



**For the Quarter Ended  
September 30,  
2025**



# Table of Contents

## **Business Review**

Company Profile	02
Directors' Review Report	04
Directors' Review Report Urdu	07

## **Condensed Un-Consolidated Financial Statements**

Statement of Financial Position	12
Statement of Profit or Loss	13
Statement of Comprehensive Income	14
Statement of Cash Flows	15
Statement of Changes in Equity	16
Notes to the Financial Statements	17

## **Condensed Consolidated Financial Statements**

Statement of Financial Position	26
Statement of Profit or Loss	27
Statement of Comprehensive Income	28
Statement of Cash Flows	29
Statement of Changes in Equity	30
Notes to the Financial Statements	31

# Company Profile

## BOARD OF DIRECTORS

### **NAEEM ULLAH GHAURI**

Chairman/Non-Executive Director

### **SALIM ULLAH GHAURI**

Chief Executive Officer/Executive Director

### **OMAR SHAHAB GHAURI**

Executive Director

### **VASEEM ANWAR**

Non-Executive Director

### **HAMNA GHAURI**

Non-Executive Director

### **NOMAN HUSSAIN**

Independent Director

### **HUMA FAKHAR**

Independent Director



**AUDIT COMMITTEE**

**NOMAN HUSSAIN**  
Chairman

**VASEEM ANWAR**  
Member

**HUMA FAKHAR**  
Member

**CHIEF FINANCIAL OFFICER**  
**BOO-ALI SIDDIQUI**

**COMPANY SECRETARY**  
**SEHRISH**

**CHIEF INTERNAL AUDITOR**  
**MUHAMMAD ABDUL**  
**WAHAB HAFEEZ**

**AUDITORS**  
**Crowe Hussain**  
**Chaudhury & Co.**  
Chartered Accountants  
7th Floor, Gulmohar Trade  
Center,  
8 F, Main Market, Gulberg II,  
Lahore 54600, Pakistan

**LEGAL ADVISOR**

**CORPORATE LAW**  
**ASSOCIATES**  
1st Floor Queen's Centre  
Shahra-e-Fatima Jinnah  
Lahore

**SHARE REGISTRAR**

**VISION CONSULTING**  
**LIMITED**  
5-C, LDA Flats, 2nd Floor,  
Lawrence Road, Lahore.  
Tel: +92-42-36283096-97  
Fax: +92-42-36312550

**BANKERS**

- Askari Bank Limited
- Samba Bank Limited
- Meezan Bank Limited
- Dubai Islamic Bank  
Pakistan Limited
- Al Baraka Bank  
(Pakistan) Limited
- Habib Metropolitan  
Bank Limited
- Bank Alfalah Islamic  
Limited
- Bank Al Habib Limited
- Habib Bank Limited

**CONTACT DETAILS**

**REGISTERED OFFICE**  
NETSOL IT Village  
(Software Technology  
Park)  
Lahore Ring Road,  
Ghazi Road Interchange,  
Lahore Cantt. 54792,  
Pakistan  
Tel: +92-42-111-44-83-00,  
+92-42-35727096-7  
Fax: +92-42-35701046,  
35726740

**RAWALPINDI OFFICE**  
House No. 04, Safari Villas,  
Bahria Town, Rawalpindi  
Tel: +92-51-5707011  
Fax: +92-51-5595378

**KARACHI OFFICE**  
43/1/Q, Amna Villa # 1  
Block # 03. P.E.C.H.S,  
Karachi-75400  
Tel: +92-21-111-638-765  
Fax: +92-21-3431-3464

**WEB PRESENCE**  
www.netsolpk.com  
info@netsolpk.com  
corporate@netsolpk.com

# Director's Report

On behalf of the Board of Directors of NETSOL Technologies limited (NETSOL or the Company), we are pleased to present the unaudited condensed interim financial statements of your company together with its consolidated accounts for the period ended September 30, 2025.

## GENERAL OVERVIEW

### NETSOL China signed a strategic agreement at the SCO Summit 2025

NETSOL China participated at the Shanghai Cooperation Organization (SCO) Summit in Tianjin, China on July 11, 2025, where it signed a strategic cooperation agreement with Tianjin Binhai Smart Group Co, Ltd. and the Dongjiang Free Trade Port Zone Government. The partnership will focus on two strategic initiatives: integrated financial services for the automotive industry and cross-border data services.

The Shanghai Cooperation Organization (SCO) is a political, economic and security alliance founded in 2001 to promote mutual cooperation and economic integration across Eurasia.

### A Chinese leasing company went live with Transcend Finance in Indonesia

NETSOL announced the successful go-live of its Transcend Finance platform for a leading Chinese leasing company, marking the customer's official launch of operations in the Indonesian market. The customer, known for offering a wide range of leasing solutions across sectors including equipment leasing, asset financing and commercial leasing, deployed NETSOL's Transcend Finance for its retail operations, comprising Omni Point of Sale (Omni POS) and Contract Management System (CMS), alongside a customized funding system designed to support their unique operational needs in Indonesia.

This go-live marked the completion of a greenfield implementation, enabling the customer to build entirely new processes free of legacy constraints.

## Financial Performance

Comparisons of un-audited separate as well as consolidated accounts for the quarter ended September 30, 2025 with the corresponding period of fiscal year 2025 are given below:

STAND-ALONE FINANCIAL STATEMENTS	Jul-sep 2025	Jul-sep 2024
	(PKR in 000's)	
Revenue (PKR '000*)	<b>2,244,231</b>	1,898,880
Gross profit (PKR '000*)	<b>772,409</b>	640,686
Net profit (PKR '000*)	<b>49,753</b>	196,842
Earnings per share – basic	<b>0.58</b>	2.24
Earnings per share – diluted	<b>0.57</b>	2.21

During the first quarter of current fiscal year, topline of the Company grew by 18% compared to the revenue posted in the same period of last fiscal year. The company posted a net revenue of PKR 2,244 million as compared to PKR 1,899 million in the comparative period. The revenue stream for the current quarter is fueled with subscription and support revenue. On the services side, the Company recorded a handsome amount of PKR 826 million in comparison to PKR 649 million in the corresponding period last year mainly due to enhancement and customization in the systems deployed at customer sites. In addition to it, subscription and support revenue also increased to PKR 1,418 million as compared to PKR 1,249 million last year.

Company reported gross margin of PKR 772 million as compared to the corresponding period where margins were recorded at PKR 641 million. The Company posted an operating profit of PKR 155 million compared to PKR 82 million last year and a net profit after tax of PKR 50 million compared to PKR 197 million in the comparable period. Included in current period net profit is a currency exchange loss of PKR 49 million compared to currency exchange gain of PKR 171 million in the same period of last fiscal year. Company reported basic and diluted earnings per share to clock in at PKR 0.58 & 0.57 in comparison of PKR 2.24 & 2.21 in the corresponding period.

The Company also consolidates financial results of its wholly owned subsidiaries "NETSOL Innovation (Pvt) Limited" and "NETSOL Ascent Middle East Computer Equipment Trading LLC" and wholly owned sub-subsidiary "NETSOL Institute of Artificial Intelligence (Pvt) Limited". Net consolidated revenues for the quarter ended September 30, 2025 were PKR 2,543 million compared to PKR 1,926 million same quarter of last fiscal year. Consolidated gross profit for the quarter was PKR 979 million as compared to PKR 612 million in the same period last year. On consolidated basis, the company posted an operating profit of PKR 222 million compared to PKR 26 million in the corresponding period and a net consolidated profit of PKR 75 million in the current quarter compared to PKR 141 million posted in the same period last year. Basic and diluted earnings per share for the quarter ended September 30, 2025 were PKR 0.88 and PKR 0.86 in comparison to PKR 1.61 and PKR 1.59 in the same period of last fiscal year.

### Future Outlook

The outlook for FY 2025-26 is both promising and dynamic. We are entering this year with a clear vision to deepen client relationships, drive innovation through artificial intelligence and remain true to our core principle of delivering high-value solutions with operational excellence. Every initiative we embark upon in the coming months will be aligned with this broader goal – ensuring that we continue to generate long-term value for our shareholders, clients, partners and employees.

### Embracing an AI-first future

At the heart of our strategic direction lies our recent transition to becoming an AI-first organization. Artificial intelligence is no longer a peripheral capability – it is the engine powering innovation, agility and transformation across every major industry. For us at NETSOL, AI is not just a tool; it is a philosophy that is being embedded across our product development, service delivery and internal operations.

We are investing significantly in AI research, talent acquisition and partnerships to build scalable, context-aware solutions that go beyond automation and into the realm of decision intelligence. Our focus is to empower our customers to make smarter, faster and more accurate decisions – whether it's through predictive analytics, intelligent workflows, conversational AI interfaces or autonomous process execution.

Across all regions, teams are being upskilled in AI technologies and our processes are being reimaged to support an intelligent, data-driven enterprise.

### The Transcend Platform: A gateway to the future

At the heart of our product strategy is Transcend, our unified, AI-powered platform under which we offer all our products and services. Having made significant strides in FY 2024-25, Transcend is now set to play an even more central role in our growth plans for the coming year.

We plan to expand Transcend's reach across multiple markets by accelerating go-to-market activities, enhancing offerings and building scalable deployment frameworks. Our focus will remain on expanding adoption in our core markets while penetrating new verticals and regions that can benefit from its agile and modular architecture.

As demand for cloud-native, AI-ready solutions grows, we are confident that our Transcend Platform will remain a primary driver of product-led growth for NETSOL in the years ahead. Already adopted by clients across North America, Europe, APAC as well as the Middle East (a relatively new market for us), Transcend is becoming the foundation upon which our customers build their digital future.

### Continuing operational discipline: Efficiency and cost management

We are standardizing processes, leveraging automation and promoting a culture of accountability across all business functions. The coming year will see further refinements in our internal governance structures, with a focus on driving higher output with leaner teams and better cross-functional collaboration.

We believe that sustainable growth is not just about scaling fast, but scaling smart. By maintaining tight control over costs while investing in areas of high impact, we will ensure continued profitability and financial health.

### Tracking growth, delivering value

We are tracking promising growth ahead, and more importantly, we are well-prepared to capitalize on it. By staying focused on execution and innovation, we remain committed to delivering value – to our shareholders, by generating consistent returns; to our clients, by providing solutions that empower their businesses; and to our employees, by creating an environment of purpose and progress.

**Staying visible and connected: Leading annual industry events**

In FY 2025-26, we will continue to maintain a strong presence at key conferences, summits, conventions, expos and other events in the finance and technology sectors. However, our focus will extend beyond visibility – we are enhancing our participation with a sharper focus on lead generation, relationship building and strategic positioning.

**Acknowledgement**

The Board of Directors places on record its appreciation for the continued support by its shareholders, valued customers, government agencies and financial institutions which enabled the company to achieve these results. The board would also like to express its appreciation for the services, loyalty and efforts being continuously rendered by the executives and all the staff members of the company and hope that they will continue with the same spirit in future.

On behalf of the Board

**Salim Ullah Ghauri**

Chief Executive Officer

**Omar Shahab Ghauri**

Director

October 30, 2025

## ڈائریکٹرز رپورٹ

ہمیں خوشی ہے کہ نیٹ سول ٹیکنالوجیز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی 30 ستمبر 2025 کو ختم ہونے والے عرصہ کے لئے غیر آڈٹ شدہ مالیاتی گوشوارے بشمول مجموعی مالیاتی گوشوارے پیش کر رہے ہیں۔

عمومی جائزہ:- (General Overview)

نیٹ سول چین نے SCO سٹ 2025 میں ایک اسٹریٹجک معاہدہ پر دستخط کیے

نیٹ سول چین نے 11 جولائی 2025ء کو منعقد ہونے والے شنگھائی کوآپریٹیشن آرگنائزیشن (SCO) سٹ میں شرکت کی جہاں انہوں نے Tianjin Binhai Smart Group Co., Ltd اور Dongjiang Free Trade Port Zone کی حکومت کے ساتھ اسٹریٹجک تعاون کے معاہدہ پر دستخط کیے۔ اس شراکت داری میں دو اسٹریٹجک اقدامات: آٹوموٹیو انڈسٹری کے لئے مشترکہ مالیاتی خدمات اور سرحد پار ڈیٹا سروسز پر توجہ دی جائے گی۔

شنگھائی کوآپریٹیشن آرگنائزیشن (SCO) ایک سیاسی، معاشی اور سیوریٹی اتحاد ہے جو یورپ اور ایشیا کے مابین باہمی تعاون اور معاشی اشتراک کو فروغ دینے کے لئے سال 2021ء میں قائم کیا گیا۔

### چینی لیڈنگ کمپنی انڈونیشیا Transcend فنانس کے ساتھ live ہوئی

نیٹ سول نے انڈونیشیا کی مارکیٹ میں صارفین کے آپریٹرز کے باقاعدہ آغاز کی غرض سے ایک معروف چینی لیڈنگ کمپنی کے لئے اپنے Transcend فنانس پلیٹ فارم کو کامیابی سے go-live کیا۔ صارف جو ایک پونڈ لیڈنگ، ایسٹ فنانسنگ لیڈنگ اور کرسٹل لیڈنگ جیسے شعبوں میں لیڈنگ سلوٹوں کی وسیع اقسام پیش کرنے کے لئے مشہور ہے نے اپنے ریٹیل امور بشمول ادنیٰ مراکز فروخت (Omni POS) اور کنزیومر ٹیکنالوجی سسٹم (CMS) انڈونیشیا میں اپنی منفرد آپریشنل ضروریات کو پورا کرنے کی خاطر کسمائزڈ فنڈنگ سسٹم کے لئے نیٹ سول کے Transcend فنانس کا اطلاق کیا۔

یہ go-live موقع greenfield implementation کی تکمیل کی عکاسی کرتا ہے جس سے صارف قدیم پائمنٹوں سے پاک بالکل نئے طریق عمل وضع کرنے کے قابل ہوا۔

### مالیاتی کارکردگی (Financial performance)

30 ستمبر 2025 کو ختم ہونے والی سرمایہ خرچ 2024ء کی اسی مدت کے مالیاتی سال کے غیر آڈٹ شدہ مالیاتی گوشوارے کے نتائج کا موازنہ درج ذیل ہے۔

#### انفرادی مالیاتی گوشوارے

جولائی تا ستمبر 2025ء جولائی تا ستمبر 2024ء

روپے ('000)	روپے ('000)	
1,898,880	2,244,231	محصولات
640,686	772,409	خام منافع
196,842	49,753	صافی نفع
2.24	0.58	منافع فی حصص - بنیادی
2.21	0.57	منافع فی حصص - تحلیل شدہ

رواں مالی سال کی پہلی سرمایہ دوران، کمپنی کی ٹاپ لائن میں پچھلے مالی سال کی اسی مدت میں درج کی گئی محصولات کے مقابلے میں 18 فیصد اضافہ ہوا۔ کمپنی نے گزشتہ مالی سال کے اسی سرمایہ میں 1,899 ملین روپے کے مقابلے میں، 2,244 ملین روپے کی خالص محصولات درج کی ہیں۔ موجودہ سرمایہ کے لیے محصولات کی پیداوار سبسکریپشن اور سپورٹ محصولات کے سلسلے سے وابستہ ہے۔ خدمات محصولات کی مد میں، کمپنی نے اپنی متعلقہ سائنس systems deployed اور شخصیات کے لیے گزشتہ مالی سال میں 649 ملین روپے کے مقابلے میں 826 ملین روپے کی شاندار محصولات درج کی۔ اس کے علاوہ سبسکریپشن اور سپورٹ محصولات گزشتہ سال کے 1,249 ملین روپے کے مقابلے میں 1,419 ملین روپے تک بڑھانے میں کامیاب رہی ہے۔

کمپنی نے اسی مدت کے مقابلے میں 772 ملین روپے کا مجموعی مارجن درج کیا جہاں یہ مارجن 641 ملین روپے درج کیے گئے تھے۔ کمپنی نے گزشتہ سال 82 ملین روپے کے مقابلے میں 155 ملین روپے کا آپریٹنگ منافع 197 ملین روپے کے مقابلے میں 50 ملین روپے کا بعد از ٹیکس خالص منافع کمایا ہے۔ موجودہ مدت کے خالص منافع میں 49 ملین روپے کا زرمبادلہ میں نقصان شامل ہے، جبکہ گزشتہ مالی سال اسی مدت میں 171 ملین روپے کا زرمبادلہ میں منافع حاصل ہوا تھا۔ کمپنی نے گزشتہ مدت کے 2.24 اور 2.21 روپے کے مقابلے میں اس سرمایہ کے لیے 0.58 اور 0.57 روپے بنیادی اور تحلیل شدہ فی حصص منافع درج کیا ہے۔

کمپنی نے اپنے مکمل ملکیتی ذیلی ادارے "نیٹ سول انڈونیشیا (پرائیویٹ لمیٹڈ)"; "نیٹ سول اینڈ مڈل ایسٹ ایکویٹی ٹریڈنگ ایبل ایل سی" اور اس کے مکمل ملکیتی ذیلی ادارہ "نیٹ سول انڈونیشیا آف آرگنائزیشنل انیلی جنس (پرائیویٹ لمیٹڈ)" کے مجموعی مالیاتی گوشوارے شامل کر دیے ہیں۔ 30 ستمبر 2025 کو ختم ہونے والی سرمایہ کیلئے نقد مجموعی محصولات اسی سرمایہ 2024ء کے 1,926 ملین روپے کے مقابلے میں 2,543 ملین روپے ہے۔ مجموعی خام منافع گزشتہ سال کی اسی مدت میں 612 ملین روپے کے مقابلے میں موجودہ سرمایہ میں 979 ملین روپے ہے۔ مجموعی بنیاد پر، کمپنی نے گزشتہ مالی سال کی اسی مدت میں 26 ملین روپے کے مقابلے میں موجودہ سرمایہ میں 222 ملین روپے کا آپریٹنگ منافع اور گزشتہ سال کی اسی مدت میں 141 ملین روپے نقد مجموعی منافع کے مقابلے میں موجودہ سرمایہ کی اسی مدت میں 75 ملین روپے کا نقد مجموعی منافع درج کیا ہے۔ 30 ستمبر 2025 کو ختم ہونے والی سرمایہ کے لیے فی بنیادی اور تحلیل شدہ آمدنی، گزشتہ مدت میں

1.61 اور 1.59 روپے فی حصص منافع کے مقابلے اس مدت میں 0.88 اور 0.86 روپے فی حصص منافع درج کیا ہے۔

### مستقبل کا نظریہ Future Outlook

مالیاتی سال 2025-2026 کا منظر نامہ انتہائی خوشگوار اور متحرک ہے۔ ہم کلائنٹ تعلقات کو گہرا کرنے، artificial intelligence کے ذریعے جدت کو بروئے کار لانے اور آپریشنل عموگی کے ساتھ اعلیٰ معیار کے سلسلہ فرمائیم کرنے کے اپنے بنیادی اصول پر کاربند رہنے کے ذریعے نئے سال میں داخل ہو رہے ہیں۔ آئندہ مہینوں میں کئے جانے والے تمام تر اقدامات اس وسیع ہدف کے عین مطابق ہوں گے۔ یعنی یقینی بنایا کہ ہم اپنے شیئر ہولڈرز، کلائنٹس، پائٹنرز اور ملازمین کو طویل مدتی فائدہ پہنچائیں۔

### AI-first مستقبل میں پیمانہ

ہماری اسٹریٹجک سمت کا مرکز AI-first ادارہ بننے کی جانب ہمارا حالیہ احسن اقدام ہے۔ Artificial intelligence اب ایک محدود استعداد نہیں رہی بلکہ یہ تمام بڑی انڈسٹریز میں جدت، چستی اور تہذیبی کا محور بن چکی ہے۔ نیٹ سول میں ہمارے لئے artificial intelligence صرف ایک ٹول نہیں بلکہ یہ ایک فلسفہ ہے جس کا ہم اپنی پروڈکٹس کی تیاری، خدمات کی فراہمی اور داخلی امور میں اطلاق کرتے ہیں۔

ہم AI تحقیق، قابلِ افراہمی بھرتی اور وسعت پد پر اور نتائج سے context-aware solutions قائم کرنے کی خاطر شراکت داریوں میں ہماری سرمایہ کاری کر رہے ہیں جو آٹومیشن سے بہت کر اور مریٹ بولڈ فیصلہ سازی کے دائرہ میں ہو۔ بہترین، تیز رفتار اور بالکل درست فیصلہ کرنے کے لئے اپنے صارفین کو خود مختار بنانا ہماری اولین ترجیح ہے۔ چاہے اس کا تعلق مستقبل کے جائزے، تخلیقی حلیے ورک فلور، گفتگو کرنے کے AI نظاموں یا پروسیس کے خود کار اطلاق سے ہو۔

تمام خطوں میں AI ٹیکنالوجی میں ٹیموں کی تربیت کی جارہی ہے اور اپنے طریق عمل کو از سر نو ترتیب دیا جا رہا ہے تاکہ ایک intelligent, data-driven حیثیت سے نیٹ سول کو مضبوط کیا جاسکے۔

### Transcend پلیٹ فارم: مستقبل کا راستہ

ہماری پروڈکٹ حکمت عملی کا مرکز Transcend ہے۔ جو ایک مشترکہ AI پر مبنی پلیٹ فارم ہے جس کے تحت ہم اپنی تمام تر پروڈکٹس اور خدمات پیش کرتے ہیں۔ مالیاتی سال 2024-2025 میں نمایاں پیش رفت کے ساتھ Transcend آئندہ برسوں کے لئے ہمارے ترقیاتی منصوبوں میں مرکزی کردار ادا کرنے جا رہا ہے۔

ہم ماریکٹ ڈیز سٹرگٹیز کی رفتار اور آڈیٹنگ کی تعداد بڑھا کر اور اطلاق کے مریٹ بولڈ نظام قائم کر کے Transcend کی رسائی متعدد منڈیوں میں پھیلائے گا اور ارادہ رکھتے ہیں۔ نئے شعبوں اور خطوں میں داخل ہو کر ہم منڈیوں میں اطلاق کو وسیع کرنا ہمارا بنیادی مقصد رہے گا جو اس کے چسپت اور لچکدار ڈھانچے کے ذریعے فائدہ پہنچائے گا۔

چونکہ کلاؤڈ پر مبنی AI سے لیس سلسلہ کی طلب میں اضافہ ہو رہا ہے لہذا ہم پر امید ہیں کہ ہمارا Transcend پلیٹ فارم آئندہ برسوں میں نیٹ سول کے لئے پروڈکٹ پر مبنی ٹیموں میں اہم کردار ادا کرے گا۔ شمالی امریکہ، یورپ، APAC اور مشرق وسطیٰ (جو نسبتاً ہمارے لئے نئی منڈی ہے) میں کلائنٹس کی جاری پذیرائی سے Transcend ایسی بنیاد بنانا جا رہا ہے جس پر ہمارے صارفین اپنا ڈیجیٹل مستقبل تعمیر کر رہے ہیں۔

### جاری آپریشنل نظم و ضبط: کارکردگی اور لاگت کا انتظام

ہم طریق عمل کو ایک نئی سمت دے رہے ہیں اور آٹومیشن کو بڑھا رہے ہیں اور اپنے تمام کاروباری امور میں جواب دہی کے کلچر کو فروغ دے رہے ہیں۔ اگلے سال میں ہم اپنے داخلی نظم و ضبط کے ڈھانچے میں مزید نکھار دیکھیں گے جس کا مقصد چھوٹی ٹیموں اور بہتر cross-functional تعاون کے ذریعے اعلیٰ پیداوار کو فروغ دینا ہے۔

ہم یقین رکھتے ہیں کہ پائیدار نمو صرف تیز رفتار بلکہ خوش آمد ترقی ہے۔ منافع بخش شعبوں میں سرمایہ داری کے ساتھ لاگت پر مریٹ بولڈ کنٹرول کے ذریعے ہم منافع اور مالیاتی استحکام کو جاری رکھیں گے۔

### نمو پر گہرائی منافع کی فراہمی

ہم ہونے والی نمایاں ترقی کی گہرائی رکھ رہے ہیں اور سب سے اہم یہ کہ ہم اس سے بھرپور استفادہ حاصل کرنے کے لئے بالکل تیار ہیں۔ اطلاق اور جدت پر بھرپور توجہ کے ساتھ ہم اپنے شیئر ہولڈرز کو منافع دینے، کاروبار میں خود مختار بنانے کے لئے اپنے کلائنٹس کو مریٹ بولڈ سلسلہ فرمائیم کرنے اور ملازمین کے لئے مقصد اور ترقی کے ماحول کو قائم کر کے بہترین نعم البدل دینے کے لئے پرعزم ہیں۔

### نمائاں اور اعلیٰ میں رہنا: اہم سالانہ انڈسٹری تقریبات

مالیاتی سال 2025-26 میں فنانس اور ٹیکنالوجی شعبے کی اہم کانفرنسوں، سمٹس، کنولنٹسز، ہمائکٹوش اور دیگر تقریبات اپنی شمولیت کو برقرار رکھیں گے۔ البتہ، ہماری ترجیح نمایاں رہنے سے بہت کر ہوگی۔ ہم ایڈیٹرز، لیڈن، تعلقات کی تعمیر اور اسٹریٹجک حیثیت پر بھرپور توجہ دے کر اپنی شرکت کو بڑھائیں گے۔

### عتراف (Acknowledgement)

بورڈ آف ڈائریکٹرز کمپنی کے حصص یافتگان، قابل قدر صارفین، سرکاری اداروں اور مالیاتی اداروں کی جانب سے حمایت و معاونت کے لیے ان کی تعریف کرتا ہے اور خراج تحسین پیش کرتا ہے جس نے کمپنی کو یہ نتائج حاصل کرنے کے قابل بنایا۔ بورڈ کمپنی کے تمام ایگزیکٹوز اور اسٹاف ممبرز کا ان کی قابل قدر خدمات و وفاداری اور ان کی مسلسل کوششوں کو قدر کی نگاہ سے دیکھتا ہے اور انہیں بھی خراج تحسین پیش کرتا ہے اور امید کرتا ہے کہ مستقبل میں بھی ان کی مخلصانہ کوششیں جاری و ساری رہیں گی۔

از طرف بورڈ آف ڈائریکٹرز



عمر شہاب خوری  
(ڈائریکٹر)



سلیم اللہ خوری  
(چیف ایگزیکٹو آفیسر)

لاہور

30 اکتوبر، 2025ء



# Condensed Un-Consolidated Financial Statements

For the Quarter Ended September 30, 2025



**CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**

As at September 30, 2025

		Sep 30 2025	Jun 30 2025
	NOTE	Unaudited	Audited
Rupees in Thousands			
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property and equipment	5	1,267,077	1,225,066
Long term investments		537,218	537,218
Long term contract assets		22,430	20,846
Long term loans to employees		7,681	8,590
		<b>1,834,406</b>	1,791,720
<b>Current Assets</b>			
Trade debts	7	6,407,739	5,740,008
Contract assets		1,780,342	1,997,736
Loans and advances		90,933	42,041
Deposits and short term prepayments	8	214,354	226,057
Other receivables	9	117,014	127,085
Due from related parties	10	379,481	362,685
Prepaid tax asset		93,245	70,468
Short term investments	11	200,000	200,000
Cash and bank balances		3,475,649	3,696,726
		<b>12,758,757</b>	12,462,806
<b>Total Assets</b>		<b>14,593,163</b>	14,254,526
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital 200,000 (June 30, 2025: 200,000) ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up capital	12	898,369	898,369
Reserves		10,087,502	10,016,074
Share deposit money		369	3,868
<b>Shareholders' Equity</b>		<b>10,986,240</b>	10,918,311
<b>Non Current Liabilities</b>			
Long term financing	13	38,122	13,343
Long term advances		9,120	5,415
		<b>47,242</b>	18,758
<b>Current Liabilities</b>			
Trade and other payables		1,161,998	972,870
Contract liabilities		193,680	151,621
Short term borrowings	14	2,180,000	2,180,000
Current portion of non-current liabilities		19,465	8,428
Unclaimed dividend		4,538	4,538
		<b>3,559,681</b>	3,317,457
<b>Contingencies and commitments</b>	15	-	-
<b>Total Equity and Liabilities</b>		<b>14,593,163</b>	14,254,526

The annexed notes 1 to 25 form an integral part of these condensed interim un-consolidated financial statements (un-audited).


**DIRECTOR**

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
For The Quarter Ended September 30, 2025

	NOTE	Quarter Ended September 30,	
		2025	2024
Rupees in Thousands			
Revenue from contracts with customers - net	16	2,244,231	1,898,880
Cost of revenue		(1,471,822)	(1,258,194)
<b>Gross profit</b>		<b>772,409</b>	640,686
Selling and promotional expenses		(227,727)	(183,977)
Administrative expenses		(390,082)	(375,189)
		(617,809)	(559,166)
<b>Operating profit</b>		<b>154,600</b>	81,520
Other operating expenses		(115,536)	(136,156)
Finance cost		(46,804)	(68,765)
Other income	17	83,023	380,786
		(79,317)	175,865
<b>Profit before Final Taxes and Income Tax</b>		<b>75,283</b>	257,385
Final tax / levies	18	(25,530)	(60,543)
<b>Profit before Income Tax</b>		<b>49,753</b>	196,842
Income tax		-	-
Net Profit for the Period		<b>49,753</b>	196,842
<b>Earnings Per Share - Basic and Diluted</b>	19		
- Basic		<b>0.58</b>	2.24
- Diluted		<b>0.57</b>	2.21

The annexed notes 1 to 25 form an integral part of these condensed interim un-consolidated financial statements (un-audited).

  
**DIRECTOR**
  
**CHIEF EXECUTIVE OFFICER**
  
**CHIEF FINANCIAL OFFICER**

**CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**For The Quarter Ended September 30, 2025**

	Quarter Ended September 30,	
	2025	2024
	Rupees in Thousands	
<b>Net Profit for the Period</b>	<b>49,753</b>	196,842
<b>Other Comprehensive Income for the period</b>		
Items that may be re-classified subsequently to profit or loss	-	-
Items that will not be re-classified subsequently to profit or loss	-	-
	-	-
<b>Total Comprehensive Income for the Period</b>	<b>49,753</b>	196,842

The annexed notes 1 to 25 form an integral part of these condensed interim un-consolidated financial statements (un-audited).


**DIRECTOR**

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

**CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)**

For The Quarter Ended September 30, 2025

	September 30 2025	September 30 2024
	Rupees in Thousands	
Profit before final taxes and income tax	75,283	257,385
Adjustments for:		
- Depreciation - own assets	68,771	74,518
- Depreciation of right of use assets	-	455
- Gain on disposal of property and equipment	(4,804)	-
- Foreign exchange loss / (gain)	48,761	(170,981)
- Finance cost	45,385	68,091
- Interest income	(75,983)	(209,280)
- Employee share option compensation expense	(4,127)	2,235
- Treasury share reserve - net	25,721	-
- Provision for expected credit losses	6,041	37,524
	109,765	(197,438)
<b>Operating profit before working capital changes</b>	<b>185,048</b>	<b>59,947</b>
Decrease / (Increase) in current assets		
- Trade debts	(690,135)	714,943
- Contract assets	183,860	211,595
- Loans and advances	(47,983)	(22,947)
- Deposits and short term prepayments	11,703	(31,529)
- Other receivables	10,071	(39,169)
- Due from related parties	(16,796)	(18,919)
(Decrease) / Increase in current liabilities		
- Trade and other payables	180,892	179,266
- Contract liabilities	42,140	(61,610)
<b>Cash (used in)/ generated from Operations</b>	<b>(326,248)</b>	<b>381,630</b>
Levy / final tax paid	(48,307)	(88,810)
	(48,307)	(88,810)
<b>Net Cash (Used in) / Generated from Operating Activities</b>	<b>(189,507)</b>	<b>352,767</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for acquisition of property and equipment	(106,912)	(10,484)
Proceeds from disposal of property and equipment	4,824	-
Advance against capital expenditure	(3,890)	(39,001)
Interest received	75,983	209,280
<b>Net Cash (Used in) / Generated from Investing Activities</b>	<b>(29,995)</b>	<b>159,795</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Share deposit money - net	(3,499)	-
Share premium	81	-
Repayment of lease liabilities	-	(763)
Repayment of long term loan	34,389	(4,184)
Short term borrowing - net	(36,251)	(73,973)
Long term advances - net	3,705	855
<b>Net Cash used in Financing Activities</b>	<b>(1,575)</b>	<b>(78,065)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(221,077)</b>	<b>434,497</b>
Cash and cash equivalents at the beginning of the period	3,696,726	4,647,055
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>3,475,649</b>	<b>5,081,552</b>

The annexed notes 1 to 25 form an integral part of these condensed interim un-consolidated financial statements (un-audited).



DIRECTOR



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

For The Quarter Ended September 30, 2025 | 15

**CONDENSED INTERIM UN-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
For The Quarter Ended September 30, 2025

Particulars	Share Capital	Reserves				Total Reserves	Share Deposit Money	Total Equity
		Capital Reserve			Revenue Reserve			
		Share Premium	Employee share option compensation reserve	Treasury Share Reserve	Unappropriated Profit			
Rupees in Thousands								
<b>Balance as at June 30, 2024</b>	898,369	304,167	264,787	(184,739)	9,280,082	9,664,297	13	10,562,679
Net profit for the period	-	-	-	-	196,842	196,842	-	196,842
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	196,842	196,842	-	196,842
<b>Transactions with owners of the equity</b>								
Employee share option reserve	-	-	2,235	-	-	2,235	-	2,235
<b>Balance as at September 30, 2024</b>	898,369	304,167	267,022	(184,739)	9,476,924	9,863,374	13	10,761,756
<b>Balance as at June 30, 2025</b>	898,369	304,167	269,136	(604,727)	10,047,498	<b>10,016,074</b>	3,868	<b>10,918,311</b>
Net profit for the period	-	-	-	-	49,753	<b>49,753</b>	-	<b>49,753</b>
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	49,753	<b>49,753</b>	-	<b>49,753</b>
<b>Transactions with owners of the equity</b>								
Re-issue of treasury shares against stock options to employees	-	81	(4,127)	25,721	-	<b>21,675</b>	(3,499)	<b>18,176</b>
<b>Balance as at September 30, 2025</b>	<b>898,369</b>	<b>304,248</b>	<b>265,009</b>	<b>(579,006)</b>	<b>10,097,251</b>	<b>10,087,502</b>	<b>369</b>	<b>10,986,240</b>

The annexed notes 1 to 25 form an integral part of these condensed interim un-consolidated financial statements (un-audited).


**DIRECTOR**

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UN-CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For The Quarter Ended September 30, 2025

### 1. LEGAL STATUS AND NATURE OF BUSINESS

NetSol Technologies Limited ("the Company"), incorporated in Pakistan on August 22, 1996 under the repealed Companies Ordinance, 1984, (now The Companies Act, 2017) as a Private Company limited by shares, was later on converted into Public Limited Company and subsequently listed on Pakistan Stock Exchange on August 26, 2005. The Company is domiciled in Pakistan and is principally engaged in the development and sale of computer software and allied services in Pakistan as well as abroad.

Geographical locations and addresses of its business units are as follows:

Address/Location	Purpose
1 NetSol IT Village, (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. Pakistan.	Registered office and business unit
2 43/1/Q, Amna Villa I, Block-6, PECHS Karachi Pakistan.	Branch office
3 House No. 4, Safari villas I, Bahria Town, Rawalpindi. Pakistan.	Branch office

NetSol IT Village, (Software Technology Park) also includes House No. 4, House No. 5, House No. 6, House No. E - 20, Cricketers Colony, NetSol IT Village (Software Technology Park), Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt.

The Company is also using the branch office of its parent company, situated at Sentral Senayan 2 Building, 16th Floor, Asia Afrika Street No. 8, Senayan, Kebayoran Baru, South Jakarta, DKI Jakarta, 10270, Indonesia.

The Company is a majority owned subsidiary of NetSol Technologies Inc. USA.

### 2. Basis of Preparation

#### 2.1 Separate financial statements

These financial statements are condensed, interim, un-consolidated financial statements (un-audited) of the Company. Condensed consolidated interim financial statements of the Company are prepared separately.

#### 2.2 Statement of compliance

These condensed, interim, un-consolidated financial statements (un-audited) are being submitted to the shareholders as required by section 237 of the Companies Act, 2017 (the "Act") and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed, interim, un-consolidated financial statements are un-audited and do not include all the disclosures and information required in the annual financial statements and should be read in conjunction with the preceding annual published financial statements of the company for the year ended June 30, 2025.

#### 2.3 Basis of measurement

These condensed, interim, un-consolidated financial statements (un-audited) have been prepared under the historical cost convention using accrual basis of accounting, except for revaluation of certain financial instruments at fair value as disclosed in respective accounting policies or notes.

#### 2.4 Functional and presentation currency

These condensed, interim, un-consolidated financial statements (un-audited) are presented in Pakistani Rupee, which is the Company's functional currency as well its presentation currency.

### 3. Material Accounting Policy Information

The accounting policies adopted for the preparation of these condensed, interim, un-consolidated financial statements (un-audited) are consistent with those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2025.

#### 3.1. Standards, interpretations and amendments to approved accounting standards that are effective in the current year:

Certain standards, amendments and interpretations to approved accounting standards are also effective for accounting periods beginning on or after July 01, 2025, but are neither relevant nor 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 this condensed, interim, un-consolidated financial statements (un-audited).

#### 3.2. Standards, interpretation and amendments to approved accounting standards that are not yet effective:

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2025 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not detailed in these condensed, interim, un-consolidated financial statements.

### 4. Use of Estimates and Judgements

The preparation of condensed, interim, un-consolidated financial statements (un-audited) in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In preparing these condensed, interim, un-consolidated financial statements (un-audited), the judgments, estimates and assumptions made by the management were the same as those that were applied to the preceding annual published financial statements of the Company for the year ended June 30, 2025.

### 5. Property and Equipment

		Sep 30 2025	Jun 30 2025
	NOTE	(Un-audited)	(Audited)
<b>Rupees in Thousands</b>			
Operating fixed assets	5.1	1,209,655	1,171,534
Advance against capital expenditure		57,422	53,532
		1,267,077	1,225,066
<b>5.1. Operating fixed assets</b>			
Opening written down value		1,171,534	1,208,998
Additions during the period / year	5.1.1	106,912	279,045
Disposals during the period / year	5.1.2	(20)	(3,265)
		1,278,426	1,484,778
Depreciation charge for the period / year		(68,771)	(313,244)
		1,209,655	1,171,534

	NOTE	Sep 30 2025 (Un-audited)	Jun 30 2025 (Audited)
<b>Rupees in Thousands</b>			
<b>5.1.1 Following is the detail of additions / transfers during the period:</b>			
<b>At cost</b>			
Furniture and fixtures		6,259	3,921
Vehicles		68,827	24,794
Office equipment		1,291	15,514
Computer equipment and installations		30,275	125,849
Air conditioners		260	3,848
Computer softwares		-	105,119
		<b>106,912</b>	<b>279,045</b>

**5.1.2 Following is the detail of disposals during the period**

	September 30 (Un-audited)			June-30 (Audited)		
	Cost	Acc. Dep.	Written Down Value	Cost	Acc. Dep.	Written Down Value
<b>Rupees in Thousands</b>						
Furniture and Fixtures	288	268	20	594	582	12
Vehicles	1,700	1,700	-	11,151	7,898	3,253
Computer equipment and installations	23,044	23,044	-	7,127	7,127	-
Computer softwares	-	-	-	49,571	49,571	-
	<b>25,032</b>	<b>25,012</b>	<b>20</b>	<b>68,443</b>	<b>65,178</b>	<b>3,265</b>

**6. Intangible Assets**

NetSol Financial Suite and NFS - Ascent have been fully amortized; however, the Company is still generating revenues from the sale of its licenses, provision of allied services and maintenance.

**7. Trade Debts**

	NOTE	Sep 30 2025 (Un-audited)	Jun 30 2025 (Audited)
<b>Rupees in Thousands</b>			
<b>Related Parties</b>	7.1		
Considered good - unsecured		5,812,695	5,007,875
Considered doubtful - unsecured		212,758	225,827
		<b>6,025,453</b>	<b>5,233,702</b>
<b>Other Parties</b>			
Considered good - unsecured		595,044	732,133
Considered doubtful - unsecured		101,060	102,054
		<b>696,104</b>	<b>834,187</b>
Less: Provision for expected credit losses		<b>(313,818)</b>	<b>(327,881)</b>
		<b>6,407,739</b>	<b>5,740,008</b>

**7.1 Amount receivable from related parties included in trade debts (from exports) are as under:**

NetSol Technologies (Thailand) Limited	12,860	-
NetSol Technologies (Beijing) Co., Ltd.	3,163,072	3,013,655
NetSol Technologies Australia Pty Limited	446,647	425,819
NetSol Technologies Americas Inc.	676,531	796,046
NetSol Technologies Europe Limited	16,779	5,284
Ascent Europe Limited	967,242	992,898
NetSol Ascent Middle East Computer Equipment Trading L.L.C.	742,322	-
	<b>6,025,453</b>	<b>5,233,702</b>

8. Deposits and short term prepayments		NOTE	Sep 30 2025 (Un-audited)	Jun 30 2025 (Audited)
Rupees in Thousands				
<b>Considered good – unsecured</b>				
Security deposits			6,715	6,688
Prepayments			207,639	219,369
			<b>214,354</b>	<b>226,057</b>
<b>9. Other Receivables</b>				
Guarantee margin			15,337	15,337
Other receivables – considered good			101,677	111,748
			<b>117,014</b>	<b>127,085</b>
<b>10. Due from Related Party</b>				
<b>Considered good – unsecured</b>				
<b>Parent</b>				
NetSol Technologies Inc.	10.1		1,544	-
<b>Associates</b>				
NetSol Technologies Americas Inc.	10.1		30,513	54,595
NetSol Connect (Private) Limited			15,918	17,455
NetSol Technologies (Beijing) Co, Ltd.			115,053	115,741
<b>Wholly owned Subsidiary</b>				
NetSol Innovation (Private) Limited	10.2		200,178	174,178
NetSol Ascent Middle East Computer Equipment Trading LLC.			16,275	-
NetSol Institute of Artificial Intelligence (Pvt.) Limited			-	716
			<b>379,481</b>	<b>362,685</b>
<b>10.1</b> These relate to the normal course of business of the Company and are interest free.				
<b>10.2</b> These relate to the normal course of business of the Company and interest @ 6 months KIBOR is charged on the outstanding balance at the end of each month.				
<b>11. Short Term Investments</b>				
Askari Bank Limited	11.1		200,000	200,000
<b>11.1</b> These carry markup ranging to 7% per annum (June 30, 2025 : 7% to 12%) and have maturity of one month from the date of initial recognition with auto rollover. The lien is marked in favour of Lahore High Court on the term deposit receipt.				
<b>12. Issued, Subscribed and Paid up Capital</b>				
	Sep 30 2025 (Un-audited)	Jun 30 2025 (Audited)	Sep 30 2025 (Un-audited)	Jun 30 2025 (Audited)
	Number of shares in Thousands		Rupees in Thousands	
	42,686	42,686	426,862	426,862
	47,151	47,151	471,507	471,507
	<b>89,837</b>	<b>89,837</b>	<b>898,369</b>	<b>898,369</b>
<b>12.1 Number of shares outstanding as at the reporting date:</b>				
Opening balance			85,147	89,837
Treasury shares of Rs. 10 each purchased at market value			-	(4,690)
Closing balance			<b>85,147</b>	<b>85,147</b>

- 12.2** NetSol Technologies Inc. 16000 Ventura Boulevard STE 770 ENCINO CA 91436, USA is the parent company, holding 69.76% (June 30, 2025: 69.76%) of issued capital of the Company. The percentage has been calculated after taking into account the impact of treasury shares.
- 12.3** The share capital includes 4,411,796 ordinary shares (June 25: 4,690,251) held as treasury shares by the Company. These treasury shares are held in CDC blocked account in frozen form. These are not entitled to any voting right, cash dividend or any other distribution made by the Company. No sale or disposal of treasury shares has been made during the financial year.
- 12.4** During the period, 278,455 shares are issued against the share options exercised by the eligible employees.

	NOTE	Sep 30 2025 (Un-audited)	Jun 30 2025 (Audited)
Rupees in Thousands			
<b>13. LONG TERM FINANCES - SECURED</b>			
Loan obligation	13.1	57,587	21,771
Less: Current portion of long term financing		(19,465)	(8,428)
		<b>38,122</b>	<b>13,343</b>

- 13.1** This represents finance facilities obtained from time to time, from First Habib Modaraba, for purchase of various vehicles. The facility is repayable in 36 equal monthly installments. This facility carries mark up rates ranging between 12.00% to 12.40% (June 30, 2025: 12.27% to 21.49%) per annum. These facilities are secured through lien marking in favour of financial institutions.

#### 14. Short Term Borrowings

Askari Bank Limited - ERF - II		500,000	500,000
Samba Bank Limited - ERF - II		380,000	380,000
Habib Metropolitan Bank Limited - Istisna / Al Bai - Islamic Banking		1,300,000	1,300,000
		<b>2,180,000</b>	<b>2,180,000</b>

- 14.1** All the terms and conditions are the same as those already disclosed in the annual financial statements for the year ended June 30, 2025.

#### 15. Contingencies and Commitments

##### 15.1 Contingencies

- 15.1.1** Mr. Ahsan Zubair, a former employee of the Company, had filed a case in January 26, 2013 for the recovery of damages for malicious prosecution before the Honourable Civil Court in Lahore in which he had sought damages amounting to Rs. 500 million. The case was filed five years after a complaint was lodged by the Company with the Federal Investigation Agency regarding the unauthorised use of its intellectual property by a company formed by Mr. Ahsan Zubair and his partner, who was also a former employee of the Company.

The learned Civil Court passed an order partially allowing damages to the tune of Rs. 200 million. The Company, being aggrieved by the decision, filed an appeal with the Honourable Lahore High Court. The Honourable Court on October 3, 2024, suspended the decree and judgment passed against the Company upon submission of a surety equal to the decretal amount, which was duly provided by the Company in the form of a bank guarantee. The case is still pending adjudication in the Lahore High Court.

In light of the facts and circumstances of the case, particularly the fact that the case was time barred which was ignored by the Honourable Civil Court and based on the opinion of the legal consultant, the case is expected to be decided in favor of the Company. Therefore, no provision has been incorporated in these financial statements.

**15.1.2** On January 10, 2025, the Company filed a writ petition in the Islamabad High Court to challenge the viries of section 4C of the Income tax Ordinance 2001. The petition was allowed and stay granted by the Court. The Department consequently filed Intra Court Appeal (ICA) before the Division Bench of Islamabad High Court which was subsequently transferred to the Supreme Court of Pakistan by the order of the Constitutional Bench of the Supreme Court, where the ICA is pending decision.

In light of the facts and circumstances of the case and according to the tax advisor of the Company, the outcome of the case is expected to be in favor of the Company. Therefore, no provision has been incorporated in these financial statements.

## 15.2 Commitments

- (i) Bank guarantees have been issued amounting to Rs. 264.44 million (June 30, 2025: Rs. 264.44 million) against performance of various contracts, to Honourable Lahore High Court, to LESCO and to Standard Chartered Bank Pakistan (Limited) against its corporate credit cards.
- (ii) The Company has a capital commitment of Rs. 69.32 million as at September 30, 2025 (June 30, 2025: Rs. 73.90 million).

**Quarter Ended September 30,**  
**2025**                      **2024**  
**(Un-audited)**  
**Rupees in Thousands**

<b>16. Revenue from Contracts with Customers – Net</b>		
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
<b><u>Export Revenue</u></b>		
- Services	815,989	642,300
- Subscription and Support	1,417,920	1,241,248
	<b>2,233,909</b>	<b>1,883,548</b>
<b><u>Local Revenue</u></b>		
- Services	11,974	7,103
- Subscription and Support	-	9,393
- Less: Sales tax	(1,652)	(1,164)
	<b>10,322</b>	<b>15,332</b>
	<b>2,244,231</b>	<b>1,898,880</b>
<b>16.1 Timing of revenue recognition:</b>		
At point in time	-	-
Over the time	2,244,231	1,898,880
	<b>2,244,231</b>	<b>1,898,880</b>
<b>17. Other Income</b>		
<b><i>Income from financial assets</i></b>		
Profit on bank deposits	12,234	60,283
Profit on short term investments	58,267	148,099
Interest income from related party	5,482	898
	<b>75,983</b>	<b>209,280</b>
<b><i>Income from non-financial assets</i></b>		
Gain on foreign currency translation	-	170,981
Gain on disposal of property and equipment	4,804	-
Rental income	525	525
Effect of discounting of long term contract assets	1,711	-
	<b>7,040</b>	<b>171,506</b>
	<b>83,023</b>	<b>380,786</b>

## 18 Final Taxes / Levies

- 18.1** This represents portion of final tax paid under section 169 of the Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21/IAS 37.
- 18.2** For exporters of IT and IT enabled services, export income is taxable under FTR at 0.25% of the export remittances realized through normal banking channels. However, tax as per applicable rates is charged to the income of the Company generated from sources other than export income.

## 19. Earnings Per Share – Basic and Diluted

	Quarter Ended September 30,	
	2025	2024
(Un-audited)		
Rupees in Thousands		
Profit attributable to ordinary shareholders	49,753	196,842
<b>Weighted average number of ordinary shares (Basic)</b>		
Issued ordinary shares at beginning of the period	89,837	89,837
Less: weighted average number of treasury shares held by the Company	(4,442)	(2,000)
Weighted average number of ordinary shares as at Sep 30,	85,395	87,837
Earnings per share – basic	0.58	2.24
<b>Weighted average number of ordinary shares (Diluted)</b>		
Weighted average number of ordinary shares (Basic)	85,395	87,837
Effect of share options	1,301	1,227
Weighted average number of ordinary shares (diluted)	86,696	89,064
Earnings per share – diluted	0.57	2.21

## 20. Transactions with Related Parties

Related parties comprise the parent company, subsidiary companies, associated companies, staff retirement funds, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. The Company enters into transactions with related parties on the basis of mutually agreed terms. Outstanding balances at the reporting date are unsecured. There have been no guarantees provided or received for any related party receivables or payables and vice versa.

Details of significant transactions with related parties other than those disclosed elsewhere in these condensed, interim, un-consolidated financial statements (un-audited) are as follows:

		Quarter Ended September 30,	
		2025	2024
(Un-audited)			
Rupees in Thousands			
Subsidiary	Admin and IT services	600	600
	Rental income	300	300
	Mark-up income	5,482	898
Associated undertaking	Rental charges	225	225
	Provision of services	1,011,719	645,823
	Purchase of services	12,816	11,382
Key management personnel	Salaries and benefits	102,063	84,155
	Retirement benefits	4,015	3,491
	Commission paid	2,823	2,790
Post employment benefit	Contribution to defined contribution plan	57,403	46,330

**21. Capital Management**

The primary objective of the Company's management is to ensure that it maintains a strong credit rating and healthy capital ratios while continue as going concern in order to support its business and maximize shareholders value.

There has been no change in the capital management policies during the period, consequently this condensed, interim, un-consolidated financial statements (un-audited) does not include all the information and disclosures as required in the annual financial statements.

**22. Financial Risk Management and Financial Instruments****(i) Financial Risk Factors**

The Company's activities expose it to a variety of financial risks namely market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. There has been no change in the risk management policies during the period, consequently this condensed unconsolidated interim financial statements (un-audited) do not include all financial risk management information and disclosures required in the annual financial statements.

**(ii) Fair Value of Financial Assets and Liabilities**

The carrying values of all financial assets and liabilities reflected in this condensed, interim, un-consolidated financial statements (un-audited) approximate to their fair values.

**23. Corresponding Figures**

Corresponding figures have been re-classified, re-arranged, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant re-arrangements / reclassifications have been made in these financial statements.

**24. Date of Authorization for Issue**

These condensed, interim, un-consolidated financial statements (un-audited) for the quarter ended September 30, 2025 were approved and authorised for issuance by the Board of Directors on 30th October 2025.

**25. Figures**

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

**DIRECTOR****CHIEF EXECUTIVE OFFICER****CHIEF FINANCIAL OFFICER**