949,980
Closing net book value		**5,353,083,748**	**4,544,165,908**	**415,872,020**	**3,377,286**	**-**	**-**	**-**	**-**	-	**-**	**10,316,498,962**

8.1.1 The cost of the intangibles includes assets amounting to Rs 193.39 million (2023: Rs 163.01 million) with nil book value.

8.1.2 Amortization charge for the year has been allocated as follows:

	Note	2024	2023
		Rupees	
Cost of revenue	(33)	657,552,957	972,836,967
Selling and distribution expenses	(34)	54,824	88,053
Administrative expenses	(35)	322,459	893,019
Research & Development Expenses	(36)	21,691	72,672
Intangibles under development	(8)	15,608	-
		657,967,539	973,890,711

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 E-Wallet	33
Customer contracts	20-50
Customer Lifecycle Management	33
Digital Wallet	33
Model Bank (Country Model Bank)	33
Retail Loan Origination System	33
Profitability Distribution Service Islamic	33

8.1.4 License: Country Model Bank (CMB License)

This represents CMB license purchased by the Group from Temenos as referred to in note 26.

8.1.5 Customer contracts

The customer contracts were 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.

8.2 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, 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
As at December 31, 2023							
Opening balance	14,089,366	21,195,367	11,750,746	-	28,574,596	-	75,610,075
Additions	25,706,666	20,715,086	13,345,285	15,254,188	4,500,553	39,973,154	119,494,932
Closing balance	39,796,032	41,910,453	25,096,031	15,254,188	33,075,149	39,973,154	195,105,007

8.3 Goodwill

This represents goodwill relating to acquisition of following subsidiries:

	2024	2023
	Rupees	
NDC Group	4,895,120,593	4,943,562,293
Techvista Information Technology WLL Qatar	312,466,415	313,860,073
Treehouse Consultancy LLC	94,901,176	95,661,382
	5,302,488,184	5,353,083,748

8.3.1 Impairment testing of goodwill

8.3.1.1 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 18%, a terminal value of 4.1%, a growth rate of 18.8%, 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.

8.3.1.2 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 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%, terminal value of 1.6% and growth rate of 13%.

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.

8.3.1.3 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 11%, terminal value of 2% and growth rate of 5%.

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.

9. Long term investments

	Note	2024	2023
		Rupees	
Ordinary investment-unquoted			
Jomo Technologies (Private) Limited	(9.1)	-	-
Advance against issuance of shares			
B2B Holdings (Private) Limited	(9.2)	101,076,560	101,886,235
		101,076,560	101,886,235

9.1 Jomo Technologies (Private) Limited

This represents 25,000,000 fully paid ordinary shares of Rs 10/- each, representing 8.83% (2023: 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.

During the year ended December 31 2023, the management of the Group had conducted a thorough review of its investment considering the deteriorating cashflow position and other relevant factors affecting the Company's financial performance.

The management had identified several indicators that strongly suggest fair value loss on this investment, including but not limited to:

Significant Decline in Revenue

The Company had been experiencing a significant decline in revenue and gross merchandise value for the current financial year. This adverse trend raised considerable concerns about the operational viability of the business model in place.

Economic and Market Conditions

The broader economic and market conditions, including an uncertain domestic economy and its planned contraction from the central bank, had negatively impacted the Company's operations and sales performance.

Lack of funding

The Company had been unable to arrange fresh sources of funding to keep its current business model afloat. The company was facing negative cashflows which raised concerns about the recoverability of the carrying amounts of various assets. The management initially mantained the view that the company would be able to secure the funding for working capital and there would be no significant change in their fair valuation of investment in JOMO. This funding was expected to be secured within the second half of financial year 2024. However, mounting macroeconomic challenges in the domestic market such as economic instability, inflation and currency devaluation had contributed to investor uncertainity and created a situation where the originally planned sourced of funding for the investment's future operations could not be secured. Consequently, a loss of Rs 154.47 million was recognised last year.

9.1.1 Reconciliation of gain / (loss) on re-measurement of long term investments as of the reporting date is as follows:

	2024	2023
	Rupees	
Carrying value as at January 01	-	154,468,912
Unrealized loss for the year	-	(154,468,912)
Carrying value as at December 31	-	-

9.2 This represents amount invested by the Group amounting to Rs 101.08 million (2023: Rs 101.87 million) 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.

10. Investment in associates

	Note	2024	2023
		Rupees	
SalesFlo (Private) Limited 146,820 fully paid ordinary shares of Rs 10/- each	(10.1)	74,504,747	80,912,736
SalesFlo Pte LTD. - 196,975 fully paid ordinary shares of SGD 0.01 each	(10.2)	413,038	-
E-Processing Systems B.V. 179,507 fully paid ordinary shares of USD 0.01/- each	(10.3)	87,276,577	201,546,988
Techvista Systems South Africa (Pty) Ltd. - 48 unpaid ordinary shares of ZAR 1/- each	(10.4)	-	-
		162,194,362	282,459,724

10.1 SalesFlo (Private) Limited

This represents 146,280 fully paid ordinary shares of Rs 10/- each, representing 19.7% (2023: 146,280 fully paid shares of Rs 10/- each, representing 20%) 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	2024	2023
		Rupees	
Carrying value as at January 01		80,912,736	166,027,647
Share of (loss) / profit from associate	(10.1.1.1)	(2,677,697)	349,809,046
Share of other comprehensive income / (loss) from associate	(10.1.1.1)	1,298,586	(400,498)
Dividend received		(5,028,878)	-
Impairment loss recognised	(10.1.2)	-	(434,523,459)
Carrying value as at December 31		74,504,747	80,912,736
This comprises of:			
Cost of investment		468,000,000	468,000,000
Share of profit from associate accounted for using the equity method		45,528,843	48,207,034
Share of other comprehensive income / (loss) from associate		528,241	(770,839)
Accumulated impairment loss	(10.1.2)	(434,523,459)	(434,523,459)
Dividend received		(5,028,878)	-
		74,504,747	80,912,736

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, 2024:

	2024	2023
	Rupees	
Total (loss) / profit for the year	(13,596,606)	1,749,045,231
19.7% (2023: 20%) share of profit	(2,677,697)	349,809,046
Other comprehensive income / (loss) for the period	6,595,153	(2,002,488)
19.7% (2023: 20%) share of OCI	1,298,586	(400,498)

10.1.2 An impairment test had been carried out for SalesFlo (Private) Limited ('Salesflo') by the management during the year ending 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 had been 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 had been 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 most recent audited financial statements of the associated company, for the year ended December 31, 2024.

	2024	2023
	Rupees	
Revenue	975,303,585	843,721,550
(Loss) / profit from continuing operations after tax	(32,448,823)	29,583,434
Profit from discontinuing operations after tax	18,852,217	1,719,461,797
OCI	6,595,153	(2,002,488)
Total Comprehensive (loss) / income	(7,001,453)	1,747,042,743
Non-current assets	54,002,624	60,259,570
Current assets	770,225,568	783,188,094
Current liabilities	(133,324,387)	(118,269,739)
Net assets attributable to owners of the Group	690,903,805	725,177,925

10.1.4 Reconciliation to carrying amounts

	2024	2023
	Rupees	
Net assets as on January 01	725,177,925	(587,291,549)
(Loss) / Profit for the year	(13,596,606)	1,749,045,231
Other comprehensive income / (loss)	6,595,153	(2,002,488)
Capital reserve - issue of right shares	456,960	-
Dividend paid during the year	(27,729,627)	-
NCI derecognized/transferred during the year	-	(434,573,269)
Net assets attributable to owners of the group	690,903,805	725,177,925
Company's percentage in shareholding	19.69%	20%
Company's share in carrying value of net assets	140,195,374	146,603,363
Excess of purchase consideration over share in carrying value of net assets at the date of acquisition	368,832,832	368,832,832
Impairment loss	(434,523,459)	(434,523,459)
Carrying amount of investment as at December 31	74,504,747	80,912,736

10.1.5 Commitments

The future aggregate payments under Ijarah agreement which are payable within 1 year are Nil (2023: Rs 1.79 million)

10.2 SalesFlo Pte Ltd.

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 19.9675% 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. The operating results of the SFPL are consolidated till December 31, 2024 in SPL and therefore the cost of investment is the carrying value as at December 31, 2024. Through the board representation, TVS 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.

10.3 E-Processing Systems B.V.

This represents 179,507 fully paid ordinary shares of USD 0.01/- each, representing 30.9% (2023: 179,507 fully paid shares of USD 0.01/- each, representing 30.9%) 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	2024	2023
		Rupees	
Carrying value as at January 01		201,546,988	785,006,669
Share of loss from associate	(10.3.1.1)	(116,295,490)	(397,878,340)
Share of other comprehensive income / (loss) from associate	(10.3.1.1)	2,025,079	(10,229,900)
Gain on dilution due to divestment		-	119,588,349
Impairment loss recognised	(10.3.2)	-	(294,939,790)
Carrying value as at December 31		87,276,577	201,546,988
This comprises of:			
Cost of investment		889,335,703	889,335,703
Share of loss from associate	(10.3.1.1)	(619,855,660)	(503,560,170)
Share of other comprehensive loss	(10.3.1.1)	(6,852,025)	(8,877,104)
Gain on dilution due to divestment		119,588,349	119,588,349
Accumulated impairment loss		(294,939,790)	(294,939,790)
		87,276,577	201,546,988

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, 2024.

	2024	2023
	Rupees	
Total loss for the period	(376,360,808)	(902,355,785)
30.9% share of loss	(116,295,490)	(397,878,340)
Other comprehensive income / (loss) for the period	6,553,654	(23,539,558)
30.9% share of OCI	2,025,079	(10,229,900)

10.3.2 An impairment test had been carried out for EPBV by the management during the year ended December 31, 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 had been 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' 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 had been 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, 2024.

	2024	2023
	Rupees	
Revenue	315,617,471	276,814,979
Cost of sales	(156,056,974)	(151,917,656)
Distribution cost	(136,184,424)	(154,339,680)
Administrative expenses	(269,055,559)	(251,921,715)
Other income	7,132,551	40,466,152
Other operating expenses	(61,785,565)	(502,323,998)
Finance costs	(60,211,194)	(149,618,993)
Loss before tax	(360,543,694)	(892,840,911)
Taxation	(15,817,114)	(9,514,874)
Loss for the year	(376,360,808)	(902,355,785)
Other comprehensive income	6,553,654	(23,539,558)
Total comprehensive loss	(369,807,154)	(925,895,343)
Non-current assets	609,538,569	597,113,075
Current assets	321,039,914	846,967,608
Current liabilities	(322,368,867)	(446,424,462)
Non current liabilities	(998,196,649)	(1,017,836,100)
Net assets attributable to owner of Group	(389,987,033)	(20,179,879)

10.3.4 Reconciliation to carrying amounts

	2024	2023
	Rupees	
Net assets as on January 01	(20,179,879)	95,907,296
Loss for the year	(376,360,808)	(902,355,875)
Other comprehensive income / (loss)	6,553,654	(23,559,589)
Net assets attributable to owners of the group	(389,987,033)	(20,179,879)
Company's percentage in shareholding	30.9%	30.9%
Company's share in carrying value of net assets	(120,505,993)	(6,235,582)
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	201,546,988

10.3.5 **Commitments**

	2024	2023
	Rupees	
Guarantees issued by financial institutions in favour of customers on behalf of the associate:	60,000,000	60,000,000
Future aggregate payments under Ijarah arrangements:		
Not later than one year	-	2,366,664
Later than one year but not later than five years	-	2,761,108
	-	5,127,772

10.4 Techvista Systems South Africa (Pty) Ltd, a Private Company, is a 48% (2023: 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:

	2024	2023
	Rupees	
Cost	865,822,711	945,479,321
Accumulated depreciation	(446,747,310)	(293,250,267)
Net book value	419,075,401	652,229,054

These represent buildings on lease. The reconciliation of net book value is as follows:

	Note	2024	2023
		Rupees	
Opening net book value		652,229,054	580,144,739
Additions		-	264,090,116
Depreciation for the year	(11.1)	(199,719,905)	(206,546,640)
Foreign exchange (loss) / gain		(33,433,748)	14,540,839
Closing net book value		419,075,401	652,229,054
Rate of depreciation (%)		10-25%	10-25%

11.1 The depreciation charge for the year on right-of-use assets has been allocated as follows:

	Note	2024	2023
		Rupees	
Cost of revenue	(33)	151,682,748	126,263,225
Selling and distribution expenses	(34)	1,722,000	748,991
Administrative expenses	(35)	45,387,290	79,534,424
Research and development expenses		864,087	-
Intangibles under development		63,780	-
		199,719,905	206,546,640

12. Long term loans

Considered good - secured

	Note	2024	2023
		Rupees	
Due from executives	(12.1)	613,818,425	528,345,079

12.1 Due from executives

	Note	2024			2023
		Rupees			
		Motor Vehicle	Other loans	Total	Total
As at January 01		645,984,382	66,127,564	712,111,946	398,150,748
Loans disbursed during the year:					
Undiscounted amount paid		684,156,657	-	684,156,657	756,957,159
Deferred employee benefits	(13)	(181,538,547)	-	(181,538,547)	(216,332,847)
		502,618,110	-	502,618,110	540,624,312
Loans settled during the year		(194,203,255)	(28,614,542)	(222,817,797)	(112,042,773)
Unwinding of discount		115,128,360	6,891,348	122,019,708	82,935,220
Repayments		(249,326,209)	(21,484,661)	(270,810,870)	(197,555,561)
		820,201,388	22,919,709	843,121,097	712,111,946
Receivable within one year		(206,382,963)	(22,919,709)	(229,302,672)	(183,766,867)
		613,818,425	-	613,818,425	528,345,079

12.2 The remaining interest free loans are repayable between 21 to 60 (2023: 18 to 60) months and are granted to the executives of the Group, in accordance with their terms of employment. These are secured against post dated cheques. These loans were initially recognized at fair value using effective interest rates ranging from 11.3% to 17.51% (2023: 9.54% 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

	2024	2023
	Rupees	
As at January 01	249,223,198	116,831,021
Additions during the year	181,538,547	216,332,847
Settlements during the year	(57,311,475)	(30,930,563)
Amortization during the year	(84,029,657)	(53,010,107)
	289,420,613	249,223,198
Current portion of deferred employee benefits	(86,166,964)	(67,157,471)
	203,253,649	182,065,727

14. Long term receivable

	Note	2024	2023
		Rupees	
Opening balance		1,184,235,536	1,103,297,635
Unwinding of discount	39	68,175,778	63,771,322
Receipts / adjustments during the year		(307,707,758)	(249,157,283)
Exchange translation differences		(12,774,940)	266,323,862
		931,928,616	1,184,235,536
Less: Current portion shown under current assets		(361,980,429)	(298,167,633)
		569,948,187	886,067,903

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	2024	2023
		Rupees	
Lease buildings			
Opening balance		26,910,135	19,349,849
Additions:			
Undiscounted amount paid		-	8,764,470
Effect of discounting		-	(4,344,121)
Fair vale of long term deposits		-	4,420,349
Unwinding of discount	(39)	3,556,850	3,139,937
Balance as at 31 December		30,466,985	26,910,135
Others			
Deposits with customers		327,781,377	171,838,755
Utilities and other deposits		127,336,085	66,759,905
		485,584,447	265,508,795

16. Contract assets

	Note	2024	2023
		Rupees	
Unbilled revenue	(16.1)	9,000,404,054	7,588,322,082
Retention money		452,705,229	372,139,553
		9,453,109,283	7,960,461,635

16.1 Unbilled revenue

	Note	2024	2023
		Rupees	
Export		7,726,289,587	6,114,310,931
Local		1,362,034,390	1,553,154,066
		9,088,323,977	7,667,464,997
Less: Allowance for ECL	(16.2)	(87,919,923)	(79,142,915)
	(16.3)	9,000,404,054	7,588,322,082

16.2 Allowance for ECL

	2024	2023
	Rupees	
Balance as at January 01	79,142,915	32,840,085
Expense for the year - net	78,087,583	126,299,528
Balances written off	(67,370,541)	(81,465,565)
Foreign exchange differences	(1,940,034)	1,468,867
Balance as at December 31	87,919,923	79,142,915

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	2024	2023
		Rupees	
Considered good:			
Export	(17.1)	14,989,806,511	10,338,403,980
Local		3,162,160,747	2,645,877,618
		18,151,967,258	12,984,281,598
Less: Allowance for ECL	(17.2)	(581,450,391)	(277,466,315)
		17,570,516,867	12,706,815,283

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:

	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

	2023					
	AtClose LLC	PartnerLinQ Incorporation	Visionet Canada Incorporation	Visionet EMEA Limited	Visionet Systems Incorporation - USA	Visionet Deutschland GMBH
	Rupees					
Not Past Due	107,503,341	308,546,855	3,159,546	314,854,079	2,651,891,528	-
Past due 0-90 days	14,109,226	-	4,099,773	95,519,764	63,379,427	-
Past due 91-180 days	-	-	-	-	-	-
Past due 181-270 days	-	-	-	789,782	-	-
Past due 271-360 days	-	-	-	-	-	-
Past due 361 days and above	-	-	-	-	-	-
	121,612,567	308,546,855	7,259,319	411,163,625	2,715,270,955	-

17.1.1 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	Note	2024	2023
		Rupees	
Visionet Systems Incorporation - USA		3,603,087,803	4,303,514,190
Visionet Deutschland GmbH		513,695,825	445,948,684
Visionet EMEA Limited		630,939,261	937,261,714
AtClose LLC		318,976,658	121,612,567
PartnerLinQ Incorporation		577,215,423	308,546,855
Visionet Canada Incorporation		14,222,895	7,259,319

17.2 Allowance for ECL

Balance as at 01 January		277,466,315	360,942,070
Expense for the year	(37)	360,204,106	66,497,234
Balances written off during the year		(19,443,090)	(171,387,684)
Foreign exchange differences		(36,776,940)	21,414,695
Balance as at 31 December		581,450,391	277,466,315

18. Loans, advances and other receivables

Current maturity of long term loans		245,985,614	183,766,867
Advances to staff:		255,652,986	144,294,400
against salary	(18.1)	163,324,031	115,535,020
against expenses		418,977,017	259,829,420
Advances to suppliers		290,337,650	1,067,293,554
Loans to related parties		735,765,519	696,770,879
Elimination on account of Joint Operation	(18.2)	(508,209,235)	(460,513,074)
	(18.3)	227,556,284	236,257,805
Other receivables:			
From related parties			
Visionet Deutschland GMBH - Germany		42,241,380	23,898,532
Visionet EMEA Limited		2,396,745	4,988,327
Visionet Systems Incorporation - USA		1,550,109	30,008,171
PartnerLinQ Inc.		9,339,675	-
Visionet Canada		50,142	-
	(18.5)	55,578,051	58,895,030
Others		56,707,591	13,950,526
		1,295,142,207	1,819,993,202

18.1 This includes advance given to the chief operating officer of the Group amounting to Rs 5.2 million (2023: Rs 4.6 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 (2023: one-year KIBOR) on the outstanding loan balance at the end of each month.

18.3 This represents loan provided to E-Processing Systems (Private) Limited for meeting working capital requirements of Rs 243.73 million and accrued interest of Rs 36.17 million net of expected credit loss of Rs 52.34 million (2023: Rs 12.34 million). The loan is unsecured and carries mark-up at one-month KIBOR (2023: one-month KIBOR) on the outstanding loan balance. Disbursements of principal are payable within one year and mark-up is payable on quarterly basis.

18.4 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	2024	2023
	Rupees	
E-Processing Systems (Private) Limited	279,896,630	273,955,878

18.5 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.

18.6 The maximum aggregate amount outstanding by reference to month-end balances was as follows:

	2024	2023
	Rupees	
Visionet Deutschland GmbH	34,474,841	51,252,587
Visionet EMEA Limited	2,477,021	13,743,205
Visionet Canada Incorporation	50,142	-
PartnerLinQ Incorporation	9,339,675	-

18.7 The aging analysis of these balance are as follows:

	2024		2023	
	Less than one year	More than one year	Less than one year	More than one year
	Rupees			
Visionet Deutschland GmbH	19,040,596	23,200,784	23,200,784	-
Visionet EMEA Limited	2,396,745	-	2,513,354	-
Visionet Systems Incorporation - USA	1,550,109	-	-	-
Visionet Canada Incorporation	50,142	-	-	-
PartnerLinQ Incorporation	9,339,675	-	-	-

19. Trade deposits and short term prepayments

	Note	2024	2023
		Rupees	
Security deposits	(19.1)	565,825,309	464,132,938
Prepayments		877,212,317	596,294,276
		1,443,037,626	1,060,427,214

19.1 These include margin amount of USD 63,950 (2023: USD 38,950) held under lien by the banks against guarantees issued by them on behalf of the Group.

20. Short term investments

	Note	2024	2023
		Rupees	
Fair value through profit and loss			
Mutual fund units	(20.1)	2,764,394,367	877,419,112
Amortized cost			
Term deposit receipts (TDRs)	(20.2)	177,382,800	717,306,340
		2,941,777,167	1,594,725,452

20.1 The details of investment in mutual funds are as follows:

	2024	2023
	Rupees	
HBL Islamic Asset Allocation Fund		
Number of units: Nil (2023 : 1,238,042)	-	125,258,150
Lakson Islamic Money Market Fund		
Number of units: 909,308 (2023 : Nil)	100,000,000	-
Meezan Balanced Fund		
Number of units: 5,175 (2023: Nil)	122,718	-
Meezan Rozana Amdani Fund		
Number of units: 753 (2023 : Nil)	39,624	-
NBP Islamic Income Fund		
Number of units: 604 (2023: Nil)	6,656	-
NBP Islamic Sarmaya Izafa Fund		
Number of units: 16,483 (2023: Nil)	504,527	-
HBL Islamic Money Market Fund		
Number of units: 5,034,610 (2023: Nil)	551,581,892	-
Meezan Islamic Fund		
Number of units: 2,034 (2023: Nil)	252,085	-
AL Habib Islamic Cash Fund		
Number of units: 1,390,481 (2023: Nil)	150,023,638	-
AWT Islamic Income Fund		
Number of units: 1,304,114 (2023: Nil)	150,204,094	-
Alfalah Islamic Money Market Fund		
Number of units: 5,575,713 (2023: Nil)	606,513,798	-
MCB Alhamra Cash Management Fund		
Number of units: 3,428,097 (2023: Nil)	372,875,509	-
MCB Alhamra Islamic Money Market Fund		
Number of units: 507 (2023 : Nil)	50,423	-
Meezan Islamic Income Fund		
Number of units: 105 (2023: Nil)	5,981	-
JS Islamic Money Market Fund		
Number of units: 1,440,092 (2023: Nil)	150,043,203	-
Atlas Islamic Money Market Fund		
Number of units: 274,130 (2023: Nil)	150,000,000	-
NBP Islamic Daily Dividend Fund		
Number of units: 8,903 (2023 : Nil)	89,032	-
NBP Islamic Stock Fund		
Number of units: 7,849 (2023: Nil)	173,041	-
Meezan Cash Fund		
Number of units: 1,807,412 (2023: Nil)	100,116,578	-
NBP Islamic Money Market Fund		
Number of units: 319 (2023: Nil)	3,520	-
ABL Islamic Cash Fund		
Number of units: 102,092 (2023: 25,071,041)	1,021,228	250,710,420
ABL Islamic Income Fund		
Number of units: 924 (2023: 665)	10,445	7,490
Faysal Islamic Cash Fund		
Number of units: 3,962,874 (2023: 2,503,467)	430,641,975	250,346,747
ABL Islamic Stock Fund		
Number of units: 3,255 (2023 : Nil)	87,363	-
Alfalah Islamic GHP Islamic Income Fund		
Number of units: 10 (2023 : Nil)	1,130	-
UBL Al Ameen Islamic Asset Allocation fund		
Number of units: 197 (2023 : Nil)	3,607	-
Alfalah Islamic Rozana Amdani Fund Class A		
Number of units: 222 (2023: 2,510,963)	22,300	251,096,305
	2,764,394,367	877,419,112

20.2 The details of investments in TDRs are as follows:

	Note	2024	2023
		Rupees	
Habib Metropolitan Bank Limited		177,382,800	269,050,785
Habib Bank Limited		-	448,255,555
	(20.2.1)	177,382,800	717,306,340

20.2.1 These carried markup at rates ranging from 10.82 % to 19.50% (2023: 15.40% to 19.50%) per annum and had maturities of 30-90 days from the date of initial recognition.

20.2.2 These TDRs include Nil (2023: Rs 255 million), Nil (2023: Rs 27 million) and Rs 77.38 million (2023: Nil) which are pledged against export re-finance facility availed from Habib Metropolitan Bank Limited, Habib Bank Limited and letter of guarantee availed from Habib Metropolitan Bank Limited respectively.

21. Cash and bank balances

	Note	2024	2023
		Rupees	
Cash in hand		127,070	175,643
Cheques in hand		90,182,250	134,644,245
		90,309,320	134,819,888
Balances with banks:			
Local currency:			
Current accounts		1,087,055,561	466,797,419
Saving accounts	(21.1)	843,586,364	993,354,328
		1,930,641,925	1,460,151,747
Foreign currency - current accounts		5,799,766,422	6,387,879,348
	(21.2)	7,820,717,667	7,982,850,983

21.1 These carry markup at the rate of 6.00% to 20.51% (2023: 6.88% to 22.06%) per annum.

21.2 These balances include Rs 1,011.77 million (2023: Rs 1,157.40 million) in respect of margin withheld against balances with banks against guarantees issued by banks on behalf of the Group. For the purpose of the consolidated statement of cashflows, this margin withheld against balances with banks has been excluded from cash and cash equivalents (refer note 48).

22. Issued, subscribed and paid up share capital

2024	2023		2024	2023
Number of Shares			Rupees	
118,297,326	116,732,576	Ordinary shares of Rs 10/- each fully paid in cash	1,182,973,259	1,167,325,759
162,866,323	162,866,323	Ordinary shares of Rs 10/- each fully paid up as bonus shares	1,628,663,230	1,628,663,230
11,822,500	11,822,500	Ordinary shares of Rs 10/- each issued for consideration otherwise than cash	118,225,000	118,225,000
292,986,149	291,421,399		2,929,861,489	2,914,213,989

22.1 Reconciliation of ordinary shares

2024	2023		2024	2023
Number of Shares			Rupees	
291,421,399	290,407,699	Balance at January 01	2,914,213,989	2,904,076,989
1,564,750	1,013,700	Stock options exercised	15,647,500	10,137,000
292,986,149	291,421,399	Balance at December 31	2,929,861,489	2,914,213,989

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.

23. Capital reserves

	Note	2024	2023
		Rupees	
Share premium reserve	(23.1)	5,433,976,215	4,904,476,301
Employee compensation reserve	(23.2)	766,101,046	507,516,180
Translation reserve on foreign operations	(23.3)	2,468,598,715	2,664,151,531
		8,668,675,976	8,076,144,012

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:

	2024		2023	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	Rupees	Number	Rupees	Number
Outstanding at January 01	345.93	5,631,437	276.5	5,187,567
Granted during the year				
- stock options awarded in April 2023	-	-	379.90	2,562,000
- stock options awarded in March 2024	325.15	2,935,914	0.00	-
- stock options awarded in December 2024	397.17	50,000	-	-
Forfeited share options	310.20	(410,500)	273	(1,104,430)
Exercised during the year:				
- stock options awarded in 2020[1]	-	-	61.11	(220,000)
- stock options awarded in March 2021[2]	173.10	(753,137)	173.1	(696,200)
- stock options awarded in September 2021[3]	248.61	(70,500)	248.61	(97,500)
- stock options awarded in March 2022[4]	289.20	(542,363)	0	-
- stock options awarded in August 2022[5]	263.60	(198,750)	0	-
Outstanding at 31 December	367.06	6,642,101	345.93	5,631,437
Vested and exercisable at 31 December	274.98	1,431,687	185.71	1,123,437

1. The weighted average share price at the date of the exercise of these options was Nil (2023: 424.87).
2. The weighted average share price at the date of the exercise of these options was Rs 499.50 (2023: 473.49).
3. The weighted average share price at the date of the exercise of these options was Rs 431.31 (2023: 422.68).
4. The weighted average share price at the date of the exercise of these options was Rs 443.97 (2023: Nil).
5. The weighted average share price at the date of the exercise of these options was Rs 507.86 (2023: Nil).

23.2.2 The weighted average remaining contractual life for the share options outstanding as at December 31, 2024 is 3.48 years (2023: 3.52 years).

23.2.3 The weighted average fair value of options granted during the period was Rs 171.89 (2023: Rs 212.90).

23.2.4 The range of exercise prices for options outstanding at the end of the year is Rs 173.1 to Rs.397.17 (2023: Rs 73.34 to Rs.379.90).

23.2.5 The following table lists the inputs to the model used for the plan:

	2024	2023
Dividend yield	1.41%	1%
Expected volatility	29% - 30%	33%
Risk–free interest rate	17.24% & 12.36%	19.27%
Expected life of share options (years)	2.30 to 2.38	2.25
Weighted average share price	Rs. 395.94 & Rs 552.77	Rs. 465.65
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.

23.3 **Translation reserve on foreign operations**

	2024	2023
	Rupees	
As at January 01	2,664,151,531	922,282,387
Movement recognized in other comprehensive income	(195,552,816)	1,741,869,144
As at December 31	2,468,598,715	2,664,151,531

24. Long term advances

	Note	2024	2023
		Rupees	
Long term advances		14,754,443	12,676,308
Less : Current portion shown under current liabilities		-	(8,395,243)
	(24.1)	14,754,443	4,281,065

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

	2024	2023
	Rupees	
Present value of lease rentals	518,845,818	741,299,163
Less: Current portion shown under current liabilities	(174,362,132)	(190,062,090)
	344,483,686	551,237,073

	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

	Lease Rentals	Finance cost for future periods	Principal outstanding
	2023		
	Rupees		
Not later than one year	267,412,338	77,350,248	190,062,090
Later than one year but not later than five years	624,307,888	98,646,756	525,661,132
Later than five years	26,886,713	1,310,773	25,575,941
	918,606,939	177,307,777	741,299,163

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2024	2023
	Rupees	
As at January 01	741,299,163	604,698,657
Additions	-	256,694,079
Accretion of interest	74,330,785	95,023,458
Payments	(257,561,444)	(226,369,865)
Exchange differences	(39,222,686)	11,252,834
As at December 31	518,845,818	741,299,163

Salient features of the leases are as follows:		
Discount rate	9.7% - 15.36%	9.7% - 15.36%
Period of lease	48-120 months	48-120 months

Amount recognised in statement of profit or loss:

	2024	2023
	Rupees	
The following are the amounts recognised in profit or loss:		
Interest expense on lease liabilities	74,330,785	95,023,458
Expenses relating to short term leases	181,372,491	164,208,454
Total amount recognised in profit or loss	255,703,276	259,231,912

Cash outflow for leases

The Group had total cash outflows for leases of Rs 437.18 million (2023: Rs 239.92 million). The Group also had non-cash additions to right-of-use assets and lease liabilities of Nil (2023: Rs 149.56 million) and Nil (2023: Rs 142.16 million) respectively.

26. Other long term liability - unsecured

	Note	2024	2023
		Rupees	
Opening Balance		2,824,802,629	2,156,439,599
Additions during the year - Undiscounted amount	(26.1)	-	1,540,642,985
less: Effect of discounting		-	(121,051,364)
		-	1,419,591,621
Finance cost	(40)	117,674,866	127,097,951
Payments during the year		(1,026,162,240)	(1,400,726,250)
Derecognition on modification		-	(1,360,491,016)
Financial liability recognised on modification		-	1,411,215,242
Exchange difference		(12,807,640)	471,675,482
Closing balance		1,903,507,615	2,824,802,629
Less : Current portion shown under current liabilities		(718,641,105)	(1,006,395,111)
		1,184,866,510	1,818,407,518

26.1 This represents 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.

27. Provision for gratuity

	2024	2023
	Rupees	
Defined Benefits plan - Gratuity	675,541,299	474,227,448

27.1 Defined benefits plan - gratuity

	2024	2023
	Rupees	
Opening Balance	474,227,448	455,978,209
Charge for the year	303,826,082	257,439,889
Benefit payable	-	(176,054,563)
Re-measurement loss charged to the other comprehensive income	(76,550,594)	(11,280,262)
Benefit paid during the year	(12,636,831)	(106,587,999)
Exchange Difference	(13,324,806)	54,732,174
	675,541,299	474,227,448

27.2 Staff Retirement Benefits - Gratuity

The latest actuarial valuation of gratuity scheme was carried out as at December 31, 2024. 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

	2024	2023
	Rupees	
Current service cost	287,021,309	246,024,358
Interest cost	16,804,773	11,415,531
	303,826,082	257,439,889

27.4 Remeasurement of plan obligation

	2024	2023
	Rupees	
Actuarial losses from changes in financial assumptions	(1,788,056)	(4,389,518)
Experience adjustments	-	(22,691,586)
Transitional liability	(74,762,538)	15,800,842
	(76,550,594)	(11,280,262)

27.5 Actuarial assumptions

Discount rate used for interest cost	4.20% - 5.40%
Discount rate used for year end obligation	4.05% - 4.70%
Salary increase rate	2.00% - 4.85%
Mortality rates	SLIC 2001 - 2005
Retirement assumption	Age-60
The average duration of retirement benefit	4.89 - 7.03 year

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

	2024	2023
	Rupees	
Discount Rate + 100 bps	595,318,359	424,863,541
Discount Rate - 100 bps	659,626,736	512,636,178
Salary Rate + 100 bps	663,314,226	514,850,676
Salary Rate - 100 bps	591,451,436	422,239,475

27.9 Maturity Analysis

FY 2024	112,677,233
FY 2025	92,117,936
FY 2026	80,324,256
FY 2027	70,786,974
FY 2028	60,045,536
FY 2029 and onwards	434,065,539

28. Trade and other payables

	Note	2024	2023
		Rupees	
Creditors	(28.1)	2,318,388,551	1,321,053,881
Accrued liabilities		4,532,994,294	5,062,593,834
Provident fund contribution payable	(28.2)	93,243,169	169,477,960
Withholding income tax payable		573,444,375	264,964,295
Payable to related parties	(28.3)	335,313,258	235,517,676
Sales tax payable		731,953,257	174,661,404
Subscription money payable		5,788,886	5,788,983
Provision for onerous contracts		27,817,118	57,772,909
		8,618,942,908	7,291,830,942

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:

	2024	2023
	Rupees	
- Visionet Systems Incorporation - USA	241,504,887	235,517,676
- Visionet EMEA	93,807,053	-
- AtClose LLC	1,318	-
	335,313,258	235,517,676

29. Contract Liabilities

	Note	2024	2023
		Rupees	
Contract Liabilities	(29.1)	3,875,428,986	4,637,734,357

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	2024	2023
		Rupees	
Export Refinance (ERF)			
MCB Bank Limited	(30.1)	-	400,000,000
Bank Al Habib Limited	(30.2)	-	1,400,000,000
Habib Metropolitan Bank Limited	(30.3)	-	319,000,000
Export Finance Scheme (EFS)			
Habib Metropolitan Bank Limited	(30.4)	999,999,857	-
Habib Bank Limited	(30.5)	180,058,083	-
Bank Al Habib Limited	(30.6)	99,741,307	-
Running Finance Facility			
MCB Bank Limited	(30.7)	1,395,352,801	-
		2,675,152,048	2,119,000,000

30.1 This represents islamic export re-finance (IERF) availed against aggregate sanctioned limit of Nil (2023: Rs 2,000 million). The rate of mark up is Nil (2023: SBP rate plus 0.5%). These borrowings were secured against first pari passu hypothecation charge of Rs 2,950 million over current assets and equitable mortgage charge of Rs 305.99 million over land.

30.2 This represented islamic export re-finance (IERF) availed against aggregate sanctioned limit of Rs 2,000 million (2023: Rs 2,000 million). The rate of mark up is SBP rate plus 0.5% (2023: SBP rate plus 0.5%). These borrowings are secured against first pari passu hypothecation charge of Rs 2,950 million over current assets and equitable mortgage charge of Rs 305.99 million over land. This facility remains unutilized as at year end.

30.3 This represented export re-finance (ERF) availed against the aggregate sanctioned limit of Rs 700 million (2023: Rs 700 million). The rate of markup is SBP rate plus 0.5% (2023: SBP rate plus 0.5%). These borrowings are secured against the first pari passu hypothecation charge over the Group's current assets with a 25% margin. This facility remains unutilized as at year end.

30.4 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 as in note 26.2. The rate of mark up is SBP EFS rate for tenor upto 90 days which is 3% per annum. These borrowings are secured against first pari passu hypothecation charge of Rs 2,950 million over current assets and equitable mortgage charge of Rs 305.99 million over land.

30.5 This represents Export Finance scheme (EFS) availed as a sub-limit against the aggregate sanctioned limit of Rs 700 million as in note 26.3. The rate of mark up is SBP EFS rate for tenor upto 90 days which is 3% per annum. These borrowings are secured against the first pari passu hypothecation charge over the Group's current assets with a 25% margin.

30.6 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 which is 3% per annum. These borrowings are secured against ranking hypothecation charge over current assets of the Group amounting Rs 667 million with a 25% margin.

30.7 This represents new running finance (RF) facility availed by the Company during the year against an aggregate sanctioned limit of Rs 2,796.61 million (AED: 36.73 million) [(2023: Nil)]. The rate of mark-up is 3 months EIBOR rate plus 1.5% (2023: Nil) per annum. These borrowings are 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 consolidated statement of cashflows, this has been excluded from cash and cash equivalents (refer note 48).

30.8 In addition, the Group also has the following credit facilities provided by banks:

- Invoice discounting facilities from customers of up to PKR 380.75 million (AED 5 million) [2023: PKR 460.56 million (AED 6 million)].
- Running finance to support the working capital requirements of up to PKR 4,195.10 million (AED 55.09 million) [2023: PKR 76.76 million (AED 1 million)].
- Letters of credit usance of up to PKR 380.75 million (AED 5 million) [PKR 383.80 million (2023: AED 5 million)] and documents delivered against acceptance of up to PKR 380.75 million (AED 5 million) [2023: PKR 383.80 million (AED 5 million)].

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.

Sales tax

31.1.4 **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.

31.1.5 Guarantees issued by the financial institutions on behalf of the Parent Company amount to Rs 682.28 million (2023: Rs 524.65 million). This includes guarantee of Rs 77.38 million (2023: Rs 77.38 million) given on behalf of UUS Joint Venture (Private) Limited, a joint operation of the Parent Company.

31.1.6 The Group has issued Performance Guarantee to National Bank of Pakistan Hong Kong against services contract amounting to PKR 3.93 million (USD 13,950) [2023: PKR 3.88 million (USD 13,950)] and National Bank of Pakistan Kingdom of Saudi Arabia against services contract amounting to PKR 14.09 million (USD 50,000) [(2023: PKR 6.96 million (USD 25,000)] obtained from Bank Al Habib Limited for a 100% cash margin withheld by bank as security.

31.1.7 Guarantee issued by the financial institution on behalf of the Group amounts to PKR 2,116.97 million (AED 27.80 million) [2023: PKR 529.64 million (AED 6.90 million)] for customers in UAE.

31.2 Commitments

31.2.1 The Group has availed facilities for opening letters of credits amounting to Rs. 18.70 million (2023: Nil) 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 43.40 million (2023: Rs 29.07 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	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

	Note	2023		
		Export	Local	Total
		Rupees		
Types of goods or services				
Outsourcing services:				
Business process outsourcing		997,417,793	539,237,886	1,536,655,679
IT services		32,289,142,413	2,497,356,689	34,786,499,102
Software and hardware trading		2,951,104,284	3,701,495,149	6,652,599,433
Software implementation		10,765,147,124	1,879,835,057	12,644,982,181
Less: Sales tax	(32.1.1)	(1,480,835,165)	(704,418,053)	(2,185,253,218)
Total revenue from contracts with customers		45,521,976,449	7,913,506,728	53,435,483,177
Timing of revenue recognition - net				
Goods and services transferred at a point in time		2,558,126,628	2,947,053,216	5,505,179,844
Goods and services transferred over time		42,963,849,821	4,966,453,512	47,930,303,333
Total revenue from contracts with customers		45,521,976,449	7,913,506,728	53,435,483,177

32.1.1 This includes Rs. 2,244.11 million (2023: Rs 1,428.71 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 4,023.86 million (2023: Rs 2,701.56 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:

	2024	2023
	Rupees	
Within one year	10,321,363,691	7,964,267,125
More than one year	1,328,017,772	6,202,953,058
	11,649,381,463	14,167,220,183

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	2024	2023
		Rupees	
Salaries, allowances and amenities	(33.1)	37,419,834,137	27,800,440,016
Technical consultancy		1,670,745,423	1,530,558,065
Printing and stationery		960,871	3,469,915
Computer supplies		26,457,978	59,732,755
Rent, rates and taxes		80,583,463	87,501,236
Electricity, gas and water		197,298,392	173,856,339
Traveling and conveyance		1,281,577,818	1,183,459,548
Repair and maintenance		8,505,091	3,276,693
Postage, telephone and telegrams		224,467,962	207,377,501
Vehicle running and maintenance		722,019,058	648,775,968
Entertainment		6,727,465	8,658,180
Fee and subscriptions		641,705,676	671,626,619
Insurance		26,140,588	32,312,456
Provision for onerous contract		(20,126,682)	-
Depreciation of property and equipment	(7.1.3)	725,223,102	605,406,966
Amortization	(8.1.2)	657,552,957	972,836,967
Depreciation of right-of-use asset	(11.1)	151,682,748	125,365,658
Advertisement & publicity		-	3,731,340
Others		15,811,237	31,670,059
		43,837,167,284	34,150,056,281
Purchase of software and hardware		7,600,172,279	5,439,907,008
		51,437,339,563	39,589,963,289

33.1 This includes employees retirement benefit expense amounting to Rs 1,178.11 million (2023:Rs 1,116.36 million) and share based payment expense amounting to Rs 230.44 million (2023:Rs 164.84 million)

34. Selling and distribution expenses

	Note	2024	2023
		Rupees	
Salaries, allowances and amenities	(34.1)	1,987,496,278	1,210,435,949
Technical consultancy		35,102,724	5,525,442
Printing and stationery		814,115	2,061,072
Computer supplies		524,317	672,087
Rent, rates and taxes		-	1,195,336
Electricity, gas and water		7,840,612	3,294,913
Traveling and conveyance		140,569,486	86,109,547
Repair and maintenance		516,226	1,797,887
Postage, telephone and telegrams		10,903,996	6,234,865
Vehicle running and maintenance		21,349,664	12,133,302
Entertainment		6,779,810	5,255,331
Insurance		747,106	207,300
Fee and subscriptions		127,107,474	146,349,730
Shows, seminars and advertising		127,748,285	72,828,196
Depreciation of property and equipment	(7.1.3)	11,407,303	10,254,076
Amortization	(8.1.2)	54,824	88,053
Depreciation of right-of-use asset	(11.1)	1,722,000	748,991
Others		1,614,647	4,371,768
		2,482,298,867	1,569,563,845

34.1 This includes employees retirement benefit expense amounting to Rs 35.79 million (2023: Rs 82.51 million) and share based payment expense amounting to Rs 32.3 million (2023: Rs 112.75 million).

35. Administrative expenses

	Note	2024	2023
		Rupees	
Salaries, allowances and amenities	(35.1)	2,999,849,594	2,502,405,688
Printing and stationery		19,834,021	17,944,574
Computer supplies		81,656,119	30,579,348
Rent, rates and taxes		100,789,028	75,255,198
Electricity, gas and water		34,371,024	41,597,098
Traveling and conveyance		145,032,396	154,188,517
Repair and maintenance		178,541,429	196,223,253
Postage, telephone and telegrams		87,581,669	66,371,167
Vehicle running and maintenance		106,624,817	100,218,560
Legal and professional		130,030,782	98,330,031
Auditors' remuneration	(35.2)	91,536,809	74,831,603
Entertainment		27,454,672	21,859,007
Donations	(35.3)	67,722,000	63,154,668
Fee and subscriptions		458,823,032	328,724,110
Insurance		37,737,144	5,959,127
Depreciation of property and equipment	(7.1.3)	170,469,672	97,771,020
Amortization	(8.1.2)	322,459	893,019
Depreciation of right-of-use asset	(11.1)	45,387,290	79,534,424
Others		36,630,689	26,805,795
		4,820,394,646	3,982,646,207

35.1 This includes employees retirement benefit expense amounting to Rs 138.07 million (2023: Rs 77.57 million) and share based payment expense amounting to Rs 183.86 million (2023: Rs 116.02 million).

35.2 Auditors' remuneration

The aggregate fee charged for services by auditors of various entities of the Group is as follows:

	2024	2023
	Rupees	
A. F. Ferguson & Co.		
Services rendered for Holding Company		
- Statutory audit fee	8,723,750	7,550,000
- Special purpose audit	-	4,000,000
- Half yearly review	1,856,250	1,650,000
- Other certifications	1,282,962	1,837,500
- Tax services	9,700,243	7,447,580
- Out of pocket	1,161,108	1,182,258
- Code of corporate governance	345,000	300,000
Audit fee relating to subsidiaries	33,332,654	26,000,000
	56,401,967	49,967,338
Other auditors	35,134,842	24,864,265
	91,536,809	74,831,603

35.3 This includes donations to the following parties:

Pakistan Children's Heart Foundation	12,000,000	10,000,000
Million Smiles Foundation	22,300,000	13,300,000
The Citizens Foundation	-	4,200,000

The directors of the Holding Company or their spouses do not have any interest in the donees.

36. Research & development expenses

	2024	2023
	Rupees	
Salaries, allowances and amenities	80,111,572	93,955,488
Printing and stationery	18,500	2,111
Computer supplies	107,447	290,083
Electricity, gas and water	528,659	1,055,517
Traveling and conveyance	851,755	399,459
Repair and maintenance	39,297	23,801
Postage, telephone and telegrams	876,827	1,252,431
Vehicle running and maintenance	2,191,778	3,405,910
Insurance	12,305	13,102
Fee and subscriptions	3,467,385	3,382,593
Rent, rates and taxes	88,305	256,684
Depreciation of property and equipment	3,080,858	4,638,480
Amortization	21,691	72,672
Depreciation of right-of-use asset	864,087	897,567
Entertainment	4,452	271,880
	92,264,918	109,917,778

36.1 This includes employees retirement benefit expense amounting to Rs 3.56 million (December 31, 2023: Rs 5.17 million) and share based payment expense amounting to Rs 1.48 million (December 31, 2023: Rs 0.68 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	2024	2023
		Rupees	
Allowance for ECLs			
Contract assets	(16.1.3)	78,087,583	126,299,528
Trade debts	(17.2)	360,204,106	66,497,235
Others		47,394,715	12,340,346
		485,686,404	205,137,109

38. Other operating expenses

	2024	2023
	Rupees	
Security deposits / assets written off	5,083,691	2,235,593
Loss on remeasurement of investments	-	154,468,911
Loss on disposal of property and equipment	-	1,184,995
Others	-	8,902,031
	5,083,691	166,791,530

39. Other income

	Note	2024	2023
		Rupees	
Profit on deposit accounts		115,042,604	82,711,626
Profit on term deposit receipts and sukuks		44,483,855	69,634,100
Income on mutual funds	(39.1)	220,787,150	191,710,386
Exchange (loss)/gain		(264,477,256)	2,257,667,541
Effect of discounting of long term loans		122,019,708	82,935,220
Effect of discounting of long term security deposits		3,556,850	3,139,937
Effect of unwinding of long term receivable		68,175,778	63,771,322
Interest on loan to associated undertakings		44,991,852	51,222,549
Gain on modification of financial liability		-	50,724,226
Gain on dilution of interest in associate	(10.3.1)	-	119,588,349
Gain on disposal of property and equipment		11,958,618	-
Gain on derivative financial instruments		19,484,138	-
Liabilities written back		289,659,309	197,126,459
Others		49,893,147	23,366,430
		725,575,753	3,193,598,145

39.1 This represents the following:

Dividend income	61,959,308	220,627,522
Gain / (loss) on mutual funds	158,827,842	(28,917,136)
	220,787,150	191,710,386

40. Finance costs

	Note	2024	2023
		Rupees	
Guarantee commission		22,584,886	30,812,399
Markup on short term borrowing		150,227,710	548,166,409
Bank charges		100,440,413	67,890,239
Finance cost on lease liabilities		74,330,785	95,023,458
Mark up on unwinding of other long term liability	(26)	117,674,866	127,097,951
		465,258,660	868,990,456

41. Levy and taxation

	Note	2024	(Restated) 2023
		Rupees	
Levy	(41.1)	474,934,619	574,977,711
Taxation	(41.2)	356,349,091	94,670,961
		831,283,710	669,648,672

41.1 Levy

Current year	(41.1.1)	632,099,976	536,406,467
Prior year		(157,165,357)	38,571,244
		474,934,619	574,977,711

41.1.1 This includes Rs 267.75 million (2023: Rs 78.92 million) pertaining to levy in foreign jurisdiction.

	2024	(Restated) 2023
	Rupees	
41.2 Taxation		
Current tax - current	392,325,797	104,049,997
Deferred	(35,976,706)	(9,379,036)
	356,349,091	94,670,961

41.3 Reconciliation of tax charge for the year

Profit before taxation	7,816,361,864	8,783,560,854
Tax on profit	2,266,744,942	2,547,232,648
Tax effect of income under FTR and MTR	(1,615,427,239)	(2,569,835,853)
Deferred tax asset reversed / (recognized) during the year	36,095,041	(18,725,886)
Tax effect of expiry of minimum taxes during the year	-	15,165,570
Tax effect of non-recognition of deferred taxes	45,387,815	132,589,173
Tax effect of super tax for the year	62,915,262	-
Tax effect of donations	-	18,314,854
Tax effect of cost restriction on vehicles	-	(315,186)
Tax effect of share of loss of associates	34,502,367	13,940,095
Tax effect of impairment of associates	-	42,341,035
Tax effect of gain on dilution of interest in associate	-	(34,680,621)
Tax effect of other comprehensive income	(3,083,241)	-
Tax effect of current tax charged at lower rate	(478,454,115)	(30,485,196)
Others	7,668,259	(20,869,672)
	356,349,091	94,670,961

41.4 Deferred tax

	2024	2023
	Rupees	
Taxable temporary differences		
Depreciation on property and equipment	(2,148,949)	(73,121,497)
Right-of-use asset	-	(41,856,359)
Interest free loans given to employees	-	(3,603,517)
Customer contracts	(114,215,989)	(153,872,647)
	(116,364,938)	(272,454,020)
Deductible temporary differences		
Lease liabilities	-	3,336,179
Security Deposits	-	47,611,567
Amortization on intangibles	-	1,251,172
Provision for gratuity	16,863,162	-
Provision for leave encashment	15,240,718	-
Provision for doubtful debts	-	18,611,058
Provision for contract assets	-	753,317
Provision for others	3,258,302	1,012,476
Employee compensation reserve	-	33,010,516
Unused tax losses carried forward	-	49,091,938
	35,362,182	154,678,223
Exchange differences	(2,616,234)	
Deferred tax liability	(83,618,990)	(117,775,797)

41.4.1 The Group has not recognized the following deferred tax assets in respect of deductible temporary differences:

	2024	2023
	Rupees	
Excess minimum taxes paid in prior years (deductible temporary difference amounting to Nil (2023: 16.03 million)	-	16,031,131
Unused business losses and deductible temporary differences amounting to Rs 2,579.84 million (2023: Rs 645.67 million)	394,792,951	176,880,000
E-Processing Systems B.V. (deductible temporary difference amounting to Rs 183.22 million (2023: Rs 68.95 million)	45,805,913	17,238,310
SalesFlo (Private) Limited (deductible temporary difference amounting to Rs 393.49 million (2023: Rs 387.09 million)	59,024,288	112,255,307
Jomo Technologies (Private) Limited (deductible temporary difference amounting to Rs 150 million (2023: Rs 150 million)	43,500,000	43,500,000
	543,123,152	365,904,748

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 :

	Note	2024	2023
		Rupees	
Revenue reserve - unappropriated profit			
SUS JV (Private) Limited		(44,079,231)	(49,174,709)
Systems Ventures (Private) Limited		970,499,288	578,342,061
National Data Consultant (Private) Limited		309,760,012	58,048,515
Techvista Information Technology W.L.L.		35,369,000	219,309,915
Systems Arabia for Information Technology		(309,761,564)	(216,568,375)
SYS Egypt for Information Technology Services		(89,709,150)	(6,010,574)
Systems International IT Pte. Ltd.		409,839,679	105,704,664
Systems Africa for Information Technologies Pty. Ltd.		147,604,499	136,360,984
Sys Bahrain - PKR		145,584,384	-
Sys Malaysia - PKR		(2,573,760)	-
Systems QFZ - PKR		-	-
Systems APAC - PKR		-	-
TVS East Africa - PKR		-	-
TechVista Systems FZ - LLC		(4,755,456,075)	(2,774,172,155)
		(3,182,922,918)	(1,948,159,674)
Translation reserve on foreign operations			
Systems Ventures (Private) Limited		(30,770,840)	-
Techvista Information Technology W.L.L.		69,282,445	70,581,866
Systems Arabia for Information Technology		27,009,519	22,816,671
SYS Egypt for Information Technology Services		64,387,619	16,575,676
Systems International IT Pte. Ltd.		(201,415,812)	(227,336,311)
Systems Africa for Information Technologies Pty. Ltd.		(1,342,051)	2,771,724
Sys Bahrain - PKR		194,288	-
Sys Malaysia - PKR		-	(697,748)
Systems QFZ - PKR		-	(23,898,532)
TechVista Systems FZ - LLC		(1,106,307,809)	(1,210,940,536)
		(1,178,962,641)	(1,350,127,190)
		(4,361,885,559)	(3,298,286,864)

Temporary differences of Rs 1,178.81 million (2023: Rs 1,350.13 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 3,184.79 million (2023: Rs 1,948.16 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, 2024	Cash flows	Other changes	Closing balance as at December 31, 2024
Short term borrowings from financial	2,119,000,000	(839,200,753)	-	1,279,799,247

42.1 During the year, the Group declared final dividend of Rs 1,749.02 million as disclosed in statement of changes in equity against which payment of Rs 1,737.36 million has been made. The remaining amount of Rs. 11.66 million is transferred to unclaimed dividend as at December 31, 2024.

43. Operating segment information

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 company'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.

	BFSI		Retail & CPG		Technology		Telco		Others		Total	
	Rupees											
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	**20,506,562,526**	15,266,377,603	**7,675,939,851**	5,716,017,251	**8,056,909,121**	7,392,504,078	**15,489,461,642**	11,808,584,417	**15,744,148,020**	13,251,999,828	**67,473,021,160**	53,435,483,177
Cost of revenue	**(17,159,716,233)**	(12,900,200,765)	**(5,100,480,483)**	(3,351,187,378)	**(5,774,344,494)**	(4,648,792,005)	**(11,478,614,025)**	(8,654,768,795)	**(11,924,184,329)**	(10,035,014,346)	**(51,437,339,563)**	(39,589,963,289)
Gross profit	**3,346,846,293**	2,366,176,838	**2,575,459,368**	2,364,829,873	**2,282,564,627**	2,743,712,073	**4,010,847,617**	3,153,815,622	**3,819,963,691**	3,216,985,482	**16,035,681,597**	13,845,519,888
Research & Development Expenses	**(43,633,113)**	(6,056,465)	**(7,883,076)**	(15,553,758)	**(8,854,872)**	(20,115,619)	**(17,261,419)**	(32,132,141)	**(14,632,437)**	(36,059,795)	**(92,264,918)**	(109,917,778)
Distribution expenses	**(754,426,229)**	(448,420,280)	**(282,394,007)**	(167,896,938)	**(296,409,677)**	(217,140,492)	**(569,849,585)**	(346,854,301)	**(579,219,370)**	(389,251,834)	**(2,482,298,867)**	(1,569,563,845)
Administrative expenses	**(1,465,025,910)**	(1,137,831,591)	**(548,383,024)**	(426,025,425)	**(575,600,157)**	(550,977,114)	**(1,106,595,150)**	(880,115,817)	**(1,124,790,405)**	(987,696,260)	**(4,820,394,646)**	(3,982,646,207)
	(2,263,085,252)	(1,592,308,336)	**(838,660,107)**	(609,476,121)	**(880,864,706)**	(788,233,225)	**(1,693,706,154)**	(1,259,102,259)	**(1,718,642,212)**	(1,413,007,889)	**(7,394,958,431)**	(5,662,127,830)
Profit before taxation and unallocated income and expenses	**1,083,761,041**	773,868,502	**1,736,799,261**	1,755,353,752	**1,401,699,921**	1,955,478,848	**2,317,141,463**	1,894,713,363	**2,101,321,479**	1,803,977,593	**8,640,723,166**	8,183,392,058

Unallocated income and expenses:		
Other operating expenses	(5,083,691)	(166,791,530)
Impairment losses on financial assets	(485,686,404)	(205,137,109)
Exchange (loss) / gain	(264,477,256)	2,257,667,541
Other income	990,053,009	935,930,604
Impairment loss on investment in associates	-	(729,463,249)
Share of loss of associate	(118,973,681)	(48,069,294)
Finance cost	(465,258,660)	(868,990,456)
	(349,426,683)	1,175,146,507
Profit before taxation and levy	8,291,296,483	9,358,538,565
Levy	(474,934,619)	(574,977,711)
Profit before taxation	7,816,361,864	8,783,560,854
Taxation	(356,349,091)	(94,670,961)
Profit for the year	7,460,012,773	8,688,889,893

43.1 Allocation of assets and liabilities

	BFSI		Retail & CPG		Technology		Telco		Others		Unallocated		Total	
	Rupees													
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Segment operating assets														
Property and equipment	**1,046,544,341**	1,068,896,682	**492,772,511**	435,114,172	**551,774,612**	634,565,494	**856,522,871**	633,756,849	**707,202,019**	968,247,995	**-**	-	**3,654,816,354**	3,740,581,192
Intangibles	**9,466,975,695**	10,048,219,848	**66,227,760**	73,678,332	**69,514,751**	92,745,578	**133,642,573**	138,950,349	**145,074,725**	158,009,862	**-**	-	**9,881,435,504**	10,511,603,969
Long term investments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**101,076,560**	101,886,235	**101,076,560**	101,886,235
Investment in associates	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**162,194,362**	282,459,724	**162,194,362**	282,459,724
Right-of-use asset	**117,585,218**	179,444,945	**56,959,579**	76,998,263	**63,779,632**	112,293,379	**99,005,486**	112,150,281	**81,745,486**	171,342,186	**-**	-	**419,075,401**	652,229,054
Long term loans	**172,226,700**	145,361,285	**83,428,516**	62,373,261	**93,417,827**	90,964,446	**145,013,024**	90,848,527	**119,732,358**	138,797,560	**-**	-	**613,818,425**	528,345,079
Deferred taxation - net	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Deferred employee benefits	**57,029,414**	50,090,952	**27,625,678**	21,493,591	**30,933,438**	31,346,006	**48,018,152**	31,306,061	**39,646,967**	47,829,117	**-**	-	**203,253,649**	182,065,727
Long term receivable	**569,948,187**	886,067,903	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**569,948,187**	886,067,903
Long term deposits	**197,386,689**	135,158,848	**47,101,458**	19,914,575	**49,439,179**	25,345,823	**95,047,152**	39,829,151	**96,609,969**	45,260,398	**-**	-	**485,584,447**	265,508,795
Contract assets	**3,335,622,074**	3,229,542,127	**231,078,538**	234,130,606	**311,675,682**	676,660,183	**3,342,556,785**	2,374,202,827	**2,232,176,204**	1,445,925,892	**-**	-	**9,453,109,283**	7,960,461,635
Trade debts	**5,704,888,952**	3,780,157,250	**1,003,444,296**	283,735,512	**5,371,798,472**	2,160,863,511	**3,513,475,253**	3,619,715,272	**1,976,909,894**	2,862,343,738	**-**	-	**17,570,516,867**	12,706,815,283
Current portion of long term receivable	**361,980,429**	298,167,633	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**361,980,429**	298,167,633
Loans, advances and other receivables	**673,462,766**	955,815,811	**101,603,871**	132,027,101	**106,646,635**	168,034,493	**205,028,868**	264,054,203	**208,400,067**	300,061,594	**-**	-	**1,295,142,207**	1,819,993,202
Trade deposits and short term prepayments	**530,586,807**	326,067,589	**149,125,947**	112,193,832	**156,527,308**	142,792,149	**300,924,796**	224,387,663	**305,872,768**	254,985,981	**-**	-	**1,443,037,626**	1,060,427,214
Interest accrued	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	3,096,777	**-**	3,096,777
Short term investments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**2,941,777,167**	1,594,725,452	**2,941,777,167**	1,594,725,452
Income tax refunds due from the governments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**387,121,322**	21,768,471	**387,121,322**	21,768,471
Current portion of deferred employee benefits	**24,176,941**	18,476,743	**11,711,577**	7,928,210	**13,113,863**	11,562,409	**20,356,724**	11,547,675	**16,807,859**	17,642,434	**-**	-	**86,166,964**	67,157,471
Cash and bank balances	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**7,820,717,667**	7,982,850,983	**7,820,717,667**	7,982,850,983
Total operating assets	**22,258,414,213**	21,121,467,616	**2,271,079,731**	1,459,587,455	**6,818,621,399**	4,147,173,471	**8,759,591,684**	7,540,748,858	**5,930,178,316**	6,410,446,757	**11,412,887,078**	9,986,787,642	**57,450,772,421**	50,666,211,799
Segment operating liabilities														
Long term advances	**4,139,838**	1,177,831	**2,005,383**	505,397	**2,245,498**	737,065	**3,485,699**	736,126	**2,878,025**	1,124,646	**-**	-	**14,754,443**	4,281,065
Lease liabilities	**96,656,089**	151,659,460	**46,821,277**	65,075,753	**52,427,421**	94,905,729	**81,383,385**	94,784,788	**67,195,514**	144,811,343	**-**	-	**344,483,686**	551,237,073
Other long term liability - unsecured	**1,184,866,510**	1,818,407,518	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**1,184,866,510**	1,818,407,518
Deferred taxation - net	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**83,618,990**	117,775,797	**83,618,990**	117,775,797
Provision for gratuity	**189,545,058**	130,472,137	**91,817,720**	55,984,457	**102,811,512**	81,647,088	**159,594,895**	81,543,042	**131,772,116**	124,580,724	**-**	-	**675,541,301**	474,227,448
Trade and other payables	**3,392,129,035**	4,447,773,992	**614,919,279**	334,594,935	**922,378,919**	501,892,403	**1,691,028,018**	920,136,072	**1,998,487,657**	1,087,433,540	**-**	-	**8,618,942,908**	7,291,830,942
Provision for taxation	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**307,963,940**	-	**307,963,940**	-
Unclaimed dividend	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**30,322,411**	18,659,407	**30,322,411**	18,659,407
Contract liabilities	**1,381,462,189**	919,266,350	**352,578,346**	9,690,826	**107,524,571**	253,075,124	**458,313,144**	1,212,649,297	**1,575,550,736**	2,243,052,760	**-**	-	**3,875,428,986**	4,637,734,357
Short term borrowings from financial institutions - secured	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**2,675,152,048**	2,119,000,000	**2,675,152,048**	2,119,000,000
Mark-up accrued on short term borrowings - secured	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**9,395,836**	96,586,682	**9,395,836**	96,586,682
Derivative financial instruments	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**1,461,010**	-	**1,461,010**	-
Current portion of long term advances	**1,451,021**	2,309,747	**702,891**	991,092	**787,051**	1,445,397	**1,221,744**	1,443,556	**1,008,752**	2,205,451	**-**	-	**5,171,459**	8,395,243
Current portion of lease liabilities	**48,922,961**	52,290,957	**23,698,823**	22,437,594	**26,536,400**	32,722,729	**41,192,605**	32,681,029	**34,011,343**	49,929,781	**-**	-	**174,362,132**	190,062,090
Current portion of other long term liability - unsecured	**718,641,105**	1,006,395,111	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**718,641,105**	1,006,395,111
Total operating liabilities	**7,017,813,806**	8,529,753,103	**1,132,543,719**	489,280,054	**1,214,711,372**	966,425,535	**2,436,219,490**	2,343,973,910	**3,810,904,143**	3,653,138,245	**3,107,914,235**	2,352,021,886	**18,720,106,765**	18,334,592,733

43.2 Geographical segments

	North America		Europe		Middle East Africa		APAC		Pakistan		Total	
	Rupees											
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue from contracts with customers	**13,890,468,779**	12,262,417,563	**3,021,162,743**	1,891,004,281	**39,552,614,777**	29,309,023,820	**2,299,537,669**	1,328,175,271	**8,709,237,192**	8,644,862,242	**67,473,021,160**	53,435,483,177
Cost of revenue	**(9,278,614,055)**	(7,963,208,459)	**(1,828,730,173)**	(1,164,413,008)	**(29,854,913,520)**	(21,152,229,460)	**(1,670,044,650)**	(849,438,376)	**(8,805,037,165)**	(8,460,673,986)	**(51,437,339,563)**	(39,589,963,289)
Gross profit	**4,611,854,724**	4,299,209,104	**1,192,432,570**	726,591,273	**9,697,701,257**	8,156,794,360	**629,493,019**	478,736,895	**(95,799,973)**	184,188,256	**16,035,681,597**	13,845,519,888
Research & Development Expenses	**(35,736,344)**	(41,660,308)	**(7,817,982)**	(6,381,828)	**(31,312,542)**	(32,383,792)	**(3,179,567)**	(4,373,839)	**(14,218,483)**	(25,118,011)	**(92,264,918)**	(109,917,778)
Distribution expenses	**(289,884,198)**	(32,662,366)	**(63,417,491)**	(19,278,570)	**(1,805,390,506)**	(1,257,016,731)	**(202,425,706)**	(139,451,647)	**(121,180,966)**	(121,154,531)	**(2,482,298,867)**	(1,569,563,845)
Administrative expenses	**(1,222,000,049)**	(1,264,922,848)	**(267,334,949)**	(195,065,492)	**(2,947,818,711)**	(2,132,411,896)	**(80,062,371)**	(61,830,875)	**(303,178,566)**	(328,415,096)	**(4,820,394,646)**	(3,982,646,207)
	(1,547,620,591)	(1,339,245,522)	**(338,570,422)**	(220,725,890)	**(4,784,521,759)**	(3,421,812,419)	**(285,667,644)**	(205,656,361)	**(438,578,015)**	(474,687,638)	**(7,394,958,431)**	(5,662,127,830)
Profit / (loss) before taxation and unallocated income & expenses	**3,064,234,133**	2,959,963,582	**853,862,148**	505,865,383	**4,913,179,498**	4,734,981,941	**343,825,375**	273,080,534	**(534,377,988)**	(290,499,382)	**8,640,723,166**	8,183,392,058

Unallocated income and expenses:		
Other operating expenses	(5,083,691)	(166,791,530)
Impairment losses on financial assets	(485,686,404)	(205,137,109)
Exchange (loss) / gain	(264,477,256)	2,257,667,541
Other income	990,053,009	935,930,604
Impairment loss on investment in associates	-	(729,463,249)
Share of loss of associate	(118,973,681)	(48,069,294)
Finance cost	(465,258,660)	(868,990,456)
	(349,426,683)	1,175,146,507
Profit before taxation and levy	8,291,296,483	9,358,538,565
Levy	(474,934,619)	(574,977,711)
Profit before taxation	7,816,361,864	8,783,560,854
Taxation	(356,349,091)	(94,670,961)
Profit for the year	7,460,012,773	8,688,889,893

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	2024	2023
					Rupees	
E-Processing Systems (Private) Limited.	Associated company	Wholly owned by Associate: E-Processing Systems B.V.	Disbursements against loan	(44.4)	**14,382,444**	32,144,910
			Receipts against loan		**28,075,817**	100,793,974
			Interest income		**45,048,880**	50,752,895
			Property and equipment sold to the party during the year		**2,797,524**	8,067,182
Visionet Systems Incorporation - USA	Associated company	Common shareholding of directors	Revenue	(44.1)	**11,715,433,494**	11,077,171,264
			Expenses incurred on behalf of the party by the Holding Company		**320,023,661**	73,187,167
			Expenses incurred on behalf of the Group by the party		**320,194,705**	275,557,348
			Payment of licenses made by the party on behalf of the company		**-**	28,206,832
			Consultancy fee by the party		**-**	7,674,729
Visionet Deutschland GMBH	Associated company	Common shareholding of directors	Revenue	(44.2)	**854,718,441**	646,428,545
			Expenses incurred on behalf of the party by the Holding Company		**18,786,962**	18,517,120
Systems Limited Employees' Provident Fund		Staff retirement fund	Contribution		**1,394,742,412**	1,001,065,999
			Payments made on behalf of the party by the Holding Company		**648,870,376**	464,540,571
Visionet EMEA Limited	Associated company	Common shareholding of directors	Revenue	(44.3)	**897,495,928**	881,088,356
			Expenses incurred on behalf of the party by the Holding Company		**10,059,927**	4,730,444
			Expenses incurred on behalf of the Company by the party		**103,299,289**	-
Visionet Canada Inc.	Associated company	Common shareholding of directors	Revenue	(44.5)	**8,027,621**	7,371,620
			Expenses incurred on behalf of the Company by the party		**52,734**	-
AtClose	Associated company	Common shareholding of directors	Revenue	(44.6)	**310,280,397**	123,788,827
PartnerLinQ, Inc.	Associated company	Common shareholding of directors	Revenue	(44.1.6)	**1,475,756,319**	314,599,158
			Expenses incurred on behalf of the Company by the party		**9,327,684**	-
Key management personnel	Key management personnel	Key management personnel			**992,263,975**	865,161,751

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, Munchen, Germany.

44.3 Visionet EMEA Limited UK is affiliate of the Group and incorporated in the United Kingdom. The registered address is Wellington Way, Brooklands Business Park, Weybridge, Surrey KT13 0TT, GB.

44.4 E-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 E-Processing Systems (Private) Limited 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	
	2024	2023	2024	2023	2024	2023
	NOS					
Number of persons	**1**	1	**6**	**6**	**6,001**	4,188
	Rupees					
Managerial remuneration	**121,769,812**	97,993,395	**-**	**-**	**33,428,726,084**	21,527,593,206
Retirement benefits	**8,116,365**	6,532,893	**-**	**-**	**1,659,566,245**	1,131,525,840
Bonus	**305,858,658**	176,063,484	**-**	**-**	**1,249,974,992**	617,968,121
Fees	**-**	-	**5,600,000**	**5,000,000**	**-**	-
	435,744,835	**280,589,772**	**5,600,000**	**5,000,000**	**36,338,267,321**	**23,277,087,167**

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 499,914 (2023: 235,000) and 2,445,500 (2023: 2,361,500) 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 33.09 million (2023: Rs 16.99 million) and Rs 155.77 million (2023: Rs 161.58 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 600,000 (2023: Nil) and 964,750 (2023: 1013700) shares respectively were issued to them.

45.5 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 Rahman	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%
Toima Asghar	Chief Human Resource Officer	0.04%
Khurram Majeed	General Manager Middle East Africa	0.51%
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

	2024	2023
	Rupees	
Profit for the year	7,460,267,547	8,688,546,279

	2024	2023
	Number of shares	
Weighted-average number of ordinary shares outstanding during the year	291,999,647	291,016,682
Basic earnings per share (Rupees)	25.55	29.86

46.2 Diluted earnings per share

	2024	2023
	Rupees	
Profit for the year	7,460,267,547	8,688,546,279

	2024	2023
	Number of shares	
Weighted-average number of ordinary shares (basic)	291,999,647	291,016,682
Effect of share options	2,025,408	1,912,326
Weighted average number of ordinary shares - diluted	294,025,055	292,929,008
Diluted earnings per share (Rupees)	25.37	29.66

47. Cash generated from operations

	Note	2024	Restated 2023
		Rupees	
Profit before taxation and levies		7,816,361,864	8,783,560,854
Adjustments to reconcile profit before tax to net cash flows:			
Levy		474,934,619	574,977,711
Depreciation on property and equipment	7.1.3	913,967,059	718,070,542
Depreciation on right-of-use assets	11.1	199,719,905	206,546,640
Amortization of intangibles	8.1.2	657,967,539	973,890,711
Amortization of deferred employee benefits	13	84,029,657	53,010,107
Gain on dilution of interest in associate	39	-	(119,588,349)
Share based payment expense		446,602,210	269,268,823
Allowance for ECLs / provision for doubtful debts:			
- contract assets	37	78,087,583	126,299,528
- trade debts	37	360,204,106	66,497,234
- Loans, advances and other receivables	37	47,394,715	12,340,346
Security deposits written off		5,083,691	2,235,593
Finance costs	40	347,583,794	741,892,505
Impairment loss on investments in associates	10	-	729,463,249
Loss on remeasurement of investments	38	-	154,468,911
Loss / (gain) on investments classified as fair value through profit or loss	39	(158,827,842)	28,917,136
Provision for gratuity	27	303,826,082	257,439,889
Share of loss from associates	10	118,973,681	48,069,294
Unwinding of long term receivable	39	(68,175,778)	(63,771,322)
Unwinding of long term liabilities	40	117,674,866	127,097,951
Exchange loss / (gain)	39	265,536,769	(2,272,619,261)
Profit on deposit accounts	39	(115,042,604)	(82,711,626)
Profit on term deposit receipts and sukuks	39	(44,483,855)	(69,634,100)
Dividend income on mutual funds	39	(61,959,308)	(220,627,522)
Interest on loan to related parties	39	(44,991,852)	(51,222,549)
Gain on modification of financial liability	39	-	(50,724,226)
Loss on disposal of property and equipment		(11,958,618)	1,184,995
Liabilities written back	39	(289,659,309)	(197,126,459)
Effect of discounting of long term loans	39	(122,019,708)	(82,935,220)
Effect of discounting of long term security deposits	39	(3,556,850)	(3,139,937)
Gain on derivative financial instrument		(19,484,138)	-
		11,297,788,278	10,661,131,448
Working capital changes			
Contract Assets		(1,585,823,680)	(5,496,239,097)
Long term deposits		(216,518,802)	(205,920,185)
Trade debts		(5,499,208,752)	(1,751,883,342)
Loans paid to employees - net		(133,216,515)	(416,428,262)
Long term receivable - secured		-	-
Advances and other receivables		510,334,397	(326,166,410)
Trade deposits and short term prepayments		(203,070,772)	(373,388,090)
Trade and other payables		1,669,443,431	2,837,864,656
Contract Liabilities		(762,305,371)	1,612,029,463
		(6,220,366,064)	(4,120,131,267)
		5,077,422,214	6,541,000,181

48. Cash and cash equivalents

	Note	2024	2023
		Rupees	
Cash and bank balances	21.2	6,808,948,255	6,825,452,879
Short term investments	20.2.2	100,000,000	435,306,340
Short term borrowings from financial institutions - secured	30.7	(1,395,352,801)	-
		5,513,595,454	7,260,759,219

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.

	2024	2023
USD		
Trade debts	22,940,922	19,867,129
Contract Assets	1,376,354	902,913
Bank balance	1,413,431	1,041,354
Other receivable	104,771	806,395
Other payable	(1,203,083)	(2,425,565)
	24,632,395	20,192,226
AUD		
Trade debts	-	162,259
Contract Assets	137,681	-
Bank	877,233	-
Other receivable	-	-
	1,014,914	162,259

	2024	2023
AED		
Trade debts	58,143,941	64,635,951
Contract Assets	61,566,954	50,563,145
Other receivables	-	432,268
Bank	50,724,561	66,788,392
Other payable	(23,216,726)	(32,541,253)
	147,218,730	149,878,503
QAR		
Trade debts	7,629,628	7,615,480
Contract Assets	3,152,145	3,739,816
Bank	5,624,626	5,414,590
Trade payable	(2,869,395)	(3,762,547)
Other receivable	-	274,801
	13,537,004	13,282,140
GBP		
Trade debts	1,807,899	1,735,156
Other receivable	6,875	6,990
	1,814,774	1,742,146
EUR		
Trade debts	1,895,969	-
Trade payable	-	(224,207)
Other receivable	146,093	1,366
	2,042,062	(222,841)
EGP		
Trade debts	15,165,936	2,857,179
Contract Assets	16,152,626	2,265,142
Bank	14,123,404	3,938,160
Trade Payable	(33,707,532)	(5,474,893)
	11,734,434	3,585,588
SGD		
Trade debts	-	-
Contract Assets	-	-
Bank	-	2,288,383
Other receivable	-	477,023
Trade Payable	-	(3,705,424)
	-	(940,018)
CAD		
Trade debts	73,462	34,089
Other receivable	259	-
	73,462	34,089
SAR		
Trade debts	50,052,522	6,115,665
Contract Assets	23,299,168	17,691,441
Bank	9,871,203	5,433,603
Trade payable	(25,756,513)	(4,568,442)
Other receivable	269,857	49,473
	57,736,237	24,721,740
ZAR		
Trade debts	2,991,822	4,039,411
Contract Assets	16,152,626	3,455,389
Bank	14,123,404	631,488
Trade payable	(525,857)	(632,368)
Other receivable	-	100
	32,741,995	7,494,020

	2024	2023
MYR		
Bank	1,117,114	-
Contract Assets	110,692	-
	1,227,806	-
BHD		
Trade debts	238,774	-
Contract Assets	299,933	-
Bank	14,060	-
Trade payable	(69,948)	-
Other receivable	100,686	-
	583,505	-

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
		2024	2024	2023	2023
		Rupees			
USD	10%	685,765,877	685,765,877	568,815,006	403,858,654
	-10%	(685,765,877)	(685,765,877)	(568,815,006)	(403,858,654)
AUD	10%	17,547,863	15,968,555	3,127,542	2,220,555
	-10%	(17,547,863)	(15,968,555)	(3,127,542)	(2,220,555)
AED	10%	1,115,917,973	1,015,485,355	1,150,467,389	816,831,846
	-10%	(1,115,917,973)	(1,015,485,355)	(1,150,467,389)	(816,831,846)
QAR	10%	103,422,711	93,080,440	101,701,346	72,207,956
	-10%	(103,422,711)	(93,080,440)	(101,701,346)	(72,207,956)
GBP	10%	63,371,908	63,371,908	62,644,086	44,477,301
	-10%	(63,371,908)	(63,371,908)	(62,644,086)	(44,477,301)
EUR	10%	59,138,116	59,138,116	(6,951,302)	(4,935,424)
	-10%	(59,138,116)	(59,138,116)	6,951,302	4,935,424
SAR	10%	427,825,516	342,260,413	185,734,433	131,871,447
	-10%	(427,825,516)	(342,260,413)	(185,734,433)	(131,871,447)
SGD	10%	-	-	(19,849,420)	(14,093,088)
	-10%	-	-	19,849,420	14,093,088
EGP	10%	6,453,939	5,001,803	3,234,200	2,296,282
	-10%	(6,453,939)	(5,001,803)	(3,234,200)	(2,296,282)
CAD	10%	1,424,428	1,424,428	725,550	515,141
	-10%	(1,424,428)	(1,424,428)	(725,550)	(515,141)
ZAR	10%	48,458,153	48,458,153	11,413,392	8,103,508
	-10%	(48,458,153)	(48,458,153)	(11,413,392)	(8,103,508)
MYR	10%	6,948,449	6,948,449	11,413,392	8,103,508
	-10%	(6,948,449)	(6,948,449)	(11,413,392)	(8,103,508)
BHD	10%	42,712,566	42,712,566	(11,413,392)	(8,103,508)
	-10%	(42,712,566)	(42,712,566)	(11,413,392)	(8,103,508)

The following exchange rates were applicable during the year:

	2024	2023
Reporting date rate:		
USD	**278.4**	281.7
AUD	**172.9**	192.8
AED	**75.8**	76.8
QAR	**76.4**	76.6
GBP	**349.2**	359.6
EUR	**289.6**	311.9
SAR	**74.1**	75.1
EGP	**5.5**	9.0
SGD	**204.3**	211.2
CAD	**193.9**	212.8
BHD	**732.0**	-
RM	**62.2**	-
ZAR	**14.8**	15.2
Average rate:		
USD	**278.5**	283.3
AUD	**183.6**	189.3
AED	**75.8**	77.1
QAR	**76.4**	77.8
GBP	**355.7**	358.4
EUR	**301.2**	308.9
SAR	**74.2**	75.5
EGP	**6.3**	9.8
SGD	**208.3**	212.5
CAD	**203.3**	210.8
BHD	**732.4**	-
RM	**62.9**	-
ZAR	**15.2**	15.4

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:

	2024	2023
	Rupees	
Fixed Rate instruments		
Financial assets		
Short term investments	**177,382,800**	717,306,340
Long term loans	**859,804,039**	712,111,946
	1,037,186,839	1,429,418,286
Financial liabilities		
Lease liabilities	**518,845,818**	741,299,163
Short term borrowings - EFS	**1,279,799,247**	-
	518,845,818	741,299,163
Net Exposure	**518,341,021**	688,119,123
Variable rate instruments		
Financial assets		
Bank balances - deposit accounts	**843,586,364**	993,354,328
Loans to related parties	**243,726,481**	236,257,805
	1,087,312,845	1,229,612,133
Financial liabilities		
Short term borrowings	**1,395,352,801**	2,119,000,000
Net Exposure	**(308,039,956)**	(889,387,867)

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				
	2024	**+1**	**10,873,128**	7,719,921
		-1	**(10,873,128)**	(7,719,921)
	2023	**+1**	**12,296,121**	8,730,246
		-1	**(12,296,121)**	(8,730,246)
Financial liabilities				
	2024	**+1**	**13,953,528**	9,907,005
		-1	**(13,953,528)**	(9,907,005)
	2023	**+1**	**21,190,000**	15,044,900
		-1	**(21,190,000)**	(15,044,900)

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 2024, 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 0.29 million (2023: 0.47 million) and Rs 0.21 million (2023: 0.33 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	2024	2023
Bank balances					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**901,422,310**	1,123,255,874
Bank Islami Pakistan Limited	A1	A+	PACRA	**7,660,184**	7,694,419
United Bank Limited	A1+	AAA	JCR-VIS	**118,683,403**	11,322,152
The Saudi National Bank	F2	A-	Moody's	**721,806,104**	408,052,142
Bank Albilad	A3	A3	Moody's	**171,948**	174,377
Bank Alinma	P1	A1	Moody's	**8,688,394**	-
Commercial International Bank Egypt S.A.E (CIB)	B	B+	Fitch	**-**	-
Habib Bank AG Zurich Dubai	A1+	AA+	PACRA	**665,331,536**	161,884,342
Habib Bank Limited Dubai	A1+	AA+	VIS	**549,595,111**	788,461,919
MCB AE	A1+	AAA	PACRA	**2,591,326,017**	3,042,167,765
Investec Bank PLC	F2	BBB+	Fitch	**151,638,942**	-
OCBC	A-1	A+	Moody's	**-**	-
Habib Bank Limited Singapore	A1+	AAA	JCR-VIS	**205,764,105**	173,352,949
Commercial Bank of Qatar	F2	A-	Fitch	**335,670,343**	414,595,156
Faysal Bank Limited	A1+	AA	PACRA	**20,911,781**	45,948,846
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	**88,850,957**	73,932,053
FINCA Microfinance Bank Limited	A3	BBB+	PACRA	**1,590,997**	1,134,223
Meezan Bank Limited	A1+	AAA	JCR-VIS	**7,082,947**	18,465,626
Bank Alfalah Limited	A1+	AA+	PACRA	**1,122,654**	1,122,654
Habib Bank Limited	A1+	AAA	JCR-VIS	**293,007,333**	104,226,245
MCB Bank Limited	A1+	AAA	PACRA	**80,003,021**	139,787,128
Soneri Bank Limited	A1+	AA-	PACRA	**-**	-
Mobilink Microfinance Bank	A1	A	PACRA	**-**	1,525,089
JS Bank Limited	A1+	AA-	PACRA	**22,397**	22,397
Telenor Microfinance Bank Limited	A1	A	PACRA	**-**	-
National Bank of Pakistan	A1+	AAA	PACRA	**-**	-
The National Bank of Ras Al Khaimah (P.J.S.C)	F2	BBB+	Fitch	**-**	18,638,556
Westpac Banking Corporation	F1	A+	Fitch	**-**	16,882,057
Commercial International Bank Egypt	B	B-	Fitch	**77,113,786**	35,522,212
OCBC Singapore	A1+	AA-	S&P	**3,012,688**	3,654,327
OCBC Malaysia	A1+	AAA	RAM	**69,473,320**	-
MCB Bank Limited - Singapore	A1+	AAA	PACRA	**-**	38,724,972
U Microfinance Bank Limited	A1+	AA+	PACRA	**726,039,711**	142,270,267
Investec Bank Limited (South Africa)	B	B-	Fitch	**41,447,515**	9,604,932
Bank Al-Habib Limited	A1+	AAA	PACRA	**2,170,169**	371,810
Samba Bank	A-1	AA	JCR-VIS	**200,115**	200,359
Dubai Islamic Bank	A1+	AA	JCR-VIS	**4,404,135**	1,059,789,336
Abu Dhabi Islamic Bank	F1	A+	Fitch Ratings	**51,256,641**	-
Allied Bank Limited	A1+	AAA	PACRA	**4,939,783**	5,244,888
				7,730,408,347	7,848,031,095
TDRs					
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**177,382,800**	269,050,785
Habib Bank Limited	A1+	AAA	JCR-VIS	**-**	448,255,555
				177,382,800	717,306,340

Particualrs	Rating			2024	2023
	Short term	Long term	Agency	Rupees	
Mutual Funds					
AL Habib Asset Management Limited	Not Available	AM2	PACRA	**150,023,638**	-
Al-Meezan Investment Management Limited	Not Available	AM1	PACRA	**100,536,986**	-
NBP Fund Management Limited	Not Available	AM1	PACRA	**773,256**	-
MCB-Arif Habib Savings and Investments Limited	Not Available	AM1	PACRA	**372,875,509**	-
ABL Asset Management Company Limited	Not Available	AM1	PACRA	**1,031,672**	250,717,910
Alfalah Asset Management Limited	Not Available	AM2+	PACRA	**606,536,099**	251,096,305
Lakson Investments Limited	Not Available	AM2+	PACRA	**100,000,000**	-
UBL Fund Managers Limited	Not Available	AM1	JCR-VIS	**3,607**	-
HBL Asset Management	Not Available	AM1	JCR-VIS	**551,724,328**	125,258,150
AWT Investments Limited	Not Available	AM2	PACRA	**150,204,094**	-
JS Investments Limited	Not Available	AM2+	PACRA	**150,043,203**	-
Atlas Islamic Fund of Funds	Not Available	AA	PACRA	**150,000,000**	-
Faysal Asset Management Limited	Not Available	AM2+	JCR-VIS	**430,641,975**	250,346,747
				2,764,394,367	877,419,112

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, 2024											
Not Past Due	2.32%	851,007,369	19,728,052	6.97%	232,124,374	16,420,608	0.28%	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	4.71%	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	7.36%	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	2.69%	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

	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, 2023											
Not Past Due	0.14%	995,754,126	1,403,839	0.29%	209,059,110	607,926	0.02%	7,654,899,074	1,431,361	8,859,712,310	3,443,126
Past due 0-90 days	1.34%	132,377,270	1,775,160	1.45%	8,778,665	127,594	0.01%	1,783,933,156	152,767	1,925,089,091	2,055,521
Past due 91-180 days	7.49%	11,752,566	880,401	6.37%	29,296,267	1,866,162	1.58%	128,405,352	2,027,968	169,454,185	4,774,531
Past due 181-270 days	26.37%	20,048,968	5,286,244	23.90%	183,001	43,735	6.05%	49,082,559	2,969,183	69,314,528	8,299,162
Past due 271-360 days	82.12%	7,524,337	6,178,719	69.87%	14,105,982	9,855,816	21.91%	43,548,730	9,539,557	65,179,049	25,574,092
Past due 361 days and above	100.00%	34,970,694	34,970,694	100.00%	16,856,472	16,856,472	100.00%	35,725,844	35,725,844	87,553,010	87,553,010
		1,202,427,961	50,495,057		278,279,497	29,357,705		9,695,594,715	51,846,680	11,176,302,173	131,699,442
Financial institutions [1]		1,165,170,160	53,153,566		-	-		642,809,265	92,613,307	1,807,979,425	145,766,873
Gross trade debts		2,367,598,121	103,648,623		278,279,497	29,357,705		10,338,403,980	144,459,987	12,984,281,598	277,466,315

[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 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 following are the contractual maturities of financial liabilities as at 31 December 2023:

	Carrying amount	Contractual cash flows	Less than one year	One to five years	More than five years
	Rupees				
Lease Liabilities	741,299,163	918,606,939	267,412,338	624,307,888	26,886,713
Unclaimed Dividend	18,659,407	18,659,407	18,659,407		
Short term borrowings - secured	2,119,000,000	2,119,000,000	2,119,000,000	-	-
Mark-up accrued on short term borrowings - secured	96,586,682	96,586,682	96,586,682	-	-
Other long term payable	2,824,802,629	2,866,540,636	912,128,579	1,954,412,057	-
Trade and other payables	6,852,205,243	6,852,205,243	6,852,205,243	-	-
	12,652,553,124	12,871,598,907	10,265,992,249	2,578,719,945	26,886,713

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	2024	2023
		Rupees	
Interest free loans to employees		613,818,425	528,345,079
Contract Assets		9,453,109,283	7,960,461,635
Trade debts		17,570,516,867	12,706,815,283
Trade deposits		1,051,409,756	729,641,733
Loans to related parties		227,556,284	236,257,805
Other receivables		56,707,591	13,950,526
Interest accrued		-	3,096,777
Short term investment		177,382,800	717,306,340
Bank balances		7,730,408,347	7,848,031,095
		36,880,909,353	30,743,906,273
The aging of trade debts at the reporting date is:			
Not Past Due		14,684,500,616	9,098,345,962
Past due 0-90 days		2,120,106,405	1,938,402,259
Past due 91-180 days		423,768,283	671,950,130
Past due 181-270 days		358,300,845	447,956,701
Past due 271-360 days		165,559,939	594,161,156
Past due 361 days and above		399,731,170	233,465,390
	(17)	18,151,967,258	12,984,281,598
The aging of contract assets - secured at the reporting date is:			
Unbilled revenue			
0 - 90 days		6,067,091,278	4,807,684,643
91 - 180 days		903,261,410	1,421,879,148
181 - 270 days		1,029,447,066	849,240,216
271 - 365 days		321,879,392	318,081,938
One year and above		766,644,831	270,579,052
	(16.1)	9,088,323,977	7,667,464,997

As at year end, 32.03% of revenue (2023: 20.73%) was represented by two customers (2023: one customer) amounting to Rs 21,614.14 million (2023: Rs 11,077.17 million). The management believes that the Group is not exposed to customer concentration risk as this customer is a related party of the Group.

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

	2024		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
	Rupees		
Assets as per statement of financial position			
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	-	273,744,518	273,744,518
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	2,941,777,671
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	37,709,736,690	42,402,753,130

	2023		
	Financial assets at fair value through profit or loss	Financial assets at amortized cost	Total
	Rupees		
Assets as per statement of financial position			
Long term receivable - unsecured	-	1,184,235,536	1,184,235,536
Interest free loans to employees	-	712,111,946	712,111,946
Contract Assets	-	7,960,461,635	7,960,461,635
Trade debts	-	12,706,815,283	12,706,815,283
Loans to related parties	-	295,152,835	295,152,835
Other receivables	-	13,950,526	13,950,526
Security deposits	-	464,132,938	464,132,938
Interest accrued	-	3,096,777	3,096,777
Short term investments	877,419,112	717,306,340	1,594,725,452
Cash and bank balances	-	7,982,850,982	7,982,850,982
Long term deposits	-	265,508,795	265,508,795
Trade deposits and prepayments	-	1,060,427,214	1,060,427,214
	877,419,112	33,366,050,807	34,243,469,919

	2024 Financial assets at amortized cost	2023 Financial liabilities at amortized cost"
Liabilities as per statement of financial position		
Lease liabilities	518,845,818	741,299,163
Other long term liability - unsecured	2,622,148,720	3,831,197,740
Mark-up accrued on short term borrowings	9,395,836	96,586,682
Short term borrowings	2,675,152,048	2,119,000,000
Unclaimed Dividend	30,322,411	18,659,407
Trade and other payables	7,313,545,276	6,852,205,243
Long term advances	14,754,443	4,281,065
	13,169,410,109	13,658,948,235

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 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**
As at 31 December 2023				
Fair value through profit and loss				
- Mutual Fund units	877,419,112	-	-	877,419,112

There were no transfers between Level 1, Level 2 and Level 3 during 2024 and 2023.

Refer note 8.3 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:

a) 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

b) 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

	2024	2023
	Rupees	
Lease Liabilities	**518,845,818**	741,299,163
Other long term liability - unsecured	**2,622,148,720**	3,831,197,740
Trade and other payables	**8,618,942,908**	7,291,830,944
Short term borrowings from financial institutions - secured	**2,675,152,048**	2,119,000,000
Mark-up accrued on short term borrowings - secured	**9,395,836**	96,586,682
Less: Cash and cash equivalents	**(5,513,595,454)**	(7,260,759,220)
Net debt	**8,930,889,876**	6,819,155,307
Total capital	**38,730,665,656**	32,331,619,066
Capital and net debt	**47,661,555,532**	39,150,774,373
Capital gearing ratio	**18.74%**	17.42%

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

	2024		2023	
	Conventional	Shariah compliant	Conventional	Shariah compliant
Short term borrowings - secured	**1,575,410,884**	**1,099,741,164**	719,000,000	1,400,000,000
Short term investments	**-**	**2,941,777,167**	462,306,340	1,132,419,112
Cash and bank balances	**5,866,315,948**	**1,864,092,399**	6,714,802,786	1,133,228,308
Mark-up paid	**71,858,312**	**78,369,398**	314,772,371	233,394,038
Revenue from contracts with customers - net	**-**	**67,473,021,160**	-	53,435,483,177
Other income				
- Profit on deposit accounts	**88,464,629**	**26,577,975**	55,681,445	27,030,181
- Profit on term deposit receipts and sukuks	**1,890,592**	**42,593,263**	4,961,121	64,672,979
- Income on mutual funds	**-**	**220,787,150**	-	220,627,522
- Gain on derivates financial instruments	**4,158,084**	**15,326,054**	-	-
- Exchange (loss) / gain	**-**	**(264,477,256)**	-	2,257,667,541
- Gain/(loss) on disposal of property and equipment	**-**	**11,958,618**	-	1,184,995
- Interest income from related parties	**44,991,852**	**-**	51,222,549	-
- Liabilities written back	**289,659,309**	**-**	197,126,459	-
- Others	**49,893,147**	**-**	23,366,430	-
Mark-up on short term borrowings	**59,303,314**	**78,369,398**	95,721,326	233,394,038
Impairment loss on investment in associate	**-**	**-**	-	729,463,249

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 1,077.76 million (2023: Rs 1,133.29 million) and availed borrowing facilities amounting to Rs 1,099.74 million (2023: Rs 1,400 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 2,764.39 million (2023: Rs 1,132.42 million).

51. Number of employees

	2024	2023
	Rupees	
Total number of employees at the end of the year were as follows:		
Regular	**6,632**	6,021
Contractual	**1,335**	1,377
	7,967	**7,398**
Average number of employees during the year were as follows:		
Regular	**6,176**	5,794
Contractual	**1,474**	887
	7,650	**6,681**

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 in their meeting held on March 21, 2025 have proposed a final cash dividend for the year ended December 31, 2024 of Rs 6 (2023: Rs 6) per share for approval of the members at the Annual General Meeting to be held on April 28, 2025. These financial statements for the year ended December 31, 2024 do not include the effect of this appropriation.

52.2 The Board of Directors in their meeting held on March 21, 2025, resolved to recommend for approval of the members at the Annual General Meeting to be held on April 28, 2025, a split of the Holding Company's shares to sub-divide the face value of shares of the Holding Company from Rs. 10/- to Rs. 2/- per share, in the ratio of 5 shares for each 1 share held . These financial statements for the year ended December 31, 2024 do not include the effect of this.

53. Date of authorization for issue

These consolidated financial statements were authorized for issue on March 21, 2025 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

• Classification of research and development expenditure previously included in 'Cost of revenue' is now shown as a separate line item on the face of statement of profit or loss namely 'Research and development expenditure	109,917,778
• Classification of Foreign remittance - WHT previously included in 'Cost of revenue' is now included in Levy on the face of statement of profit or loss	78,916,323

55. General

Figures have been rounded off to the nearest rupee, unless otherwise stated.

(CHAIRMAN)

(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)

Form of Proxy
48th Annual General Meeting

I/We_____
_____son/daughter of_____
_____ a member of Systems Limited and holder of_____
_____shares as per Registered Folio No._____do hereby appoint Mr./Mrs. _____ Son/daughter of_____
_____ or failing him/her Mr./Mrs._____
_____ son/daughter of_____
_____ 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 the 28 April 2025 at Systems Limited Office Lahore & through Video Link

In witness whereof on this_____day of_____ 2025

WITNESS

1. Signature_____
   Name _____
   Address _____
   _____
   CNIC _____
   _____

2. Signature_____
   Name _____
   Address _____
   _____
   CNIC _____
   _____

Affix Revenue Stamp

Member's Signature

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 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

Lahore (BPO Office)

Commercial building
Plaza No 1, Block -CCA, Phase 8C, DHA Lahore Cantt

Karachi

9 B, Sumya Building,Mohammad Ali Society Muhammad Ali Chs (Machs),Karachi

Islamabad

Plot No. 21,1st Floor Fazeelat Arcade, Sector G-II Markaz, Islamabad

Islamabad

Amazon Mall,7th Floor, NH 5, Sector A DHA Phase II, Islamabad

Islamabad

4th Floor, 5-A Constitution Ave, F-5/1F-5. Located on Constitution Avenue, Islamabad

Multan

Plot No. 842/23 near Northern By-pass Chowk, Bosan Road, Multan

Faisalabad

Old Ehsan Yousaf Building, East Canal Road, Near Jahal Khanuwana, Faisalabad

Peshawar

3rd Floor, DC-Court Building, Gate # 5, Tehsil Katchery, Khyber Road, Peshawar.

UAE

Dubai

Premises No. 208, Floor Floor no. 2, Publishing Povilion, Dubai Production City, Dubai, UAE

Dubai

404,Dubai Hills Business Park 3, Emaar Hills Estate|P.O. box: 500497 Dubai, UAE

Sharjah

P.O Box 42741, Hamriyah Free Zone, Sharjah, UAE

KSA

Riyadh

7069 King Fahd Road, Al Hital Tower, 5th Floor, Al Sahafah Dist, 13315., Riyadh, Saudi Arabia

Bahrain

Bahrain

Office No.211 Building No.85 Road No, 1802 Block No 318

Qatar

Doha

Palm Towers,Floor 41 Westbay, Doha, Qatar

Doha

Office 209, Sharq Plaza, D-Ring Road, P.O. Box 22750, Doha, Qatar

South-Africa

Centurion

Central Office Park No.4, 257 Jean Avenue, Centurion, 0157, PO Box 7750, Centurion, South Africa 0046

Australia

Sydney NSW

Level 22, 2 Market St, Sydney NSW 2000, Australia

Singapore

Singapore

30 Cecil Street, #19-08 Prudential Tower, Singapore 049712

Malaysia

Kaula Lumpur

D83A, Menara Suezcapl, KL Gateway, 59200, Kaula Lumpur

Egypt

Giza

Building B 2116, the Smart Village, 28 Kms, Cairo-Alexandria Desert Road, Giza, Egypt

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