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ANNUAL REPORT 2024

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LETTER FROM THE FOUNDER & CEO

DEAR SHAREHOLDERS, PARTNERS, CUSTOMERS & TEAM

Message from the CEO & Founder
Avanceon Limited – Annual Report 2024

Dear Shareholders, Partners,Customers, &Team,

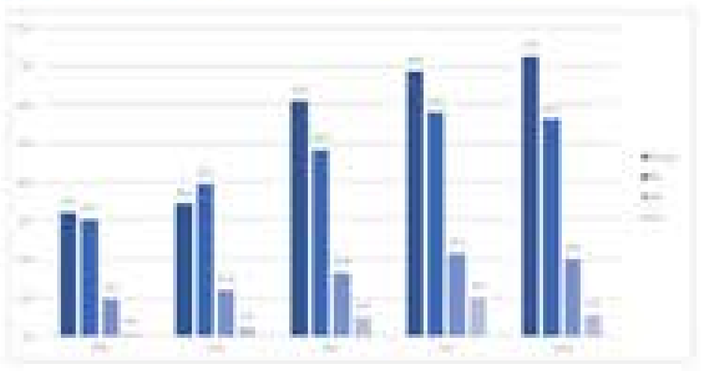
Welcome to Avanceon Limited's 2024 Annual Report. As we reflect on another remarkable year, I am pleased to share the achievements and progress we have made as a company. Our unwavering commitment to excellence, innovation, and sustainability has enabled us to continue our successful journey and drive growth across all regions.

Key Financial Highlights of 2024

- Achieved the highest-ever order generation of $72.9 million – $3.4 million higher than in 2023.
- Achieved the highest-ever contribution margin of $19.9 million – $2.2 million higher than in 2023.
- Qatar and the Process Business exceeded their PO generation targets by 13% and 30%, respectively.
- We begin 2025 with an opening order backlog of $77 million.

These achievements reflect our resilience, strategic foresight, and the hard work of our dedicated teams.

Group Historical Performance (2020–2024) in USD (millions)



Payouts for the Year 2024

The Board unanimously decided not to declare any payouts (dividends or bonus shares) for the year 2024. This decision reflects our focus on preserving capital to fund the continued growth and expansion of the business.
In a dynamic and highly competitive market, reinvesting profits into high-return growth opportunities is the most viable path to enhancing long-term shareholder value.
I assure you of the Board's continued commitment to shareholder interests. We will monitor the financial landscape closely.

The coming years offer significant opportunities for business expansion and shareholder wealth maximization. We will keep you updated on the company's performance and any future decisions regarding payouts—whether in the form of bonus shares or dividend distributions.

Pakistan Region Highlights

Avanceon maintained a strong market position in Pakistan, delivering significant projects across key industries. Despite economic challenges, we leveraged our expertise in automation, digitalization, and smart infrastructure solutions to drive growth.
Our core automation business showed tremendous improvement, further supported by the positive results from our Building Management System (BMS) initiative launched three years ago. Our ability to deliver high-value solutions across the manufacturing, energy, and infrastructure sectors has positioned us well for sustained success.

MENA Regional Highlights

The GCC region continues to be a key growth driver for Avanceon. In Qatar, we exceeded our targets by 13%, reflecting our strong presence in infrastructure and industrial automation.
Our projects in Saudi Arabia and the UAE continue to expand, especially in areas such as energy efficiency, water management, and smart city solutions. Strategic investments in digital transformation and AI-driven automation have strengthened our market position and laid the foundation for further growth in 2025.

Focus on Saudi Arabia in 2025

Saudi Arabia's non-oil economy is projected to grow by 4.4% in 2025, driven by consumption, investment, and infrastructure expansion. Key sectors such as retail, transport, construction, and finance are showing strong momentum, creating new opportunities for Avanceon.
We have strengthened our presence in the Kingdom with the establishment of a new testing and commissioning facility in Dammam. This investment enhances our service capabilities and reflects our commitment to localization and workforce development.
Our Saudi recruitment drive continues to reinforce our engagement with local talent, ensuring we build a skilled and sustainable workforce within the Kingdom.
As Saudi Arabia continues its economic diversification and industrial transformation, Avanceon remains focused on delivering smart infrastructure, automation, and energy efficiency solutions that drive operational excellence and long-term growth.

New Project Execution Model

Avanceon has adopted a versatile Project Management methodology that integrates traditional Waterfall, Hybrid, and fully Agile frameworks to meet the unique needs of each project.
This dynamic approach enables us to deliver highly customized solutions, ensuring every phase of the project lifecycle is executed with precision and efficiency.
By leveraging this flexible execution model, we enhance collaboration, adaptability, and delivery speed—ultimately driving superior outcomes for our clients across diverse industries

Looking to the Future

As we look ahead, Avanceon remains focused on sustainable growth, financial strength, and technological innovation. With strong foundations, an agile strategy, and a talented team, we are confident in our ability to seize opportunities and navigate future challenges.
Our "Road to $100 million" growth plan remains fully intact, driven by zeal and commitment. We believe this will pave the way to surpass our ambitious targets by 2027.
I would like to express my sincere gratitude to our colleagues, customers, partners, and shareholders for your continued trust and support. Together, we are shaping the future of automation, digitalization, and smart solutions.

Till we meet again.

Yours Sincerely,

Bakhtiar H. Wain
CEO & Founder
Avanceon Limited

COMPANY INFORMATION

Board of Directors

Khalid Hamid Wain
Director / Chairman

Bakhtiar Hameed Wain
Director / Chief Executive Officer

Amir Wain
Director

Tanveer Karamat
Director

Mohammad Shahid Mir
Director (Resigned Director Casual Vacancy Jan 27, 2025)

Selina Saadia Rashid Khan
Director (Appointed Feb 04, 2025)

Omer Iqbal Khan
Director

Faaria Rehman Salahuddin
Director

Ahsan Khalil (ACA-FPFA)
Chief Financial Officer/
Company Secretary

Board Audit Committee

Faaria Rehman Salahuddin
Chairman

Amir Wain
Member

Khalid Hamid Wain
Member

Human Resource & Remuneration Committee

Faaria Rehman Salahuddin
Chairman

Khalid Hamid Wain
Member

Mohammad Shahid Mir
Member

Auditors

Crowe Hussain Chaudhury
& Co Chartered Accountants

7th Floor, Gulmohar Trade Center,
8 F, Main Market, Gulberg II,
Lahore 54600, Pakistan
+92-42-35759223-5

Legal Advisor
Chima & Ibrahim
Advocates & Corporate Counsel,
A,1,245 Tufail Road, Falcon complex
Lahore.
+92-42-36681265

Registered Office

The Avanceon Building 19KM
Main Multan Road Lahore, 54660
Punjab Pakistan.
+92 (42) 111 940 940

Share Registrar

FAMCO Share Registration
Services (Pvt.) Ltd.
8-F, Near Hotel Faran,
Nursery, Block-6, P.E.C.H.S,
Shahra-e-Faisal, Karachi.
Phone: +92 (21) 34380101-5
& +92 (21) 34384621 – 23
www.famcosrs.com

Web Presence:

www.avanceon.ae
www.avanceon.qa
www.octopusdtl.com

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+92 42 111 940 940

Karachi, Pakistan
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+971 50 454 7236

Islamabad, Pakistan
Avanceon Office, The Hive, 6th Floor, Islamabad Stock Exchange Tower, Block JF 7/1 Blue Area, Islamabad Pakistan.

Dubai, UAE
Office/ Plot No. MO-0240, Street N403, Jebel Ali Free Zone (North), JAFZA, PO Box: 18590, Dubai, United Arab Emirates.
+971 4 886 0277

Doha, Qatar
Office No: RA16, Ras Bufontas Qatar Free Zone, Doha, Qatar- PO Box 15976
+974 41417300

Kingdom of Saudi Arabia
3141 Anas Ibn Malik-Al Malqa Dist, Unit: 718 Riyadh 13521-8292

Bankers

Faysal Bank Limited, Pakistan
Habib Bank Limited, Pakistan & United Arab Emirates
National Bank of Fujairah, United Arab Emirates
Habib Bank AG, Zurich, United Arab Emirates
National Penn Bank, United States of America
Bank of Singapore, United Arab Emirates

MCB Bank Limited, Pakistan
United Bank Limited, Pakistan, Qatar & United Arab Emirates
National Bank of Pakistan Limited, Pakistan
Standard Chartered Bank Limited, Pakistan
JS Bank Limited, Pakistan
Qatar International Islamic Bank QIIB, Qatar
Qatar Islamic Bank QIB, Qatar

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BOARD OF
DIRECTORS' PROFILE

BOARD OF DIRECTORS STRUCTURE & CORPORATE GOVERNANCE

Composition of Board & Directors' Independence

Implementing good governance, the Chairman of the Board is a non-executive director. The board comprises of 7 directors out of which 3 are independent / non-executive directors and include 3 non-executive directors. The roles of Chairman and the CEO has been clearly defined and segregated. The CEO is responsible for operations of the company whereas the board performs under the Chairman

Board Audit Committee | Human Resource | Chairman | Director | CEO | CFO | Company Secretary

Directors' Profile

BAKHTIAR H. WAIN, Founder and Chief Executive Officer– brings over 30 years of exemplary leadership. An engineer with experience in leading global companies such as Exxon Chemicals, Fauji Fertilizer and ICI Ltd, he founded Avanceon in 1984 and currently holds the position of Chief Executive Officer. His entrepreneurial drive found its roots in his faith towards the educated and technically qualified human resource of Pakistan. Mr. Bakhtiar Hameed Wain Bachelor of Engineering in Mechanical engineering from University of Engineering and Technology, Lahore, in 1983. From the onset, he wanted to build a company that could capitalize and promote this conviction globally, which he has implemented successfully ever since. Appointed CEO by the Board of Directors, he has spearheaded Avanceon towards market leadership in Pakistan and beyond. Mr. Bakhtiar Hameed Wain also serves in the capacity of Chairman of the Board of Directors of Octopus Digital Limited, Non-Executive Directors of Empiric AI (Private) Limited and also serve as a trustee of Avanceon Limited Employees Provident Fund.

Mr. Bakhtiar Hameed Wain is serving as non-executive director in below company(ies)

1. Octopus Digital Limited
2. Empiric AI (Pvt) Limited
3. Innovative (Pvt) Limited
4. I2C Pakistan (Pvt) Limited

Director | CEO

KHALID H. WAIN
Director/ Chairman

Khalid Hameed Wain brings over 40 years of international expertise in electrical engineering, cost engineering, project management and business strategy to the Avanceon Board of Directors. Mr. Khalid Hamid Wain is the founder of H&G Control, which he owns and operates in Canada. H&G Control designs and manufactures customized electrical control panels. He is also the co-founding partner and director of Innovative Pvt. Ltd in Pakistan. Mr. Khalid Hamid Wain graduated in electrical engineering from University of Engineering, Lahore, in 1976. His entrepreneurial acumen led him to drive business in South Asia, the Middle East, the United States and now in Canada. Khalid Wain was selected as Chairman of the Board for his international business knowledge and extensive experience of companies in the technological sector.

AMIR WAIN
Director

Amir Wain brings over 27 years of international expertise within the information technology and payments industries. Amir is founder and CEO of i2c, a global provider of payment processing and emerging commerce solutions, where he is responsible for defining the company's vision and strategic direction. After graduating from the University of Texas with a Computer Science and Engineering degree, Amir founded Innovative Private Limited in 1987. Propelled by the success of Innovative, he founded i2c in 2001 to bring next-generation processing solutions to the payments industry. Under Amir's guidance, i2c has expanded dramatically and launched a number of industry firsts which include card-linked offers, event-driven account holder communications and gift card voice personalization. Today, as market opportunities for payments & emerging commerce expand at a dramatic rate, Amir is leading i2c's continued push to innovate the enabling infrastructure and solutions that transform commerce. He was appointed to the Avanceon Board of Directors to advise on innovation and business strategy.

TANVEER KARAMAT
Director

Tanveer Karamat brings a wealth of international business experience to Avanceon, with 20 out of 30 professional years spent selling automation solutions to the oil and gas sector. After receiving a Bachelor's degree in Chemical Engineering from the University of Pakistan he embarked on his career as an Application Engineer at Zelin Pvt Ltd in 1986. Developing his sales, management and business skills at key industry companies such as Wartsila NSD as well as Honeywell where he held the position of Country Head, Tanveer joined Avanceon in 2003 as Regional Manager. He transformed the South Region revenues in less than three years with wise strategic counsel, capitalizing on a dormant customer base and an internal reshuffle. He was promoted to GM Operations in 2006 before becoming COO in 2011. Over the past decade, Tanveer's leadership has been a major contribution towards building value for the company. He was nominated as a member of the Board of Directors to help make informed decisions. In year 2023, Mr. Tanveer Karamat was appointed as Chief Executive Officer of Octopus Digital Limited and Empiric AI (Private) Limited. He now serves as non-executive director on the Avanceon Limited Board and also serve as a trustee of Avanceon Limited Employees Provident Fund.

MOHAMMAD SHAHID MIR
Director

Mohammad Shahid Mir (Resigned Director Casual Vacancy Jan 27, 2025)Independent Director – A senior management professional with 32 years of experience in Corporate and Commercial banking, Risk Management, Credit Administration and Trade Finance. Over the last sixteen years, Mr. Mohammad Shahid Mir has held senior positions in Wholesale Banking and Risk Management. On the business side he has a proven track record of growing business and exceeding budgets whilst ensuring portfolio health remained within accepted parameters. Mr. Mir has strong knowledge of Economy & Banking in Pakistan and the GCC region. Mr. Mohammad Shahid Mir graduated with a BA (Hons) in Economics from the University of Sussex, Brighton, England, in 1985. He furthered his credentials by becoming a Certified Credit Risk Professional from American Express Bank in 1996.

OMER IQBAL KHAN
Independent Director

Omer Iqbal Khan brings over 20 years of consulting and financial industry expertise, with a focus on corporate finance and business strategy. He has established networks and contacts in both corporate and financial institutions in the Middle East and North Africa region. As a business entrepreneur,he set-up AnZ Management Consulting based in Dubai, establishing and growing relationships with both corporate and financial institution clients in the Middle East and Pakistan. Omer's expertise focuses on support for M&A (buy-side and sell-side) due diligence and executions, structuring and executing corporate loans, carryingout enterprise valuations, and building and adapting corporate business strategy. He has previously been a part of the Citi Group where he served as Head of Trade Finance and Risk Distribution. Omer has a bachelor's degree from the London School of Economics and a master's in development economics from Oxford University. Omer will bring financial perspective into Avanceon's management accounting and reporting and advise on new angles and touch areas.

FAARIA REHMAN SALAHUDDIN
Independent Director

Faaria Rehman Salahuddin A professional career spanning over 26 years; banking - with leading financial institutions like ANZ Grind lays, SCB, HBL, Bland Bank Alfalah Ltd | entrepreneurship - the owner of a heritage restoration boutique hotel | education - leading Placements for SDSBLUMS | advisory & consultancy - board member across various sectors such as banking, textiles, healthcare, arts, real estate tech and management. Core expertise lie in delivering organizational turnarounds through synergies by strategic re-alignment of business lines.

SELINA SAADIA RASHID KHAN
Director

Selina Saadia Rashid Khan (APPOINTED FEB 04, 2025) With a distinguished career spanning over 17 years, Selina Rashid Khan brings a wealth of expertise in strategic communications, public relations, media strategy, and stakeholder engagement. As the Founder & Chief Executive of Lotus Client Management & Public Relations, she has been at the forefront of strategic brand positioning, crisis management, and digital advocacy in South Asia. Selina Rashid Khan also holds significant leadership roles beyond her work at Lotus. She is a member of the Forbes Business Council and has received multiple accolades, including Global Top Woman in PR, Media Entrepreneur of the Year, Women Excellence Award, and recognition among the Top 100 CEOs of Pakistan. She also serves as President of PREDA Pakistan, a pioneering association supporting professionals in PR, digital media, activations, and event management. Additionally, she is a Board Member at International Industries Limited and Zaman Foundation, where she contributes to strategic governance helping companies achieve sustainable growth and transformation.

INDEPENDENT DIRECTORS & THEIR INDEPENDENCE The Board comprises three (03) Independent Directors who meet the independence criteria as defined in the Companies Act, 2017, and all independent directors are duly registered in Pakistan Institute of Corporate Governance (PICG).

CHIEF FINANCIAL OFFICER

AHSAN KHALIL
Cheif Financial Officer

Ahsan Khalil is a seasoned C-level executive with a distinguished career spanning over 19 years in financial leadership roles. As a qualified Chartered Accountant, he possesses a wealth of expertise in financial operations, enterprise resource planning (ERP), and internal control systems.With a robust foundation in financial management, Ahsan is adept at leveraging his strong business acumen to evaluate financial data and identify opportunities for enhancing profitability. His proven track record underscores his proficiency in streamlining processes, optimizing costs, and implementing rigorous financial controls to drive organizational success.Ahsan Khalil is currently serving as the Company Secretary of Octopus Digital Limited, Empiric AI (Pvt) Limited, and Avanceon Limited. He also fulfils the crucial role of trustee for the Avanceon Limited Employees Provident Fund. His multifaceted responsibilities exemplify his commitment to governance and strategic oversight across diverse business entities.

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CHAIRMAN'S REVIEW REPORT FOR THE FINANCIAL YEAR ENDED **DECEMBER 31, 2024**

AVANCEON LIMITED

Dear Shareholder,
It is with great pleasure that I present to you the Chairman's Review Report on the performance of Avanceon Limited's Board for the financial year ended December 31, 2024. This year has brought both challenges and significant opportunities, and I am proud to report that Avanceon has navigated them with resilience, agility, and a steadfast commitment to excellence.

Appointment of Independent Director

The Board has appointed Ms. Faaria Rehman Salahuddin as an Independent Director, effective November 28, 2024. With a distinguished career spanning more than 28 years, Ms. Salahuddin brings a wealth of experience in corporate and retail banking, entrepreneurship, and strategic advisory. She has held senior roles in leading financial institutions and currently serves on the boards of various organizations across diverse sectors, including banking, telecom, energy, textiles, healthcare, arts, real estate, and technology.
Ms. Salahuddin is renowned for her ability to drive organizational turnarounds and business realignments, facilitating sustainable growth and transformation. We warmly welcome Ms. Salahuddin to the Avanceon Board and wish her all the best in her role.

Employee Share Option Scheme (ESOS)

Il am pleased to announce that the company has issued its 4th Tranche and 1st Tranche shares to eligible employees who exercised their options under the Employee Share Option Scheme (ESOS).
This represents the company's fulfillment of its commitment to employees who contribute to its success and serves as an effective retention tool. These allotments were carried out in compliance with the ESOS guidelines, as approved by the Securities and Exchange Commission of Pakistan (SECP) under Sections 83 and 83A of the Companies Act, 2017.

Appointment of New Auditor

In accordance with Section 246(6) of the Companies Act, 2017, the Board filled a casual vacancy by appointing M/s CROWE Hussain Chaudhury & Co. as the external auditor for the financial year ending December 31, 2024, effective from November 4, 2024. This appointment followed the recommendation of the Board's Audit Committee and replaces BDO Ebrahim & Co. for the remainder of the term until the next Annual General Meeting.
The change was necessitated by internal policy matters at BDO, which led to their resignation from the engagement with Avanceon.

Avanceon's Performance in 2024

I am pleased to report the following financial highlights for the year:
- Profit After Tax (PAT): PKR 2.061 Billion
- Net Sales: PKR 16.156 Billion
- Earnings Per Share - Basic (EPS): PKR 5.11

These results reflect the company's strong operational performance amidst a challenging economic environment and demonstrate our commitment to driving sustainable growth and value creation.

Board Composition and Meetings

The Board of Directors of Avanceon Limited comprises the following members:
- **Independent Directors:**
  - Mr. Mohammad Shahid Mir
  - Mr. Omer Iqbal Khan
  - Ms. Faaria Rehman Salahuddin
- **Non-Executive Directors:**
  - Mr. Khalid Hamid Wain
  - Mr. Amir Wain
  - Mr. Tanveer Karamat
- **Executive Director:**
  - Mr. Bakhtiar Hameed Wain

In 2024, the Board held four formal meetings—both in-person and online—during which quarterly, half-yearly, and annual financial statements were approved. Additionally, the Board conducted several online sessions for strategic and operational decisions, and business resolutions were circulated for approval as needed.

Board Effectiveness

The Board conducts an annual self-assessment to evaluate its efficacy and overall performance. Based on a thorough evaluation of performance for the fiscal year 2024, we are pleased to report that the Board's performance has been deemed commendable. Strategic action plans have been devised to address identified areas for enhancement, improvements, and bridging any performance gaps.
The strategic plan for 2025 has been duly communicated to all regional Presidents and relevant teams/stakeholders for prompt execution.

Conclusion

As we close the financial year 2024 and step into 2025, I would like to extend my deepest and most heartfelt gratitude to all our esteemed shareholders, employees, and stakeholders for your unwavering trust and support. Your continued partnership has been instrumental in our collective progress.
Together, we remain resolutely committed to enhancing Avanceon's value and steadfastly pursuing our mission of sustainable growth, innovation, and maximizing shareholder wealth.

Thank you once again for your ongoing support.

Best regards,

Khalid H. Wain

Chairman of the Board (Non-Executive)
Avanceon Limited
Lahore, Pakistan
April 2025

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NOTICE OF 22ND ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of Avanceon Limited "Company" will be held on Wednesday, 30 April 2025 at 03:00 P.M. at The Nishat Hotel, Grand Imperial Hall, 9-A, 3rd Floor, Gulberg III, Mian Mehmood Ali Kasuri Road, Lahore, to transact the following business:

A. ORDINARY BUSINESS

1. To confirm the minutes of the Annual General Meeting held on 29 April 2024.

2. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.

As required under section 223(6) of the Companies Act 2017 and S.R.O No.389(I)/2023 dated 21 March 2023, Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following Weblink:
https://www.avanceon.ae/investor-information/

3. To appoint Auditors of the Company and fix their remuneration. The Members are hereby notified that the Board Audit Committee and the Board of Directors have recommended the name of M/s Crowe Hussain Chaudhury & Co. Chartered Accountants for re-appointment as auditors of the Company for the year ending 31 December 2025.

B. ANY OTHER BUSINESS:

4. To transact any other business with the permission of the Chair.

Lahore | Dated: 08 April 2025

By Order of the Board
Ahsan Khalil | Company Secretary

WEBLINK FOR ONLINE MEETING VIA ZOOM:

Members are encouraged to attend the AGM through video conference facility managed by the Company, follow the below link:

https://us06web.zoom.us/webinar/register/WN_9Av20trrQqCgSR7q84yzqA

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address agm@avanceon.ae.

Guidance as how-to login on Zoom to attend the AGM link:

http://www.avanceon.ae/investor-relations/

Under Section 223(6) of The Companies Act, 2017, circulation of Audited Financial Statements has been allowed to be circulated in electronic format through email. The Annual Report of the Company and the Notice of Annual General Meeting shall be circulated via email to those shareholders whose email addresses are present in the records/database of the CDC and Share Registrar. The shareholders are encouraged to send/update their email addresses on the above-mentioned link or email or postal address. The Annual Report has also been uploaded at the Company's website https://www.avanceon.ae and is readily accessible to the shareholders.

NOTES:

FOR ATTENDING THE SHAREHOLDERS' MEETING

1. The share transfer books of the Company will be closed and no transfer of shares will be accepted for registration from Wednesday, 23 April 2025 to Wednesday, 30 April 2025 (both days inclusive). Transfer received in order at our Registrar, M/S FAMCO Share Registration Services (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahra-e-Faisal, Karachi by the close of business hours on Tuesday, 22 April 2025 will be treated to have been in time for the purposes to attend & vote at the meeting.

2. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are up-loaded as per the Regulations, shall authenticate his/her identity by his/her Computerized National Identity Card (CNIC) or passport at the time of online registration/attending the meeting.

3. The shareholders registered on CDC are also requested to provide their particulars ID numbers and account numbers in CDS at the time of online registration/attending the meeting.

4. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be provided at the time of online registration/attending the meeting.

- **FOR APPOINTING PROXIES:**

1. A member entitled to attend and vote at this meeting shall be entitled to appoint another person, as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking, and voting at the Meeting as are available to a member. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the company.

2. In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the duly completed and stamped proxy form accordingly.

3. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

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

5. The proxy shall provide his/her CNIC or passport at the time of online registration/attending the meeting.

6. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.

- **CONVERSION OF PHYSICAL SHARES INTO CDC ACCOUNT**

The SECP, through its letter No. CSD/ED/Misc/2016-639-640 dated 26 March 2021, has advised all listed companies to adhere to the provisions of Section 72 of the Act, which requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act. Accordingly, all Shareholders of the Company having physical folios/share certificates are requested to convert their shares from physical form into book-entry form at the earliest. Shareholders may contact a PSX Member, CDC Participant, or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. Maintaining shares in book-entry form has many advantages – safe custody of shares with the CDC, avoidance of formalities required for the issuance of duplicate shares etc. The Shareholders of the Company may contact the Share Registrar of the Company, namely FAMCO Share Registration Services (Private) Limited for the conversion of physical shares into book-entry form.

SHAREHOLDERS INFORMATION

Notice is hereby given that the 22nd Annual General Meeting of Avanceon Limited "Company" will be held on Wednesday, 30 April 2025 at 03:00 P.M. at The Nishat Hotel, Grand Imperial Hall, 9-A, 3rd Floor, Gulberg III, Mian Mehmood Ali Kasuri Road, Lahore any shareholder may appoint a proxy to vote on his or her behalf. The Proxies should be filed with the company at least 48 hours before the meeting time.

WEBLINK FOR ONLINE MEETING VIA ZOOM:

Members are encouraged to attend the AGM through video conference facility managed by the Company, follow the below link:
https://us06web.zoom.us/webinar/register/WN_9Av20trrQqCgSR7q84yzqA

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address agm@avanceon.ae.
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http://www.avanceon.ae/investor-relations/Resolutions proposed – Shareholders Information

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3. To appoint Auditors of the Company and fix their remuneration. The Members are hereby notified that the Board Audit Committee and the Board of Directors have recommended the name of M/s Crowe Hussain Chaudhury & Co. Chartered Accountants for re-appointment as auditors of the Company for the year ending 31 December 2025.

Ownership

As on 31 December 2024 there were 13,054 holders on record of the Company's ordinary shares.

Quarterly Results

The Company issues quarterly financial statements. The planned dates for release of the quarterly results in FY 2025 are

1st quarter	: 30 April 2025
Half yearly	: 29 August 2025
3rd quarter	: 30 October 2025

All our quarterly reports are regularly posted to Pakistan Stock Exchange, all annual/quarterly reports are also placed at the Company's website: www.avanceon.ae
The Company reserves the right to change any of the above dates.

As required under section 223(6) of the Companies Act 2017 and S.R.O No.389(I)/2023 dated 21 March 2023, Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following weblink:
https://www.avanceon.ae/investor-information/

The shareholders are encouraged to send/update their email addresses on the above-mentioned link or email or postal address. The Annual Report has also been uploaded at the Company's website **https://www.avanceon.ae** and is readily accessible to the shareholders.

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AVANCEON AT A GLANCE IN 2024

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AVANCEON AT A GLANCE IN 2024

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KEY HIGHLIGHTS

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GEOGRAPHICAL PRESENCE

Ranked amongst the Top System Integrators Worldwide, Avanceon is a Global Engineering Firm specializing in Turnkey Solutions for Automation and Control.

+30 years
of Commitment

+15 key
Parteners
worldwide

+2,000
Medium &
large scale projects

+150
Public & Private
Blue chip Customers

+10 offices,
4 Operating
Centers

+15
Industrial
Segments Served

+70%
Control System
Engineering

+350
Employees

OUR HISTORY

2003

First successful implementation of EMS project Establishment and acquisition of Innovative Automation & Engineering Pvt Ltd. by Engro from Innovative Pvt Ltd.

2004

Entrance into Middle East by Establishment of wholly owned subsidiary in UAE.

2007

Incorporation of Engro Innovative Inc, USA, an investment company for strategic acquisitions in US Market Recognition as the System Integratorof the Year by Control Engineering MagazineAcquisition of Advanced Automation Associates, USA by Engro Innovative Inc. USA.

2008

After Market Solutions launched Naming & branding as a global company called "Avanceon" Conversion into Public Limited Company.

2010

First EMS project implemented in USA.

2011

Launched in-house training including development and certification of engineers. Rolling out Carbon Credit Program.

2012

The Global Restructuring Agreement with Engro Corporation.

OUR HISTORY

2013

Launching of Highway-50 Plan.
Launching of Avanceon Employee Stock Option Scheme 1st Issue.

2014

Initial Public Offering (IPO) of Avanceon along with listing of Avanceon at PSX (formerly KSE and LSE) Joint Venture with ATCO, KSA.

2015

Won NFEH's CSR award 2015.
Launching of Avanceon ESOP II SE Alliance Partner Excellence Award, Middle East.

2016

Issuance of Avanceon ESOS-2nd Issue after successful launching of ESOS-1st Issue in 2013.

2017

Incorporation of subsidiary Octopus Digital.
Incorporation of subsidiary Avanceon Automation and Control LLC in Qatar.
Launch of IAAS Business & BM.

2018

Maturity of ESOS (1st Issue).

2019

Sale of AMS from Avanceon Limited to Octopus Digital Avanceon Ltd Partners with PE Energy in Nigeria.

OUR HISTORY

2020

Establishment of a new wholly owned subsidiary Avanceon QFZ LLC under the Companies Regulations of Qatar Free Zones Authority (QFZA).

2021

Avanceon FZE Dubai, UAE, incorporated a wholly owned subsidiary in Riyadh, Kingdom of Saudi Arabia with the name and style of Avanceon Saudi for Energy Co.
Launching of Road to 100 Plan.

2022

Acquisition of Empiric AI Joint Venture Agreement with Zamil Operations & Maintenance Co. Ltd.

2023

Achieved Highest Ever PO & Revenue in Pakistan Region Acquired New Highly Lucrative Projects in the Middle East Region.

2024

Avanceon & Octopus Digital join forces to propel digital transformation.
Brand new Staging & Testing Facility launched in Dammam, KSA.
Avanceon receives the Corporate Social Responsibility Award for Education by Endress+Hauser.

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INTRODUCTORY

VISION & MISSION
STATEMENT

Avanceon Limited [PSX: AVN] has been in the automation business since 1984. Over the years, the Company has transformed into a 360 degree solution provider for automation, energy management, engineering services and maintenance for major blue chip companies. A certified member of the select group of Control System Integrators Association, Avanceon is also listed on the Control Engineering Magazine's System Integrator Hall of Fame.

Avanceon's values are deeply rooted within its processes and act as a guide when interacting with our internal and external stakeholders. At Avanceon, we are defined by our mission, our vision / mantra and our values.

VALUES

Our values are deeply rooted wintin Avanceon and act as a guide in building value with both our internal and external stakeholders. These are the beliefs which drive our conduct and serves as a foundation of our business

VISION

Our Vision & Mantra is our everlasting commitment to always move forward and ensure that we always co-create value with each and every one of our stakeholders by delivering Tomorrow's solutions today.

MISSION

Our Mission is to passionately grow to be the leader of engineered solutions through the inspired development of our teams by delivering forthcoming value to our customers

- **Sustainbility**
- **Integrity**
- **Quality**
- **Teamwork**
- **Creativity**
- **Agility**

AVANCEON
Tomorrow's solutions, today.

PROFILE OF COMPANY

CORPORATE PROFILE

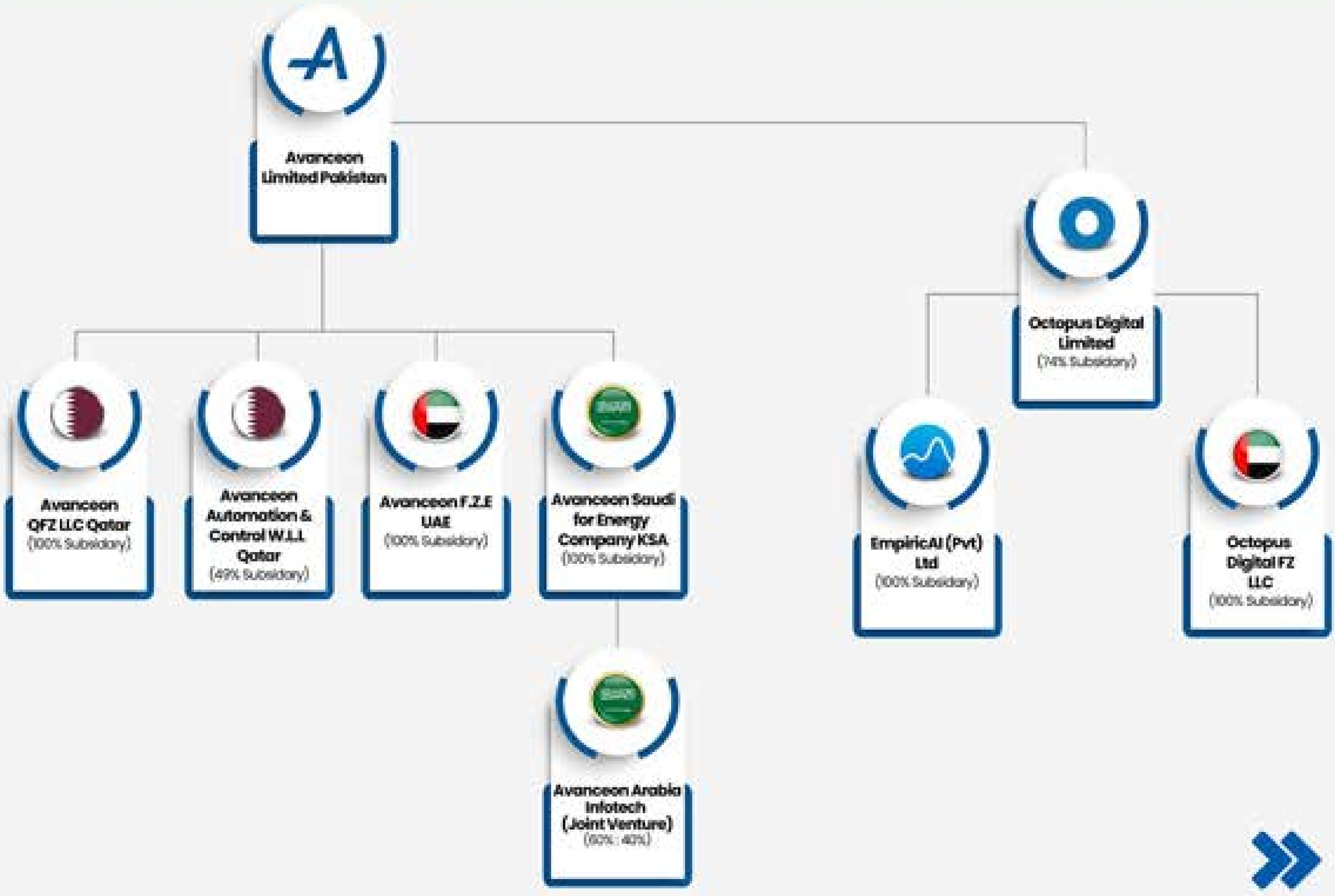
Avanceon Limited [PSX: AVN] is the leading provider of industrial automation, process control and systems integration as well as proprietary energy management solutions and support services. We have a strong market footprint through our offices in Dubai, United Arab Emirates and Doha, Qatar covering the Middle East region. Avanceon also has presence in Lahore, Karachi, and Islamabad in Pakistan. Avanceon has been in the automation business for the last 30 years and has transformed into a 360-degree solution provider for automation, energy management, engineering services and maintenance for major blue-chip companies. A certified member of the select group of Control System Integrators Association, Avanceon is also listed on the Control Engineering Magazine's System Integrator Hall of Fame. Avanceon recently expanded its footprint in the Middle East by setting up offices in Qatar and Kingdom of Saudi Arabia.

ORGANIZATIONAL STRUCTURE

Avanceon Limited is the holding company of the Avanceon Group. Having two wholly owned subsidiaries and an associated undertaking with various branches in different regions like Pakistan, United Arab Emirates, Qatar, Kingdom of Saudi Arabia, and United States of America, Avanceon employs 200 plus highly qualified and trained resources.

Updates in 2024:

In 2024, Avanceon achieved several key milestones that reflect its strategic growth and commitment to innovation. The company strengthened its digital transformation journey through a powerful collaboration between Octopus Digital and Avanceon, aiming to deliver integrated and future-ready solutions. A significant infrastructure enhancement was made with the launch of a state-of-the-art Staging & Testing Facility in Dammam, KSA, further supporting our regional operations and customer success. Additionally, Avanceon was honored with the prestigious Corporate Social Responsibility Award by Endress+Hauser, recognizing our impactful initiatives in education, sustainability, and community development.



MESSAGE FROM THE **PRESIDENT**

JUNAID MUSHTAQ PARACHA

PRESIDENT, SOUTH ASIA REGION

Dear Friends and Colleagues,

It is my pleasure to present to you the Annual Report of Avanceon Limited for the year 2024, a year that reflects our outstanding achievements, sustained growth, and the resilience we've shown in overcoming challenges. 2024 has been a testament to our unwavering commitment to excellence, innovation, and sustainability.

As we continue to evolve, not only have we maintained our leadership, but we've also seized new opportunities to diversify and expand. The strong performance we've achieved despite adversity speaks volumes about the dedication and collaboration within our team. I am extremely proud to share these remarkable results with you.

Business Highlights for 2024

Avanceon Pakistan has seen significant progress across multiple business segments, underscoring the strength and versatility of our solutions. Below is a summary of our division's performance:

Business Segment	Order Generation in $ Millions (2024)
Application Based Solutions	$5.4m
System+ Retail	$4.3m
Business Development	$3.4m
Building Management Systems	$2.6m
Total	**$15.7m**

Our Building Management Systems division surpassed its Order Generation target by 24%, marking a key accomplishment for the team.

2024 has also seen Avanceon achieve its highest-ever order generation in the company's history—a milestone that reflects the collective effort of everyone involved. I extend my heartfelt congratulations to each one of you for contributing to this success.

Pakistan Economic Highlights for 2024

Despite global uncertainties, Pakistan's economy has shown resilience, with growth in key sectors like technology, manufacturing, and infrastructure development. The government's support for industrial expansion and increasing foreign investments have created an environment conducive to business growth. At Avanceon, we've leveraged this momentum to secure key projects that have strengthened our market position. Additionally, the nation's focus on digital transformation and sustainability aligns perfectly with our business objectives, positioning us for continued success.

Strengthening Foundations: Support Functions Achievements in 2024

In 2024, Avanceon saw remarkable growth, adding 70 new colleagues while maintaining a retention rate of 90%. Human Resources led several key initiatives, including Health Week 2024, Stress & Conflict Management, and DE&I training, achieving a 95% satisfaction rate across the company. We implemented new HR policies, conducted a 360-degree management review, and streamlined employee expense processes. Additionally, plans for a new office building were initiated, marking our commitment to continuous improvement.

Engineering Excellence: Key Achievements in 2024

Avanceon's engineering team made significant strides in improving efficiency by leveraging data-driven operations. Key initiatives, such as the International Execution Work Package Release Incentive Policy, streamlined workflows, while major projects like in Oil & Gas and Infrastructure showcased our team's execution capabilities. We also established a Corporate Training Department to further develop skills and digitized our QHSE&T processes to align with modern standards. These efforts have not only enhanced productivity and project outcomes but have also solidified Avanceon's position as a leader in engineering solutions.

Execution Milestones and Achievements in 2024

In 2024, Avanceon marked several key execution milestones that reinforced our leadership in industrial automation and digital transformation. We successfully centralized Asia's largest Auto Tank Gauging System, a landmark achievement in the region. We also launched cutting-edge AI/ML solutions for leading energy sector players in Pakistan, demonstrating our commitment to innovation. Our entry into the IoT domain began with a high-impact project for a major gas provider, while our expansion into the public sector was highlighted by a mission-critical water infrastructure initiative. A notable commercial success was the flawless execution of the Dolmen Mall project—our first in Lahore—setting a new benchmark in Building Management Solutions. These accomplishments reflect Avanceon's proven ability to execute complex projects with precision, innovation, and excellence.

Strategic Planning for the Future

Looking ahead, we are focused on several key initiatives to drive growth and innovation:

- **Account Management:** Continued focus on sales, project management, and supply chain management.
- **Partner Development:** Strengthening existing partnerships and exploring new opportunities.
- **Digitalization Business Growth:** Expanding our digital solutions offering.
- **Internationalization:** Expanding into new markets, particularly in the BT and retail sectors.
- **Sales Performance:** Strengthening our presence in Southern Pakistan to ensure sustainable growth.

Looking Forward to 2025

I would like to express my deepest gratitude to all our stakeholders, partners, and colleagues for their unwavering support and dedication. Our 2024 achievements are a result of your hard work and commitment, and together, I am confident we will overcome future challenges and achieve even greater milestones.
As we move forward, I look forward to another year of collaboration, progress, and success. Thank you for your continued trust in Avanceon.

Yours sincerely,
Junaid Mushtaq Paracha
President, South Asia
Avanceon Limited

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Tomorrow's solutions, today.

MESSAGE FROM THE PRESIDENT

SARMAD MAHMOOD QURESHI

PRESIDENT,INTERNATIONAL

Dear Friends & Colleagues,

Welcome to Avanceon Limited's Annual Report for 2024. This report reflects our achievements, challenges, and strategic directions over the past year.
I am proud to share that Avanceon continues to stand out with a strong revenue base, placing us in the upper tier of regional system integrators. Notably, our net profit margin exceeds the regional average, reflecting our efficient cost management and strategic engineering execution. While there was a nominal revenue decline, it was counterbalanced by significant reductions in administrative and selling expenses, showcasing our disciplined financial governance. Our operational efficiency and profitability positions Avanceon ahead of many peers, preparing us for further expansion across emerging markets.

Strategic Perspective

• We have planned to avoid stagnation because we specialize in specific broad sectors at the same time, such as water, transport, oil & gas, smart cities or Digitalization. Our approach is more focused, enabling us to drive continuous growth in these areas.

• Avanceon's deep regional expertise, particularly in government-backed infrastructure and smart utility projects, gives us a competitive edge in emerging markets and positions us well for expansion.

• With the potential to scale our digital and AI offerings, Avanceon is well poised to exceed $120M in revenue in the coming years.

GCC Economies in 2024

The GCC economies have shown robust growth, driven by increased public spending and ambitious national visions. Sectors such as industrial, infrastructure, transportation, and water management have received significant investment.

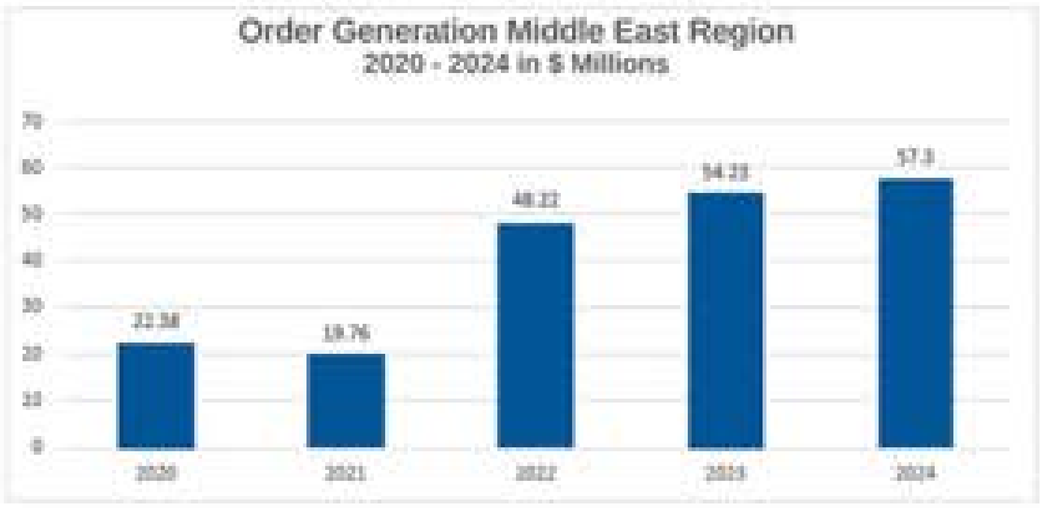
Governments are prioritizing digital transformation, green energy, and operational efficiency, creating an ideal environment for automation, AI, and control technologies to thrive. Landmark projects in Saudi Arabia, the UAE, and Qatar—spanning smart cities, giga-projects, and critical infrastructure upgrades—are fueling the demand for intelligent, integrated solutions. This macroeconomic context reinforces our regional strategy and uniquely positions us to capture value across high-growth verticals.

Avanceon's 2024 Performance

Our Middle East business has delivered exceptional results, with the following breakdown of order generation in 2024:

Region/ Bulsness	Order Generation in US$ Millions-2024
UAE	21.1
Qatar	25.7
KSA	10.5
Total	57.3

I extend my congratulations to everyone on an outstanding year—our highest order generation to date! Special recognition goes to our Qatar and UAE teams for surpassing their targets by 14% and 31%, respectively. Your dedication, innovative strategies, and commitment to excellence have played a pivotal role in this success.



Our collective success over the years highlights the power of collaboration and our shared pursuit of excellence.

Scaling with Purpose in Saudi Arabia

I am excited to share that Avanceon KSA Board has embarked on an ambitious $38 million growth journey, aiming to nearly double our order generation from $20 million to $38 million within three years. This strategic focus encompasses key verticals such as Industrial Automation, Transport, Oil & Gas, BMS, and emerging sectors like Cybersecurity, Digitalization, AI, Cloud and Recurring Business. With our operations in Dammam, Riyadh, and Jeddah, along with a strong presence in Makkah and Jubail sectors, we are accelerating our sales and execution capabilities nationwide.

Avanceon's Strategic Direction as a Digital SI

Avanceon is driving digital transformation through six key focus areas:

- **Cloud-Based Solutions:** Seamless integration of industrial OT systems with cloud platforms for AI & ML deployments.
- **Disaster Recovery based Solutions:** Secure cloud-based recovery solutions ensuring business continuity.
- **OT Cybersecurity:** Strengthening industrial infrastructure with advanced security initiatives.
- **Omni Connect:** Enhancing real-time monitoring and digital logging for critical operations.
- **Smart City Initiatives:** Developing intelligent urban solutions for enhanced efficiency and connectivity.
- **Strategic Collaborations:** Reinforcing partnerships with leading cloud service providers, software firms, and telecom companies to accelerate digital innovation.

These initiatives position Avanceon as a leader in industrial digitalization, leveraging cloud computing, cybersecurity, and IoT technologies to improve resilience, efficiency, and connectivity across industries.

Forging Ahead: A Future of Growth and Innovation

Our key markets are poised for sustainable growth, driven by strategic enablers:

- **Qatar:** We continue to build on a foundation of recurring business through system upgrades and revamps, ensuring long-term client retention and service excellence.
- **UAE:** As a critical regional hub, the UAE enables us to scale efficiently across markets in the Middle East and Africa.
- **Saudi Arabia:** We are capitalizing on national initiatives like FIFA 2034 and Saudi Vision 2030 to drive transformational growth, as we did before in Qatar, we will help KSA build a great foundation to become the world leaders. In addition, our Process Business is expanding its footprint across the CIS, ME, and Africa, opening new channels for technology transfer and value delivery. Collectively, these factors underscore our commitment to regional expansion and technological innovation, positioning Avanceon for accelerated and diversified growth in 2025 and beyond.

Conclusion

I extend my heartfelt gratitude to all our stakeholders—shareholders, customers, colleagues, and partners—for your unwavering support and dedication. Together, we've achieved remarkable milestones and positioned Avanceon for a future full of promise and possibilities. We are determined to build on our success and reach new heights in the years ahead.

For any questions or clarifications, feel free to contact me directly at squreshi@avanceon.ae

Yours sincerely,
Sarmad Mahmood Qureshi
President, International
Avanceon Limited

CODE OF BUSINESS CONDUCT & ETHICAL PRINCIPLES

At Avanceon, we operate as an ethically-driven, proactive, and sustainable organization that upholds the highest standards of conduct across all business practices—without reliance on third-party oversight. Over the years, we have earned recognition and accreditation from leading industry bodies for our commitment to excellence.

We never compromise on ethical business conduct. Partnering with Avanceon means aligning with our core values: candor, agility, creativity, quality, teamwork, integrity, and sustainability. These principles define how we operate and achieve success. Our business ethics framework is built upon the following pillars:

CORRUPTION AND BRIBERY PREVENTION

Avanceon maintains a strict zero-tolerance policy toward any form of corruption or bribery. We fully comply with anti-corruption laws in every country we operate in. Integrity is non-negotiable, and we are committed to delivering sustainable solutions that protect both our reputation and that of our partners. Our TRACE certification underscores this unwavering commitment.

- Business Ethics
- Conflict of Interest Policy
- Social Compliance Policy
- TRACE Certification

INFORMATION TECHNOLOGY & COMMUNICATIONS

Avanceon ensures the transparent dissemination of information to uphold the company's and stakeholders' reputations. All employees are responsible for communicating in a way that maintains accuracy, clarity, and confidentiality. Our information governance policies are designed to safeguard internal and external stakeholders from both accidental and intentional security threats.

- Information Security Governing Policy

EMPLOYEE EMPOWERMENT FRAMEWORK

We invest in exceptional individuals who bring energy, talent, and dedication to the organization. Our people are our most valuable asset and essential to our long-term success. We actively support their professional development through training, recognition, and by creating a high-performance work environment.

- Employee Professional Accreditations & Certifications Policy
- Employee Stock Option Schemes

EQUAL EMPLOYMENT AND ANTI-HARASSMENT

Avanceon employs a diverse workforce of over 200 professionals worldwide. We are an equal opportunity employer and uphold a zero-tolerance policy against discrimination or harassment. We believe a collaborative and respectful workplace benefits everyone.

- Non-discriminatory Policy
- Social Compliance Policy
- General Working Policy

CODE OF BUSINESS CONDUCT

CUSTOMER CENTRICITY AND SUSTAINABILITY

We demonstrate our commitment to customers through exceptional execution and strong ethical standards. Our approach is rooted in our Customer Bill of Rights and Customer Project Bill of Rights, ensuring transparency, performance, and support. Sustainability is central to our mission, guiding us to make impactful contributions to the communities we serve.

- Customer Bill of Rights
- Customer Project Bill of Rightse

Customer Bill of Rights

- To be treated professionally and respectfully
- To receive prompt and honest communication
- To receive high-performance products and solutions
- To benefit from quality materials and supplies
- To be guided by experienced and innovative professionals
- To have their resources managed responsibly
- To experience courteous service from all Avanceon representatives

Quality, Health, Safety, and Environment (QHSE)

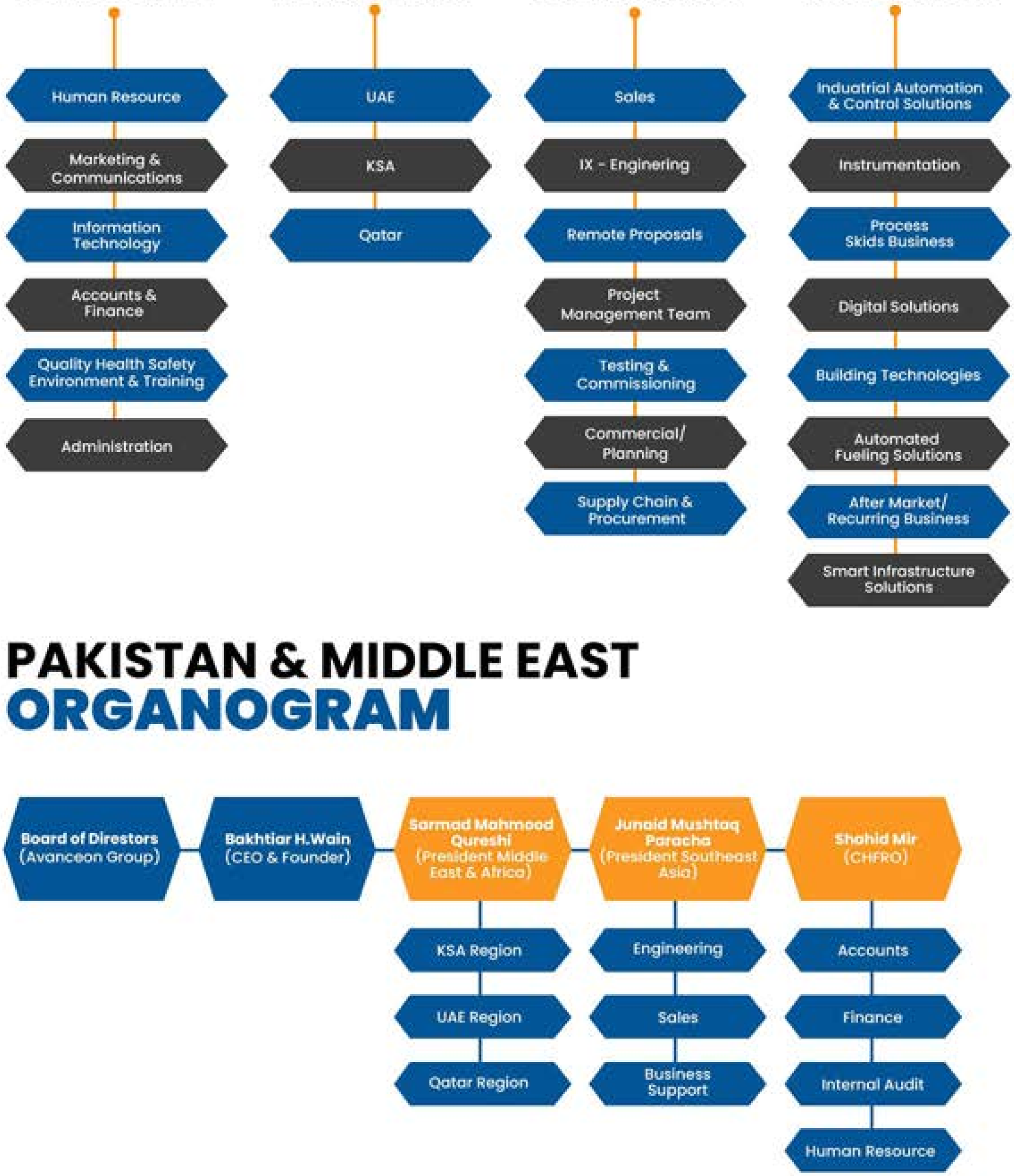
Avanceon is dedicated to delivering excellence without compromising the health, safety, or well-being of employees, communities, or the environment. Through agile project management and a strong QHSE culture, we consistently exceed international and local standards.

- Essential Health and Safety Environment Training Policy
- ISO 45001:2018 – Occupational Health & Safety Management Systems
- ISO 9001:2015 – Quality Management Systems
- ISO 14001:2015 – Environmental Management Systems
- CSIA:2015 – Membership

Customer Project Bill of Rights

- To set and monitor clear project objectives
- To be informed of project timelines and costs
- To choose project features
- To request reasonable changes during execution
- To know upfront the cost of implementing changes
- To be kept updated on project status
- To be informed of risks affecting cost, time, or quality
- To receive options to mitigate those risks
- To access deliverables during the project lifecycle
- To plan for change adoption before implementation
- To receive post-project support options

POWERING PROGRESS AVANCEON'S
ORGANIZATIONAL FRAMEWORK

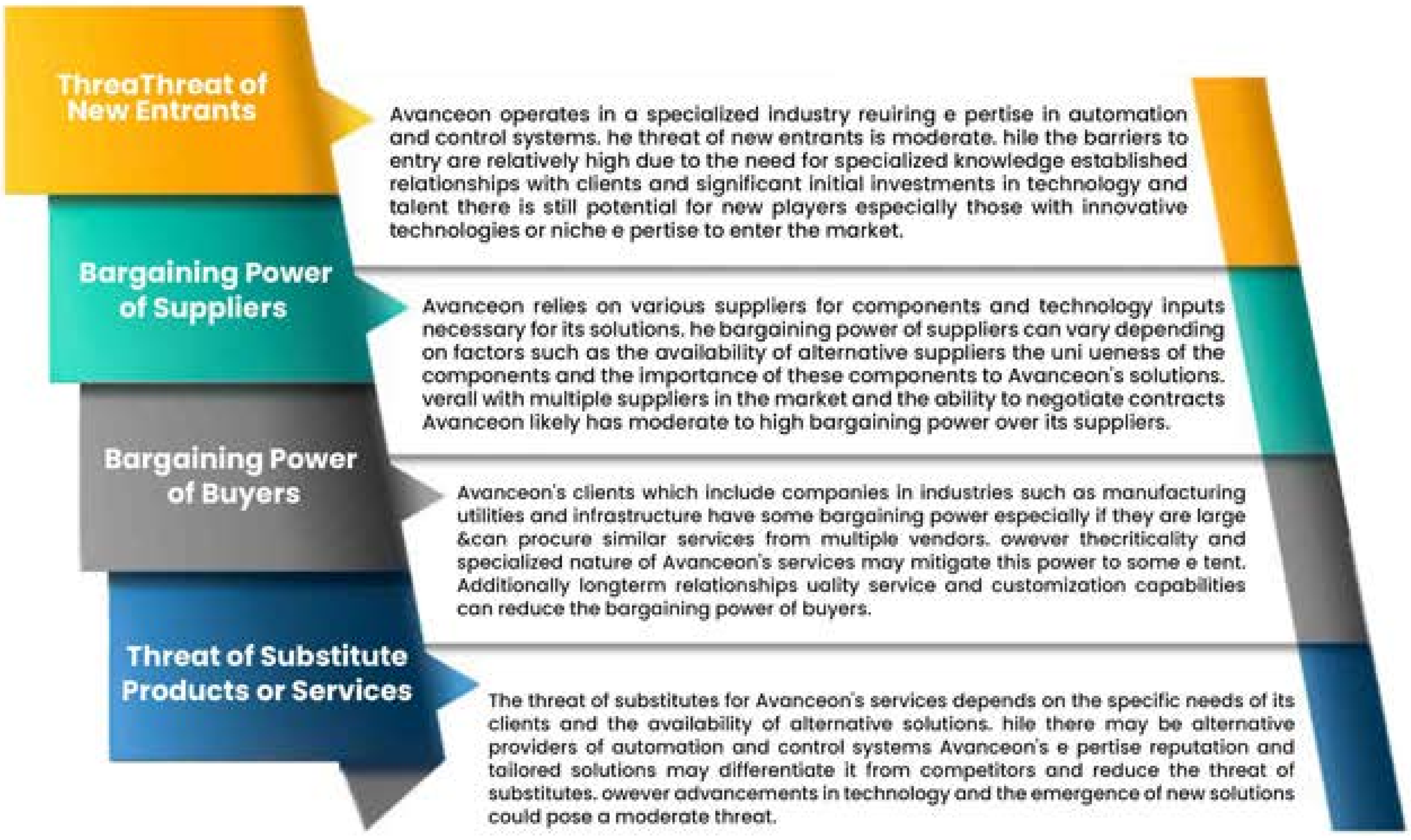


PAKISTAN & MIDDLE EAST
ORGANOGRAM

INTERNAL & EXTERNAL
ENVIRONMENT

COMPETITIVE LANDSCAPE AND MARKET POSITIONING

Porter's Five Forces is a framework for analyzing the competitive environment of an industry. It helps businesses understand the dynamics at play and formulate strategies accordingly. Let's apply it to Avanceon a company that provides automation control systems and engineering services



Overall while Avanceon faces challenges from various forces in its industry its e pertise specialization and established client relationships position it well to navigate these dynamics and maintain a competitive position in the market.

INTERNAL & EXTERNAL ENVIRONMENT

MACRO ENVIRONMENTAL ANALYSIS – PESTEL ANALYSIS

Avanceon is a global technology solutions provider, primarily in the automation, control, and information technology sectors. Conducting a PESTEL analysis for Avanceon would involve e amining the various e ternal factors that could impact its operations and business environment. eres a breadown of each component

INTERNAL & EXTERNAL
ENVIRONMENT

S

Strengths:

1. Industry Expertise: Avanceon has extensive experience and expertise in providing automation and control solutions across a wide range of industries including oil & gas, power, food & beverage, and pharmaceuticals.

2. Innovative Solutions: The company is known for its innovative approach to automation, incorporating the latest technologies such as IoT, AI, and machine learning to optimize processes and increase efficiency for its clients.

3. Strong Client Base: Avanceon has built a strong client base over the years, including multinational corporations and major players in various industries. This provides a steady revenue stream and opportunities for expansion.

4. Global Presence: Avanceon operates internationally, with offices and projects in multiple countries. This global presence enhances its reputation and allows it to tap into diverse markets.

W

Weaknesses:

1. Dependency on Specific Industries: Avanceon's revenue may be vulnerable to economic downturns or fluctuations in industries it serves, such as oil & gas or manufacturing. Over-reliance on specific sectors could pose a risk to its financial stability.

2. Highly Technical Solutions: The complexity of Avanceon's solutions may be a barrier to entry for some clients, especially smaller businesses with limited technical expertise or budget constraints.

3. Competition: The automation and control systems industry is competitive, with several established players and new entrants constantly emerging. Avanceon needs to continually innovate and differentiate itself to maintain its market position.

O

Opportunities:

1. Expansion into Emerging Markets: Avanceon can explore opportunities in emerging markets where industrial automation adoption is growing, such as Asia-Pacific and Latin America. These regions offer significant potential for business expansion.

2. Diversification of Services: There is an opportunity for Avanceon to diversify its service offerings beyond automation and control systems, such as consultancy services, maintenance contracts, or software solutions.present opportunities for Avanceon to develop new solutions and expand its.

T

Threats:

1. **Economic Uncertainty:** Economic downturns or recessions could lead to reduced spending by clients on automation projects, impacting Avanceon's revenue and profitability.

2. Regulatory Changes: Changes in regulations related to industry standards or environmental requirements may necessitate costly updates to Avanceon's solutions, affecting both costs and timelines.

3. Cybersecurity Risks: As industrial systems become increasingly interconnected, the risk of cybersecurity threats and attacks on Avanceon's solutions could pose significant challenges to its reputation and operations.By considering these factors, Avanceon can better understand its position in the market and identify strategies to capitalize on its strengths while mitigating its weaknesses and addressing potential threats.

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SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY (CSR)

BOARD'S STATEMENT FOR ADOPTION OF BEST PRACTICES FOR CSR

Avanceon recognizes that sustainable development is an important and integral part of the pursuit of value creation for customers, employees, shareholders, and society at large. Avanceon ambition is to create long-term value from an economic, ethical, social and environmental perspective. Avanceon strives to address sustainability issues that are relevant and meaningful for Avanceon as an industry and the markets in which Avanceon operates. Avanceon shall:

- Integrates sustainability throughout its business, taking responsibility for acting, living, and striving for simplicity and transparency.
- Influences through dialogue and develops solutions and offerings that provide opportunities for Avanceon Limited customers, other key stakeholders, and Avanceon to make positive contributions to a sustainable future for Humanity.
- Manages risks, including those related to environmental, social, governance, financial and technological aspects.
- Contributes to the development of society and future generations

Board's statement about the company's strategic objectives on ESG (environmental, social and governance) / sustainability reporting.
At Avanceon, our strategic objectives in ESG (Environmental, Social, and Governance) and sustainability reporting underscore our commitment to responsible corporate citizenship. We prioritize environmental sustainability by minimizing our ecological footprint, emphasize social sustainability through inclusive and safe workplaces, and uphold the highest governance standards for transparency and ethical conduct. By integrating sustainability into our core business practices, we aim to create long-term value for stakeholders and contribute to a sustainable future

A chairman's overview on how the company's sustainable practices can affect their financial performance.
In recognizing the symbiotic relationship between sustainability and financial success, our commitment to responsible practices is paramount. Embracing sustainability not only optimizes operational efficiency, minimizing costs, and ensuring compliance but also enhances our brand value, attracting customers and investors alike. As the business landscape evolves, our strategic focus on sustainability positions us at the forefront of emerging markets, fostering innovation and growth. Moreover, our workforce, motivated by purpose-driven initiatives, becomes a driving force behind increased productivity and operational effectiveness. In essence, our dedication to sustainability is not just a corporate responsibility; it's a strategic imperative shaping enduring financial prosperity for Avanceon

Highlights of the company's performance, policies, initiatives and plans in place relating to the various aspects of sustainability and CSR as per best business practices including:

a) environment related obligations applicable on the company;

b) company progress towards ESG initiatives during the year; and

c) company's responsibility towards the staff, health & safety.

At Avanceon Limited, we are committed to upholding the highest standards of corporate sustainability and social responsibility (CSR) across all facets of our operations. Through strategic initiatives and diligent adherence to regulatory standards, we strive to create a positive impact on the environment, society, and economy while ensuring the well-being of our employees and stakeholders.

1. Environmental Stewardship:
We have implemented rigorous measures to reduce our carbon footprint, including the meticulous management of air emissions from generators and vehicles, as well as the adoption of energy-efficient technologies and practices. Through continuous monitoring and preventive maintenance, we maintain compliance with National Environmental Quality Standards (NEQS) and actively invest in sustainable solutions such as indoor air purifiers and wastewater treatment systems. Avanceon has significantly contributed to climate change mitigation by reducing carbon emissions, planting trees on-premises, and advocating for sustainable practices within our supply chain. In line with our commitment to sustainability, we have invested in various initiatives to reduce paper consumption, implement energy-efficient technologies, and manage air emissions. Additionally, we have replaced single-use plastic cutlery with reusable, sustainable alternatives to minimize ecological impact.

2. Social Responsibility:
Our commitment to social responsibility extends to our employees, communities, and beyond. We ensure fair wages, equal opportunities, and a supportive work environment, adhering to the Minimum Wage Act/ Ordinance and offering market-competitive compensation packages. Avanceon actively participates in Corporate Social Responsibility (CSR) initiatives, including educational programs, subsidized meal plans, and promoting work/ life balance to support Sustainable Development Goals

(SDGs) such as zero hunger and quality education. We prioritize employee well-being through comprehensive health insurance coverage, mental wellness programs, and initiatives aimed at fostering diversity, inclusion, and safety culture across all levels of the organization. We ensure our operations are free of any type of Child Labour and follow Global Welfare policy for our employees at all levels. Our company, strategically located for accessibility, offers transportation services and policies to ensure all employees can access our operations affordably.

3. Ethical Governance and Compliance:

Upholding ethical governance and compliance is paramount to Avanceon's values. We strictly adhere to anti-bribery laws and policies, exceeding regulatory requirements in various regions. Our commitment to transparency and accountability is evident through the implementation of whistle-blowing policies, online platforms for monitoring workforce well-being, and companywide critical risk incident reporting systems.

4. Innovation and Industry Leadership:

Avanceon is at the forefront of innovation, leveraging Industry 4.0 technologies through subsidiaries likeOctopus Digital Limited to drive energy efficiency, productivity, and real-time monitoring of emissions and energy performance. We continuously invest in research and development to provide cutting-edge solutions that not only meet our client's needs but also contribute to sustainable industrial practices and environmental conservation.

5. Partnerships and Collaborations:

Collaboration is key to our success. Avanceon partners with non-profit organizations, governmental agencies, and stakeholders to address societal challenges, support community development, and advance sustainable initiatives. Through strategic alliances and vendor evaluations, we ensure that our supply chain aligns with our commitment to sustainability and quality, promoting responsible sourcing and procurement practices.

6. Security

Avanceon prioritizes data security and customer confidentiality, evidenced by our implementation of ISO 27001 Information Security Management Systems.

7. Quality

We are also ISO 9001 certified, guaranteeing the delivery of quality products and services at competitive prices. "Avanceon Limited aligns with the SECP CSR Guidelines by adopting CSR governance benchmarks and integrating them into board-level policies.The CSR committee ensures effective oversight, with regular reporting and transparency in all initiatives. Through these efforts, Avanceon demonstrates its commitment to sustainable development and positive community impact"

8. Supply Chain Management

Furthermore, our commitment to sustainability extends to our supply chain management, vendor evaluation processes, and efforts to reduce carbon emissions. We actively support the Sustainable Development Goals (SDGs) through various CSR initiatives and internal programs aimed at employee development and well-being.

In line with its long-term vision and ESG commitments, Avanceon recognizes that sustainability-related risks and opportunities play a critical role in shaping its financial performance. In the short term, the company actively mitigates risks such as energy costs and regulatory compliance through digital efficiency tools and process optimization. Medium-term opportunities include growing demand for green automation solutions and smart energy systems, which Avanceon addresses through product innovation and strategic alliances. Over the long term, climate resilience, resource efficiency, and alignment with global sustainability goals are expected to enhance brand value, attract responsible investments, and contribute to stable, sustainable growth.

Core Pillar	Company Approach	Performance Metrics & Indicators
Governance	Sustainability oversight is embedded at the board and executive level, with ESG initiatives steered by the Digital Transformation and Corporate Strategy teams.	- Board-level ESG oversight - ESG training for management - Internal ESG audit mechanisms
Strategy	Sustainability is integrated into business strategy through smart automation, energy-efficient systems, green building design, and SDG alignment.	- % revenue from green solutions - LEED-compliant facilities - Projects aligned with SDGs
Risk Management	Environmental and climate-related risks (e.g., energy costs, regulatory shifts, supply chain disruptions) are identified and managed proactively.	- Climate risk mapping - Resource efficiency indices - Supplier ESG compliance ratio
Metrics & Targets	Avanceon sets measurable ESG goals across energy use, digital adoption, employee development, and sustainable sourcing.	- % paperless operations - Employee training hours on sustainability - Energy consumption per

Avanceon actively identifies and manages sustainability-related risks and opportunities across its entire value chain, from sourcing to solution delivery. Material risks include energy consumption, regulatory compliance, and supply chain ESG performance. To address these, the company sources from certified sustainable partners, adopts paperless and cloud-based project management tools, and implements digital commissioning to reduce on-site resource use. Avanceon's solutions are designed to be energy-efficient and modular, helping clients achieve their sustainability targets. These initiatives not only reduce the company's environmental footprint but also enhance operational resilience and create long-term value.

Avanceon recognizes climate-related risks and opportunities as critical to its long-term strategy and aligns its approach with IFRS S2 requirements. The company identifies risks such as energy cost volatility, carbon regulations, and climate-induced operational disruptions, while also leveraging opportunities in green automation and low-carbon technologies. Climate impact assessments are integrated using internal sustainability audits, energy consumption tracking, and project-level carbon efficiency metrics. Tools such as digital dashboards, IIoT analytics, and lifecycle emission models support informed decision-making. These methodologies help Avanceon design resilient, energy-efficient solutions for clients while advancing its own climate goals.

Avanceon remains deeply committed to sustainability and corporate social responsibility, with impactful initiatives across social, environmental, and technological domains. Socially, the company invests in R&D, promotes inclusive employment, and supports community health and education programs, alongside maintaining rigorous health and safety protocols for staff. Environmentally, Avanceon follows the 3Rs—Reduce, Reuse, Recycle—through paperless operations, efficient resource use, and pollution control measures. Technological innovation is central to its sustainability agenda, with eco-friendly product designs and energy-efficient automation solutions. The company actively monitors material, water, and energy consumption, and manages emissions and waste through internal tracking systems, contributing to a cleaner and more sustainable industrial ecosystem.

RISK MANAGEMENT
FRAMEWORK

At Avanceon, the Board believes that risk management is pivotal to the attainment of organizational objectives. Risk management is an ongoing activity that runs parallel to business operations, with a core focus on mitigating potential disruptions in achieving these objectives.

Accordingly, the Board established an in-house Internal Audit function in 2023, in line with the framework outlined in the Code of Corporate Governance, following a structured approach as detailed below:

The Charter of Internal Audit, defined by the Board Audit Committee, aims to deliver independent and effective corporate governance through risk mitigation, value addition within business processes, and the creation of synergies at the group level.

Operating under the Charter approved by the Board Audit Committee, and in alignment with the Institute of Internal Auditors (IIA) guidelines and the Enterprise Risk Management (ERM) Framework based on COSO standards, the Internal Audit function effectively utilizes Risk Control Matrices (RCMs) to prioritize and develop its Annual Audit Plan. This plan focuses on evaluating and strengthening internal controls through periodic control testing and comprehensive reviews of functions and processes across the organization.

Furthermore, under the ERM framework, Internal Audit places significant emphasis on risk mitigation through a robust internal control system. This ensures seamless operations, business continuity, and the achievement of organizational objectives at the enterprise level.

RISK METHODOLOGY, **ASSESSMENT & REPORTING**

Risk Appetite & Threshold Matrix

Risk Appetite defines the maximum risk threshold level, an organization is willing to accept in choosing its strategic objectives. it sets the framework for resource allocation, risk boundries, and tolerance limits, aligning with growth goals, operational plans, and regulatory requirements. Risk Appetite ensure the organization operates with acceptable risk limits, considering business plans and the macroeconomic environment.

Operations Risk Management

KEY RISKS & OPPORTUNITIES – INTERNAL & EXTERNAL

PRINCIPAL RISKS & UNCERTAINTIES

Avanceon faces a spectrum of risks associated with its core business operation and the prevailing business environment. The primary risks identified include:

- Risks for loss of intellectual Skillset/Competencies of Manpower.
- Volatile Macro-Economic Environment, Inconsistent Fiscal Policies & Continuous devaluation of currency.
- Risks associated with supply chain & logistics are categorized as:

a. Natural Disasters
b. Inter-border trade agreements between different countries
c. Modifications & formation of new laws & regulations
d. Risks Associated with Shipments & Logistics

Steps for Mitigation of Risks

- Employee Retention Strategies encompasing meticulously formulated Key Performance Indicators (KPIs) linked with rewarding system.
- Utilizing Talent Acquisition from top-tier universities to ensure a high-caliber workforce.
- Implementing human resource policies dedicated to the development and retention of Skilled professionals.
- Identifying key personnel and establishing a robust succession planning mechanism.
- Establishing a Joint Venture with Zamil Group to enhance financial resilience.
- Negotiating US-Dollar Parity agreements with clients for current business arrangements.

Mitigation of risks linked with supply chain & logistics & its impacts on business profitability:

Proactively engaged World Class Tier Logistics providers

Ensuring implementation of **ISO 9001 certification on Quality Management systems** (QMS).

These measures indicate our commitment to proactively address, manage & prevent risks, ensuring the sustained success and resilience of the organization in a dynamic business landscape.

Within this framework, Avanceon has established a dedicated delegation commitee known as the Stewardship Board at both the corporate and regional levels. The primary mandate of the board is to prepetually monitor and track:

The Stewardship Board plays a crucial role in ensuring a vigilant oversight machanism, fostering adaptability to dynamic business landscapes, and aligning organizational efforts with strategic objectives for sustained growth and risk mitigation.

NATURE OF OUR BUSINESS

Future Outlook of the Regions We Operate In

Economic Outlook of the Regions We Operate In

When devising future strategies, businesses must assess market conditions, economic trends, potential risks, and their competitive position. Understanding the economic outlook of a region allows organizations to identify uncertainties that may impact operations. Avanceon, with an execution footprint spanning three continents, relies on this insight to adapt operations, manage risks, make informed decisions, and pinpoint market opportunities. Sustaining competitiveness amid global volatility requires strategic foresight and agility.

Pakistan Economic Outlook

In 2024, Pakistan's economy showed early signs of recovery after a turbulent 2023 marked by political instability, inflation, and foreign exchange challenges. Floods in 2022 and delays in IMF agreements had previously exacerbated economic pressures. However, by mid-2024, modest GDP growth was recorded, driven by a rebound in agriculture, easing import restrictions, and improved investor confidence.

KEY HIGHLIGHTS INCLUDE:

1. GDP Growth: Pakistan's GDP grew approximately 1.8% in FY2024, recovering from near stagnation the previous year. Agriculture led the recovery, benefiting from strong harvests, while industry and services also gained momentum as macroeconomic conditions stabilized.

2. Inflation and Monetary Policy: Inflation remained high but began to decline from 2023's average of 29%, as monetary tightening and currency stabilization took effect. The central bank maintained a tight policy stance to anchor inflation expectations.

3. Foreign Reserves and Exchange Rate: Foreign exchange reserves recovered above $8 billion by April 2024, doubling from early 2023 levels. This was supported by IMF tranches, bilateral support, and higher remittances.

4. Fiscal Measures: Pakistan achieved a primary fiscal surplus by mid-2024, though total public debt remained elevated. Revenue enhancements and expenditure controls were key themes in fiscal policy, aligned with IMF guidelines.

5. Remittances: Worker remittances surged, reaching $3 billion in March 2024, helping to reduce the current account deficit and support currency stability.

Economic growth is projected to accelerate in FY2025, reaching around 2.8%, contingent on continued reforms, political stability, and improved investor confidence.

Qatar Economic Outlook

Qatar's economy continued on a moderate growth path in 2024, post the FIFA World Cup stimulus. While the hydrocarbon sector experienced a slowdown due to lower energy prices, non-oil sectors such as tourism, real estate, and services remained resilient.

KEY INDICATORS:

- **GDP Growth:** Qatar's real GDP growth stood at 1.7% in 2024, supported by strong performance in the non-energy sectors and a robust tourism rebound.

- **LNG Expansion Plans:** The government reaffirmed its commitment to doubling LNG output by 2030, which is expected to significantly boost GDP growth by 2026–27.

- **Fiscal Position:** Qatar maintained a fiscal surplus of 4.2% of GDP in 2024, with current account surpluses above 18% of GDP. This provides room for sustained investment in diversification projects under Qatar National Vision 2030.

Despite subdued oil demand globally, Qatar's economic fundamentals remained strong, with significant buffers to withstand external shocks and a clear trajectory towards long-term growth via LNG and non-oil sector development.

United Arab Emirates Outlook

The UAE experienced a dual-track economy in 2024. Oil production cuts under OPEC+ constrained hydrocarbon sector growth, while non-oil sectors continued to thrive.

- **GDP Trends:** UAE's GDP growth moderated to 3% in 2023 but is forecast to reach 3.5–4% in 2024. Strong non-oil business activity, especially in tourism, real estate, and financial services, offset oil sector contraction.

- **Diversification Success:** Major government initiatives and investment in renewable energy, logistics, and technology fueled non-oil growth. The UAE's removal from the FATF grey list in early 2024 boosted investor confidence.

- **Business Climate:** Ongoing reforms, infrastructure investments, and pro-business policies attracted significant foreign direct investment. The introduction of corporate tax did not deter investor inflows due to the UAE's overall favorable tax environment.

Non-oil economic activity remains the UAE's growth engine, with further gains expected in digital, green, and logistics sectors.

Energy Sector (2024)

The global energy landscape in 2024 was shaped by tight oil markets, rising clean energy investments, and the ongoing push for decarbonization. Key disruptors included geopolitical tensions, high interest rates, evolving policies, and technological advancements.

Highlights include:

- **Oil & Gas Markets:** OPEC+ maintained supply discipline, with Brent crude averaging in the mid-$80s per barrel. Global oil demand reached a new high, surpassing 102 million barrels per day. Natural gas prices stabilized globally, with U.S. Henry Hub prices around $2.5–3.0 per MMBtu.

- **Energy Investment:** Global energy investment surpassed $3 trillion in 2024, with two-thirds directed toward clean energy. Solar, wind, energy storage, and grids received record funding. Investment in clean energy in emerging markets lagged, highlighting a gap in global energy equity.

- **Electric Vehicles and Electrification:** EV sales continued to surge, with nearly 1 in 5 cars sold globally being electric. Grid modernization gained momentum to meet rising electricity demand from EVs and renewable energy.

- **Capital Expenditure:** Upstream oil and gas investment rose to $570 billion, with companies balancing fossil fuel projects and low-carbon ventures. Free cash flows remained high, driving dividends and reinvestment.

- **Macroeconomic & Geopolitical Impact:** Energy markets remained sensitive to global events. Europe diversified energy sources, while high financing costs challenged clean energy deployment in developing economies. Policymakers emphasized energy security and climate resilience.

In summary, 2024's energy sector was marked by robust fossil fuel markets, rising clean energy momentum, and strategic shifts toward sustainability and resilience.

Kingdom of Saudi Arabia Outlook

Saudi Arabia's economy contracted in 2023 due to oil production cuts, but non-oil sectors cushioned the blow. In 2024, the Kingdom returned to modest GDP growth, reflecting its Vision 2030-driven diversification efforts.

- **GDP Growth:** Real GDP grew 1.3% in 2024, with the oil sector declining 4.5% while non-oil activities expanded over 4%. The fourth quarter saw a strong 4.4% year-on-year growth, driven by services and construction.

- **Diversification Push:** Saudi Arabia scrapped plans to expand oil output and focused on non-oil investments, including giga-projects like NEOM. The government also announced plans for a major share offering in Aramco to finance diversification.

- **Fiscal Strategy:** Willing to run moderate fiscal deficits to fund development, Saudi Arabia leverages significant reserves and low debt-to-GDP ratios to finance its transformation.

Growth is expected to pick up in 2025, with further support from increased non-oil activity, public investment, and gradual easing of OPEC+ cuts.

Disclaimer:

The views and analysis expressed in this section are extracted from news outlets and researched reports. Respective links are mentioned below for your consideration.

https://www.brecorder.com/news/40299293

https://www.worldbank.org/en/country/gcc/publication/economic-update-april-2024

https://www.gulf-times.com/article/679421

https://www.reuters.com/world/middle-east/saudi-arabia-gdp-grew-13-2024-govt-estimate-shows-2025-01-30/

https://www.finance.gov.pk/survey_2024.html

https://www.iea.org/reports/world-energy-investment-2024

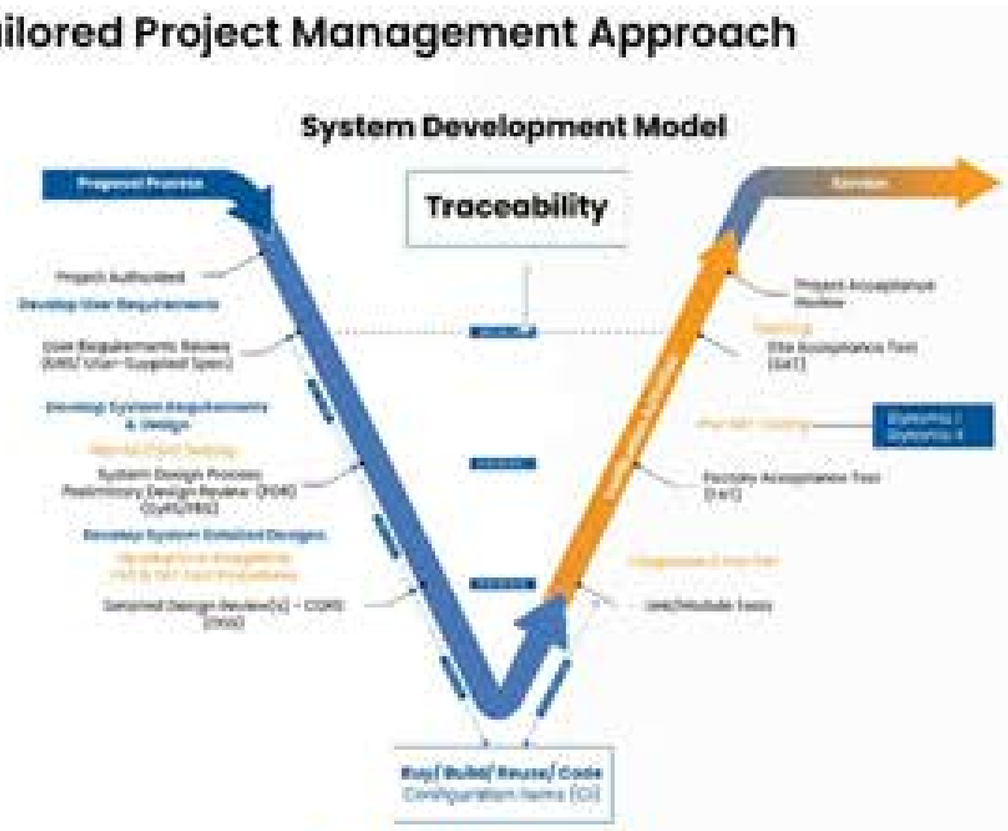
https://www.iea.org/reports/global-ev-outlook-2024

https://thedocs.worldbank.org/en/doc/f43fb9163f5e4704740c30b614a9ad59-0050012024/related/GEP-June-2024-Analysis-SAR.pdf

https://www.emiratesnbdresearch.com/research

BUSINESS MODEL

Tailored Project Management Approach

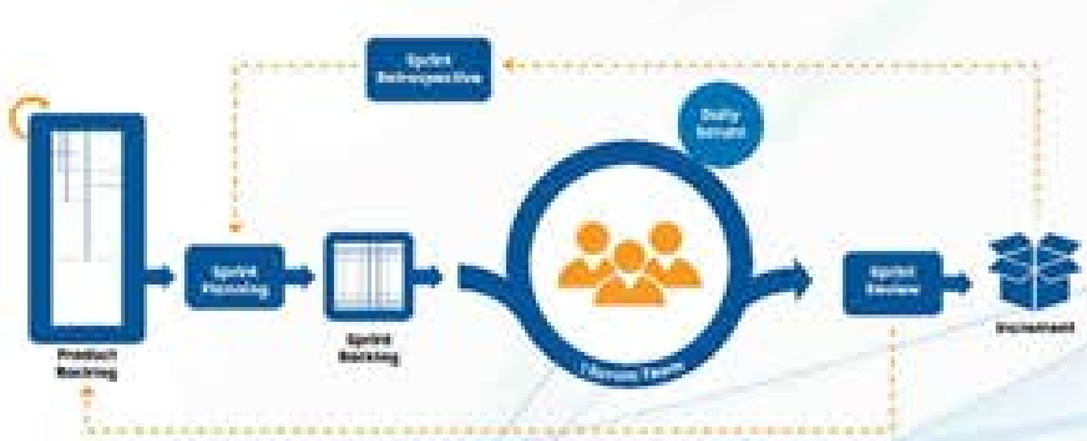


V-life Cycle

Project Management Framework 1

Hybrid Methodology

Project Management Framework 2



Agile/ Scrum

Project Management Framework 3

A hybrid project management approach—which blends elements of traditional waterfall **(lifecycle-based)** and **agile methodologies (like Scrum)**—can create significant value for system integrator customers, particularly in industrial automation and control projects. Here's how:

1. Balancing Structure & Flexibility

- **Lifecycle/Waterfall Approach:**
Ensures that critical compliance, documentation, and regulatory approvals are met (important for industries like oil & gas, water/wastewater, and infrastructure).

- **Agile/Scrum:**
Allows for incremental development, faster iterations, and adaptability to changing customer needs.

- **Value for the customer:**
Customers get a well-structured, risk-mitigated project execution with room for iterative improvements.

2. Faster Value Delivery with Agile Sprints

- Instead of waiting for the entire automation system to be developed and deployed in one go, a hybrid model enables **progressive implementation.**

- Agile allows system integrators to deliver functional modules (e.g., PLC programming, SCADA dashboards, data analytics) in **smaller, testable iterations.**

- **Value for the customer:** Early visibility into the system and the ability to course-correct before final deployment

3. Reduced Project Risks

• Traditional project risks (such as scope creep, delays, and last-minute changes) can be **controlled through upfront planning** (waterfall).

• Agile enables **continuous feedback loops** so that issues are detected and fixed early instead of causing delays during site commissioning.

• Value for the customer: Lower risk of delays and costly last-minute changes.

4. Improved Stakeholder Engagement

• Agile Scrum ceremonies (like daily standups and sprint reviews) keep customers engaged in the development cycle.

• Waterfall ensures **milestone-based reporting** for stakeholders who need structured progress tracking

• Value for the customer: Greater transparency and involvement in decision-making.

5. Optimized Cost Efficiency

• **Traditionalmethods** ensure budgets are well-defined and planned.

• **Agile adjustments** allow for cost control by prioritizing high-impact features and avoiding unnecessary work.

• Value for the customer: Optimized investmentby focusing on critical needs and avoiding budget overruns.

6. Seamless Site Deployment & Commissioning

• Waterfall provides a **detailed project roadmap** for system integration and commissioning.

• Agile allows for **iterative testing**, so site challenges are identified early.

• Value for the customer: A smooth commissioning process with minimal disruptions.

Real-World Application for Avanceon

For a company like Avanceon, dealing with complex automation, SCADA, and IIoT solutions, a hybrid model allows: Regulatory and compliance adherence (through a structured life cycle).

Faster digital solution deployment (via agile sprints for data analytics and dashboards).
Real-time adjustments based on operational insights (Scrum-based feedback loops).
Would you like a more tailored breakdown for a specific industry (e.g., water, oil & gas, infrastructure)? A hybrid project management approach, combining waterfall (life cycle) and agile (Scrum), enhances value for system integrator customers like Avanceon by ensuring structured execution with flexibility.
Waterfall provides regulatory compliance, risk mitigation, and milestone tracking, while Agile enables faster iterations, continuous feedback, and adaptability. This allows incremental delivery of automation solutions (e.g., PLC programming, SCADA dashboards) rather than waiting for full project completion. Agile's iterative testing minimizes risks, while structured deployment ensures a seamless go-live phase.
Stakeholder engagement improves through Scrum reviews and standups, keeping customers involved, while waterfall-driven roadmaps ensure smooth execution. This model optimizes cost efficiency by prioritizing high-impact features and reducing last-minute changes.

For Avanceon, this approach ensures compliance, real-time decision-making, and efficient deployment of automation, SCADA, and IIoT solutions, delivering transparent, cost-effective, and low-risk implementations that maximize customer value.

Upstream (Suppliers & Technology Providers)

1. **OEMs & Equipment Manufacturers**
   - **Automation & Control Vendors** (e.g., Siemens, Rockwell, Schneider, ABB) PLCs, SCADA, DCS, sensors, drives
   - **Instrumentation & Electrical Equipment**

Suppliers Flow meters, pressure transmitters, VFDs

o **Software & IT Providers** Cloud platforms, analytics tools, cybersecurity solutions

2. Consultants & Engineering Firms

o Provide initial **design, feasibility studies, and regulatory compliance consulting**

Avanceon's Role (System Integrator & Digital Solutions Provider)

- Designs, engineers, and integrates **SCADA, PLC, DCS, and IIoT solutions**
- Develops **custom automation software & data analytics dashboards**
- Ensures **seamless commissioning, testing, and after-sales support**
- Implements **cybersecurity and digital transformation strategies**

Downstream (Customers & End Users)

1. Industrial End Users

o Oil & Gas, Water & Wastewater, Power, Petrochemicals, Pharmaceuticals, FMCG

o Avanceon's solutions improve operational efficiency, safety, and sustainability

2. EPC Contractors & Infrastructure Developers

o Work with Avanceon for large-scale automation projects in public infrastructure & utilities

3. Regulatory Bodies & Government Agencies

o Set compliance and cybersecurity standards that Avanceon helps clients achieve

Value Chain Impact

Upstream: Collaborates with leading OEMs to deliver cutting-edge automation technology
Core: Provides system integration, digitalization, and lifecycle services
Downstream: Enhances industrial efficiency, safety, and sustainability
This strategic positioning enables Avanceon to be a key enabler of Industry 4.0, driving digital transformation across critical industries.

Environment: Promoting paperless environment by moving toward digital documentation of employee profiles.

Social: Mental Awareness Session for mental wellbeing and stress management
Social: Health & Fitness Week: To promote employee healthy activities and employee wellbeing
Social: Companywide training conducted on Diversity, Equity and Inclusion

Capital Expenditure Cycles of Clients

- **Year-End Budget Utilization:** Many industrial clients allocate budgets towards the end of the fiscal year, leading to a surge in project orders in Q4.

- **New Budget Approvals:** Slowdown in Q1 due to financial planning and approval cycles.

Impact: High sales fluctuations, requiring careful cash flow and workforce management.

At Avanceon, we prioritize the legitimate needs and interests of our key stakeholders, which include customers, employees, shareholders, technology partners, regulators, and the communities we serve. Each of our business units is committed to understanding these needs and taking proactive steps to foster trust, loyalty, and a strong industry reputation.

Evolving market trends and technological advancements play a crucial role in shaping our business strategy. Our leadership ensures that shifts in industry dynamics, customer expectations, emerging technologies, and regulatory frameworks are continuously monitored and seamlessly integrated into our operations. This enables us to remain agile, innovative, and a trusted partner in delivering cutting-edge industrial automation and digital transformation solutions.

STRATEGIC PARTNERSHIPS
and Our Participation in Trade Fairs in 2024

Avanceon seeks strategic partnerships with like-minded businesses to drive innovation, expand market reach, and create value for customers. By collaborating with industry leaders and participating in trade fairs, we showcase our solutions, build relationships, and strengthen our position in the global marketplace.

Here are a few highlights of our Trade Fair Participations and Updates from our Esteemed Customers from the Year 2024 -

NOG Energy Week in Abuja, Nigeria – Avanceon had an amazing week at the NOG Energy Week Conference & Exhibition held at ICC, Abuja, Nigeria! The Avanceon team had the privilege of connecting with fellow industry professionals and exploring new opportunities for collaboration. We showcased our latest innovations in energy management and automation, highlighting our commitment to enhancing efficiency and sustainability in the sector.

Rockwell Automation Fair in Anaheim California, United States – Syed Adeel Haider Zaidi, VP of Sales & Marketing, represented Avanceon at the Rockwell Automation Fair in Anaheim, California, USA. For the past couple of decades, Avanceon has partnered with Rockwell Automation to deliver customized automation and digitalization solutions, particularly in Oil & Gas, FMCG, infrastructure, and transportation sectors.

WETEX in Dubai, UAE – Avanceon participated at WETEX Region's Largest Sustainability & Clean Energy Technology Exhibition from Oct 01 – Oct 03, 2024 in Dubai, UAE. Sarmad Mahmood Qureshi, President of Middle East & Africa, led an informative session on 'From Confusion to Fusion: Next Generation SCADA Systems'. The session explored the modernization of SCADA technology, highlighting integration challenges and opportunities to enhance data analytics and operational efficiency.

ADIPEC in Abu Dhabi, UAE – ADIPEC Exhibition and Conference 2024 had been another remarkable experience for Avanceon. Avanceon had the privilege of engaging with forward-thinking industry leaders, discussing key trends in energy automation and digital transformation, and showcasing our innovative solutions for a sustainable energy future. From advanced automation to seamless connectivity, we're bringing cutting-edge technologies that empower the energy sector towards greater efficiency and resilience.

أديبك
ADIPEC

Endress+Hauser Visits Pakistan – Avanceon hosted our esteemed partner Endress+Hauser Group at Avanceon Pakistan Head Office in October 2024. Our discussions on future strategies were highly engaging, paving the way for exciting new initiatives.

Endress+Hauser
People for Process Automation

Additionally, we are proud to share that Avanceon has been honored with the CSR Award for our outstanding efforts in education.
This award highlights our commitment to integrating social responsibility into our business practices. Our gratitude extends to Endress+Hauser for their recognition and ongoing support.

Avanceon partners with leading OEMs to deliver value across industries globally. Our key partnerships include:

- **Rockwell Automation:** Avanceon has been a Recognized System Integrator since 2007, acting as the sole Value-Added Reseller (VAR) in South Asia and the only CSIA certified integrator in the Middle East.

- **Schneider Electric:** Since 2019, Avanceon has been a preferred Alliance System Integrator for Water & Wastewater Projects in the Middle East & Africa, certified at Control System & SCADA levels. Avanceon is also a Schneider Wonderware Endorsed SI.

- **Siemens:** Avanceon partners with Siemens to provide complete building technologies, including access control, video surveillance, and lighting control.

- **WEG:** A long-term partner in South Asia, WEG's motors dominate the sugar sector in Pakistan, with Avanceon providing expert integration.

- **Belden:** As the authorized distributor in Pakistan, Avanceon ensures broad access to Belden's connectivity products for automation, energy, and process solutions.

- **NDC Technologies:** A 20-year partnership with NDC allows Avanceon to provide online & at-line analyzers for industries like Milk Powder, Snacks, and Paper.

- **Schaffner:** Representing Schaffner in Pakistan, Avanceon offers solutions for efficient operation of power electronics with EMI filters and power quality products.

- **PE Energy:** A key automation and system integration partner, PE Energy specializes in valves, actuation, and process solutions across Nigeria.

- **AVEVA:** Avanceon collaborates with AVEVA on a major SCADA upgrade project for a leading Oil & Gas company in Pakistan, driving digital transformation.

- **Endress+Hauser:** In partnership with Endress+Hauser, Avanceon offers high-end industrial instrumentation and solutions for optimized processes in Pakistan.

- **Dover Fueling Solutions:** Avanceon represents Dover Fueling Solutions in Pakistan, providing integrated control and automation for retail fueling stations, including brands like OPW FMS and Wayne Fueling Systems.

- **Microsoft & Octopus Digital:** Avanceon's associate company, Octopus Digital, collaborates with Microsoft to provide end-to-end data services, optimizing industrial processes.

• **SEL:** A distributor partnership with Schweitzer Electric Laboratories (SEL) enables Avanceon to offer advanced digital solutions for power systems in Pakistan.

• **SAMSON:** Authorized distributor for SAMSON Controls, Avanceon sells high-quality control valves for industrial process automation.

• **Achilles:** Avanceon partners with Achilles to offer global supply chain risk management, helping organizations gain visibility and mitigate supplier risks.

• **UAB Arevita – Parksol:** UAB Arevita provides intelligent parking guidance systems, maximizing parking revenues and reducing environmental impact.

• **Emerson:** Avanceon works with Emerson to deliver innovative automation solutions, enhancing energy efficiency and operational optimization across industries.

• **TrendMiner:** A partner in advanced analytics software, TrendMiner helps optimize process performance using IIoT data across sectors like oil & gas, pharmaceuticals, and more.

These strategic collaborations allow Avanceon to provide cutting-edge solutions, driving efficiency and innovation across industries worldwide.
To know more, contact: **marketing@avanceon.ae**

REGIONAL KEY PARTNERS

Technology Partners

Regional Partners

CORE COMPETENCIES

Avanceon core competencies revolve around automation, process control, and system integration. The Company provides end-to-end solutions, which include Design, Supply, Engineering, Installation, Testing, Commissioning and Maintenance for:

CORE SERVICES

Automation – Avanceon provides a wide range of automation solutions by leveraging an extensive track record of execution in diverse application environments combined with an understanding of technology trends and industry standards. The automation solutions address client requirements such as complexity in handling multiple products, regulatory requirements and the need for safety, productivity and improved throughput. Avanceon's automation solutions span over several industries which include:

- **Oil & Gas:** Assist companies in implementation of Supervisory, Control and Data Acquisition ("SCADA") solutions
- **Food and Beverages:** Assist companies to standardize products and meet precise recipe formulas
- **Power:** Enable companies to achieve energy efficiencies and improve utilization
- **Chemicals:** Assist companies in design, development and improvement of process flows allowing them to increase profitability and sustain during periods of low economic growth
- **Cement:** Assist companies in optimizing and reducing energy costs

To successfully deliver a compelling value proposition, Avanceon has developed a set of pre-designed and pre-tested process standards, software codes and supporting documentation designed to address the client's technical requirements.

Process Control – Process Control services include consulting for automation planning and specification development, process equipment selection and Original Equipment Manufacturer (OEM) management, electrical and mechanical systems engineering & design and long- term factory support. Avanceon provides the following services:

- **Batch Engineering:** Assist customers in application of the S88.01 standards which provide a template for meeting the standard of "best practices" based on their internal processes.
- **Distributed Control System:** Provide turnkey instrumentation and controls solutions for a manufacturing or process facility using Distributed Control Systems (DCS) or Programmable Logic Controller (PLC) systems with field integration on multiple protocols.
- **System Integration:** Avanceon offers a full-service, platform independent systems integration solution and has extensive experience of designing, developing, and executing both process & manufacturing controls and automation solutions, including enterprise level integration. Its solutions are designed to meet the specific manufacturing requirements of customers using a choice of "Best in Class" technology platforms such as Allen Bradley PLC, Honeywell DCS, Invensys ArchestrA, Schneider, and Microsoft technologies.

SPECIALIZED SOLUTIONS

Manufacturing Execution – Avanceon offers an extensive experience in designing, developing, and implementing Manufacturing Execution Systems (MES) that provide real-time monitoring of quality and productivity to operators, supervisors, managers, and executives. MES solutions apply data collection and management capabilities to manufacturing processes which aid in improving productivity, quality and process visibility. MES solutions facilitate customers to unlock efficiency savings in areas such as scheduling, inventory control, product traceability, downtime, uptime, product specification management and key performance tracking. Key solutions offered under MES include:

- **Overall Equipment Effectiveness (OEE):** Avanceon assists customers in closing the technology gap that exists between an enterprise's manufacturing floor and its Information and Enterprise Resource Planning (ERP) systems. These solutions range from strategic technology planning to the establishment of internal practices & standards, to managing and executing IT projects.
- **Mobile Solutions:** Mobile computing solutions allow customers to create, access, process, store and communicate information without being constrained to a single location.
- **Hazard Analysis Critical Control Point (HACCP):** HACCP is a food industry safety program developed to help prevent food contamination and enable more efficient government oversight of the food production process.

The following solutions are in demand in Oil & Gas, both upstream and downstream, Petrochemicals, Chemicals, Pharmaceuticals, Pulp, Paper and Printing, Metals, Cement and Power. To ensure increased revenues, reduced operating costs, and improved efficiencies for manufacturers, Avanceon provides solutions in:

- Manufacturing Execution Systems
- Plant Information Management Systems
- Real-time process optimization through Advanced Process
- Control technologies
- Customized Software Development services for process and manufacturing industries

Avanceon supports manufacturers in the complete lifecycle implementation of an MES application from systems and requirements definition, technology selection, pilot phase, implementation and rollout. Avanceon supports all phases of the MES implementation and provides a superior project and change management methodology in-line with the initial MES vision and current implementation reality. It has the ability to help manufacturers define MES standards and practices that provide the overall structure and strategy for corporate wide rollout and adoption

Plant Information Management System – Avanceon offers scalable and extensible software information management for decision-makers to visualize and analyze their processes faster and more effectively, which:

- Collects real-time data from multiple process control systems
- Archive for long term
- Delivers secure and reliable plant floor information

Our information management tools create custom displays for process and operations data, including schematics, animations, trends, alerts, notifications and custom reports.

Advanced Process Control – The key challenge for operators of refining, chemical and petrochemical plants is to maintain processes at their optimal operating point while simultaneously maintaining multiple safety margins at acceptable levels. Our solutions helped customers achieve:

- Improved product yield
- Reduced specific energy consumption
- Increased throughput capacity
- Improved product quality and consistency
- Reduced environmental emissions

By implementing advanced process control, benefits ranging from 1-2 years of return on investments can be achieved. These benefits are clearly enormous allowing plants to be operated to their designed capacity and increase customer bottom line.

Energy Management Solution (EMS) – EMS consists of turnkey energy management and optimization solutions. These are robust and certified solutions developed using best practices and enable significant improvements in monitoring controls and management of existing utility and process control systems. They also provide saving opportunities in steam, pneumatics, fluid movement, chilling and heating to reduce losses in production and carbon emissions. The Company has developed proprietary EMS suites such as:

- Energy Dashboard: A complete service-offering platform for the monitoring of energy consumption in different business units of a plant remotely from anywhere in the world
- iWater: Water is a big energy cost centre in most industries. Through iWater, Avanceon offers a proprietary solution to reduce energy consumption
- iBoiler: Helps clients optimize their boiler performance. It measures and reduces fuel usage of boilers through optimized load sharing and reduced emission & steam distribution losses
- iAir: Measures and reduces electricity usage of air compressors through optimized load sharing, reduced header pressure, elimination of leaks and pressure drops and heat recovery
- iDC: An energy management package for District Cooling Systems

AVANCEON
Tomorrow's solutions, today.

SOLUTION **PORTFOLIOS**

Avanceon empowers industries with cutting-edge automation and digital solutions that drive efficiency, reliability, and sustainability. From SCADA and PLC to energy management and IIoT analytics, our smart technologies transform operations across infrastructure and process sectors.

To know more about our solutions, visit **www.avanceon.ae**

Smart Infrastructure Solutions

- Smart Buildings
- Smart Parking
- Water Management

Building Technologies

- HVAC Manager
- Life Safety System
- Security System

Automated Fuelling Solutions

- Wet Stock Management System
- Piping & Containment System
- Submersible Pumping System

Digital Solutions

- Predictive Analysis
- AI-Powered Digital Assistants
- Sensor to Cloud Data Management

QHSE
UPDATES

HSE Excellence and Innovation in 2024

In 2024, our commitment to HSE (Health, Safety, and Environment) excellence was strengthened through a focused approach to Capability Building, Unified QHSE&T Management, and the Digitalization of our processes. We invested in workforce training to enhance skills and awareness, ensuring a high standard of safety and environmental stewardship. By integrating our Quality, Health, Safety, Environment, and Training systems, we achieved a streamlined approach to compliance and risk management. Digital tools were leveraged to improve data accuracy, track performance, and facilitate real-time decision-making. This combination of initiatives has not only bolstered our safety culture but also reinforced our commitment to continuous improvement and sustainable practices. Together, these efforts have set new benchmarks in operational safety, efficiency, and environmental responsibility.

Capability Building & HSE Excellence

1. **Comprehensive HSE Training**: Trained 52 engineers on 14 HSE modules, boosting safety awareness.
2. **Project HSE Reporting**: Established KPI-based HSE reporting for progress tracking.
3. **Enhanced Audit Practices**: Engaged senior managers in frequent HSE audits.
4. **Risk Assessments**: Conducted risk reviews for Engineering and RPS teams.
5. **HSE Training Hours:** Achieved **4086** training man hours
6. **Safe Man Hours:** Achieved **629376** safe man hours.
7. **Total NMPIs Reported:**
   - NMPIs Reported in Office = **212**
   - NMPIs Reported in Projects = **423**

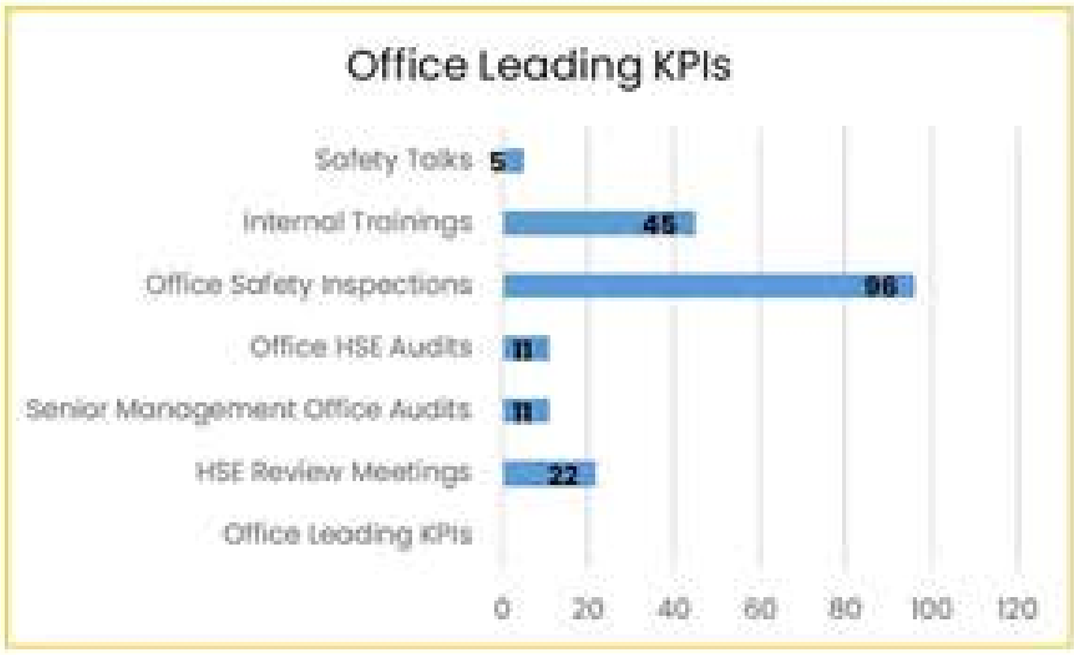
Unified QHSE&T Management

1. **Unified Department**: Standardized QHSE&T framework across the group.
2. **Centralized Oversight**: Shifted regional QHSE teams to corporate reporting.
3. **Annual QHSE Plan**: Rolled out a consistent plan across all regions.
4. **Standardized Training**: Unified QHSE training for global offices.

Digitalization of QHSE&T

1. **Modernized Processes**: Digitalized JSA, Method Statements, and PTW systems.
2. **Smart Inspections**: Enabled digital audits for improved efficiency.
3. **Incident Dashboard**: Launched real-time HSE dashboard for tracking and analysis.

HSE STATS Year-2024 – ACHIEVED 4086 HSE TRAINING MAN HOURS



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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Effective corporate governance is the cornerstone of an organization's long-term sustainability and prosperity. It is built on principles, rules, practices, and processes that are crafted in accordance with corporate laws and the company's authority. By fostering transparency, corporate governance instils confidence in stakeholders, including shareholders, investors, business partners, regulators, lenders, customers, vendors, and the broader community. This openness ensures the integrity and credibility of the organization, reinforcing ethical behaviour, accountability, and professionalism at all levels. Additionally, it helps balance the diverse interests of various stakeholders, creating a harmonious environment that supports the company's growth and reputation.

To ensure effective governance, organizations must implement robust internal controls, risk management systems, and effective supervision of corporate affairs. The Board's commitment to complying with regulations, such as the Listed Companies (Code of Corporate Governance) Regulations, 2019, plays a critical role in ensuring efficient operations and safeguarding both assets and shareholder wealth. Furthermore, adherence to local laws, along with accurate financial accounting and reporting aligned with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), is essential for maintaining trust and ensuring legal and financial integrity. Through these mechanisms, corporate governance contributes to the effective management of the company and upholds the long-term interests of all stakeholders.

BOARD COMPOSITION

The composition and qualifications of the Company's Board of Directors are fully aligned with the requirements set forth by the Companies Act 2017, the Code of Corporate Governance, and the best practices as outlined in the Company's Articles of Association. The Board's structure ensures adherence to regulatory guidelines and upholds the highest standards of governance, promoting transparency, accountability, and effective oversight.

BOARD DIVERSITY

The Avanceon Board consists of 07 directors who effectively represent the interests of shareholders, with a diverse composition that fosters efficient decision-making and enables the team to navigate challenges in managing the Company's affairs with precision. . This diversity brings a wealth of unique perspectives, driven by the directors' varied knowledge and extensive experience, allowing them to make informed, objective decisions free from undue influence. The Board is committed to the highest standards of governance and strategic insight, ensuring the Company's operations are managed effectively. Of the 07 directors, three are independent, representing non-controlling interests, and are selected through a meticulous process using a database maintained by the Pakistan Institute of Corporate Governance (PICG). Each independent director has formally consented to serve and has submitted a "Declaration to the Company," affirming their compliance with the independence criteria outlined in the Companies Act 2017. Additionally, the Board comprises one executive director and three non-executive directors, ensuring a balanced and comprehensive approach to governance. None of the directors hold directorship of more than seven listed companies.

GENDER DIVERSITY IN GOVERNANCE

The Avanceon Governance framework is committed to achieving gender diversity on its Board of Directors. Currently, the Company has one female director, surpassing the regulatory requirement for at least one female director on the Board of a listed company.

CHANGES TO THE BOARD

The current Board was elected in May 2023, and its term will be completed by May 2026. During the year, Ms. Hanan Darwish resigned. To fill the casual vacancy, Ms. Faaria Rehman Salahuddin joined the Board of Directors. The Board expresses sincere appreciation for the valuable contributions made by the outgoing director and extends a warm welcome to the new member. The Board remains confident in the team's ability to efficiently achieve the Company's objectives and drive continued financial success for shareholders.

ROLE & RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors holds a responsibility for the overall direction and control of the Company's activities, including identifying and managing business risks, ensuring the integrity of management information systems, and providing transparent and accurate reporting to shareholders. This responsibility extends to the Company's control architecture, encompassing a robust system of internal controls, clearly defined procedures, policies, guidelines, and an organogram to ensure an appropriate division of responsibilities. The Board oversees the implementation of an internal audit program and ensures key functions are staffed with qualified personnel, supported by continuous training.

CORPORATE GOVERNANCE

With a commitment to maintaining shareholder confidence and safeguarding the Company's reputation both nationally and internationally, the Board has established a comprehensive governance framework. This framework, based on global best practices, includes essential components such as a formal Code of Conduct, Code of Business Ethics, Internal Control Framework, Risk Management Framework, and a Whistle Blowing Policy. These measures exceed the compliance and disclosure requirements set by relevant legal and regulatory authorities while ensuring the informational needs of all stakeholders are met.

The Board routinely reviews the Company's strategic direction to ensure alignment with its long-term objectives. Annual business plans and performance targets, set by the Chief Executive, are thoroughly examined by the Board in the context of the Company's overarching goals. The Board is unwavering in its commitment to upholding the highest standards of corporate governance and ensures that the Company operates in full compliance with regulations prescribed by the Securities and Exchange Commission of Pakistan (SECP) and the relevant listing rules of the Pakistan Stock Exchange (PSX).

In line with its commitment to sound corporate governance and financial reporting, the Board adheres to the following principles:

1. The financial statements prepared by management fairly present the Company's financial position, results of operations, cash flows, and changes in equity.

2. Proper books of accounts have been maintained in compliance with legal requirements.

3. Accounting policies have been consistently applied in preparing financial statements, with estimates based on sound judgment.

4. International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of the financial statements.

5. The internal control system is robust, effectively implemented, and regularly monitored.

6. The Company's ability to continue as a going concern is assured.

7. The best practices in corporate governance, as outlined in the listing regulations, have been diligently followed.

ROLE AND RESPONSIBILITIES OF THE CHAIRMAN

The Chairman of the Board provides leadership to the Board of Directors, guiding the strategic direction of the Company and ensuring the effective functioning of the Board. As the principal liaison between the Board and the Company's management, the Chairman facilitates communication and coordination through the Chief Executive Officer, ensuring alignment between the Board's objectives and the Company's operations. The Chairman is accountable to the Board and plays a pivotal role in fostering a culture of governance and accountability within the organization.

ROLES AND RESPONSIBILITIES OF THE CEO

The CEO's responsibilities encompass developing the Company's strategy, supported by annual business plans and budgets, for Board approval. The CEO is tasked with managing the business in alignment with Board decisions, achieving the Company's financial and operational objectives, and overseeing succession planning and information technology strategies. Additionally, the CEO monitors and reports the Company's performance and compliance with regulatory and corporate governance requirements to the Board. The CEO ensures that the Company adheres to all relevant laws and best practices in corporate governance, while also serving as the principal representative of the Company. In this capacity, the CEO is responsible for recommending a long-term strategy aimed at enhancing shareholder value and driving the Company's growth.

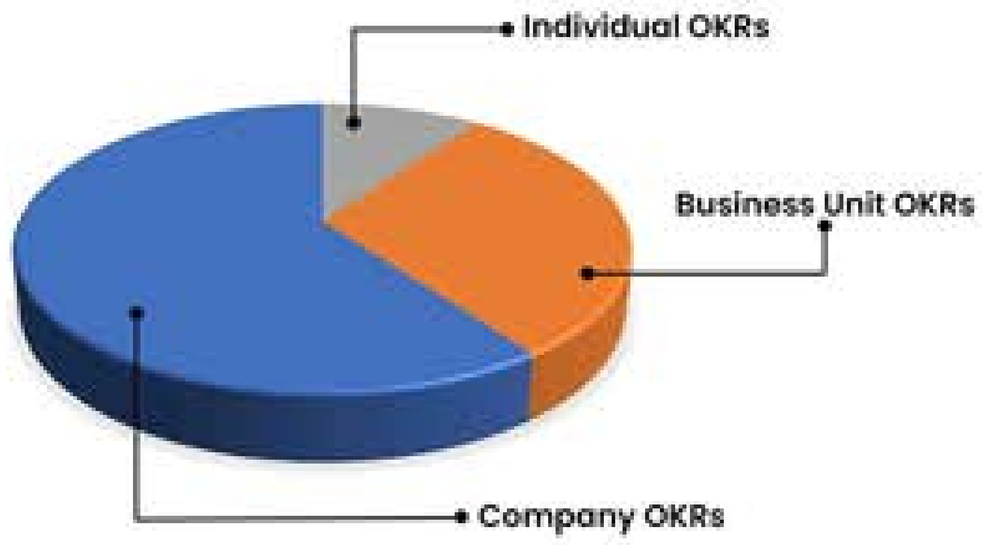
The Board consists of two executive directors and five non-executive directors, including three independent directors, all of whom are deeply committed to the effective stewardship of the Company's affairs. The non-executive directors remain independent of the Company's management. The current directorate will complete its three-year term on May 28, 2026. To support its governance functions, the Board has established the following committees:

- Audit Committee
- Human Resource and Remuneration Committee / Compensation Committee for ESOS
- Executive / Stewardship Board

Through these committees, the Board provides proactive oversight in key areas of business operations and the CEO's performance. The Board regularly reviews the charters of these committees to ensure they align with best practices and continue to meet the Company's strategic objectives.

ROLES AND RESPONSIBILITIES OF THE EXECUTIVE BOARD

The Executive Board is responsible for the overall achievement of the Company's Objectives and Key Results (OKRs), a management methodology that aligns organizational efforts toward critical goals. This approach ensures that leadership OKRs are directly tied to the Company's success, driving performance and enabling progress tracking through an OKR scorecard. The Executive Board comprises key management leaders from across various functions, including Sales, Engineering, Finance, HR, and Corporate divisions globally. The Executive Board's mandate is to oversee the corporate plan through regular monthly and quarterly meetings, ensuring the timely delivery of projects, improving operational execution, addressing obstacles, and ensuring the availability of free cash flow. The Board also conducts fixed cost event-oriented analysis, takes preventive and corrective actions when necessary, and focuses on increasing shareholder wealth. Key performance drivers include:



- Purchase Order (PO) Generation
- Revenue Recognition
- Invoicing
- Collections

CEO PERFORMANCE REVIEW BY THE BOARD

The Board of Directors conducts an annual performance evaluation of the Chief Executive Officer (CEO), assessing progress against corporate goals and objectives, including business performance, long-term strategic achievements, and management development. This evaluation is communicated to the CEO and the Chairman of the Board for transparency and alignment.

MANAGEMENT INITIATIVES ON CORPORATE GOVERNANCE

To familiarize key management personnel with corporate governance best practices, the Company has instituted comprehensive training programs for its directors and executives. These programs cover a variety of topics, including the structure, role, and importance of the Board, strategic planning models, succession planning, risk management, and internal controls.

ETHICS

At Avanceon, ethics are integral to the Company's culture and guide the behavior of all employees, ensuring that objectives are met efficiently, transparently, and fairly. The Company has implemented a comprehensive ethics program, anchored in a Code of Conduct that is approved by the Board and applicable to all employees. The program includes:

- Code of Ethics
- Employee Training Programs
- Whistle blowing Policy
- System for Reporting and Investigating Wrongdoing
- Corrective Action Procedures

The Code of Ethics is complemented by specific function-based codes, such as:

- **Financial Code of Ethics:** Defines ethical standards for senior executives, especially those responsible for public disclosure and financial information.

- **Principles of Good Promotional Practices:** Establishes rules for ethical promotional conduct.

- **Personal Data Protection Charter:** Outlines corporate guidelines for the collection, processing, and storage of personal data.

- **Code for Prevention of Insider Trading:** Provides rules to prevent insider trading within the Company.

- **Ethical Charter for Buyers:** Sets guidelines for employees involved in the purchasing process.

BUSINESS GOVERNING PRINCIPLES AND VALUES

Avanceon conducts business with honesty, integrity, and transparency, expecting the same from all stakeholders. We prioritize doing what is right, ensuring that all transactions adhere to legal frameworks, and underpin our actions with responsible financial reporting.

INTEGRITY

Avanceon is committed to maintaining the highest standards of integrity and fairness. We prohibit any use of unfair means or instruments for business or financial gain. Employees are required to follow a policy regarding the acceptance of gifts from customers or vendors, ensuring no conflicts of interest arise from personal financial activities.

CODE OF CONDUCT

The Board has adopted a comprehensive Code of Conduct for its members, executives, and staff, outlining business standards and ethical expectations. The Code covers areas such as:

- Corporate governance
- Relationships with employees, customers, & regulators
- Confidentiality of information
- Trading in Company shares
- Environmental responsibilities
- Harassment policy

CORPORATE SOCIAL RESPONSIBILITY

Avanceon is deeply committed to corporate social responsibility (CSR). Through initiatives such as the fully funded education program for the children of support staff, we are creating meaningful societal value. This initiative, which covers school fees, books, uniforms, home tutors, and transportation, has received recognition from the National Forum for Education and Health. Many of these children are now employed within the Company, ensuring the future of Avanceon's workforce.

The Company also actively participates in environmental and social initiatives, including a four-pillar audit covering labor standards, health and safety, environmental practices, and business ethics. Avanceon is dedicated to environmental protection, energy conservation, and the welfare of its staff and the broader community.

ENVIRONMENTAL PROTECTION

While Avanceon's service-oriented activities do not directly harm the environment, the Company is committed to several green initiatives. Recently, over 50 employees participated in a tree plantation drive both within the office and at home. Additionally, the Company promotes a paperless work environment, reducing physical administrative forms through the use of the company intranet and encouraging on-demand printing. Environmental awareness campaigns are also conducted across all offices, involving employees and their families in sustainability efforts.

EQUAL OPPORTUNITY EMPLOYER

Avanceon is proud to be an equal opportunity employer, committed to providing a diverse and inclusive work environment. We offer employment opportunities without regard to gender, ethnicity, religion, disability, or any form of discrimination. At Avanceon, we embrace diversity, with key roles across the organization filled by individuals from a range of nationalities, including American, Egyptian, Filipino, French, Indian, Japanese, and Pakistani. We particularly encourage the active participation of women across all levels of the organization.

Avanceon's most significant contribution to the nation of Pakistan lies in the development of a highly skilled engineering workforce, fostering talent and expertise that drives innovation and growth.

Board Policy on Diversity

The Board of Directors of Avanceon Limited is committed to promoting diversity and inclusion across all levels of the organization, with a particular focus on gender diversity. The Company recognizes the importance of diverse perspectives and backgrounds in driving innovation, improving decision-making, and enhancing corporate performance. In line with this commitment, the Board has set measurable objectives aimed at increasing gender diversity. The progress toward achieving these objectives will be monitored annually by the Board, with updates provided to ensure that appropriate actions are taken to meet these goals. The Board will regularly review and assess its diversity policy to ensure it remains aligned with best practices and supports the creation of a fair, inclusive, and equitable work environment for all employees.

Conflict of Interest

The Board of Directors of Avanceon Limited is committed to ensuring that all decisions made in the best interests of the Company are free from any conflicts of interest. Directors are required to act with integrity and in good faith, avoiding situations where personal interests may conflict with the interests of the Company. Any actual or potential conflict of interest must be disclosed to the Board at the earliest opportunity, including any situations where a director has a financial interest, directorship, or personal relationship that could affect their ability to perform their duties impartially. The Board will review any reported conflicts and determine the appropriate course of action, which may include recusal from discussions or decisions related to the conflict. Directors are expected to maintain transparency and act in accordance with the highest standards of ethical conduct. The Company will regularly monitor and assess compliance with this policy, ensuring that all conflicts of interest are effectively managed and mitigated in line with applicable laws, regulations, and corporate governance standards.

Policy on Fees Earned by Executive Directors

The Board of Directors of Avanceon Limited hereby acknowledges that Mr. Bakhtiar Hameed Wain, an Executive Director of the Company, serves as a non-executive director on the boards of the following companies:

1. Octopus Digital Limited
2. Empiric AI (Pvt) Limited
3. Innovative (Pvt) Limited
4. I2C Pakistan (Pvt) Limited

In his capacity as a non-executive director of these companies, Mr. Wain may receive fees or other remuneration for attending board meetings or participating in other company-related activities. The amount and terms of such fees, if any, shall be determined by the remuneration policies of the respective companies.

Foreign Directors' Security Clearance

During the year, no foreign director has been elected or appointed to fill a casual vacancy. However, the Company is fully cognizant of the legal requirements for foreign directors, specifically the need for security clearance from the Ministry of Interior, facilitated through the Securities and Exchange Commission of Pakistan (SECP). The Company ensures full compliance with all legal formalities and procedural requirements in this regard, in adherence to applicable laws and regulations governing the appointment of foreign directors.

Details of Board Meetings held outside Pakistan

A total of four (04) Board meetings were held during the financial year 2024. One of these meetings, during which the approval of the annual accounts for 2023 was discussed, took place in Dubai, United Arab Emirates (UAE). All meetings were conducted simultaneously in both Pakistan and abroad via video link facility, ensuring full participation and engagement from all directors, regardless of location.

Presence of Chairman of Audit Committee at the AGM

The Chairman of the Board Audit Committee was present at the AGM to respond to questions on the Audit Committee's activities and matters within the scope of the Committee's responsibilities.

Best Corporate Report Criteria Cross Referenced With Annual Report's Page Numbers

Information disclosed in accordance with BCR criteria as well as beyond BCR criteria is available on our website https://www.avanceon.ae/investor-relations/

BOARD OF DIRECTOR'S MEETINGS

During the year, the Board of Directors has conducted four board meetings (all conducted in Pakistan), the following honorable members participating:

Sr.No	Name of Directors	06-Apr-24	30-Apr-24	29-Aug-24	30-Oct-24	Meeting Attended
01.	Mr. Khalid H. Wain					●●●●
02.	Mr. Bakhtiar H. Wain					●●●●
03.	Mr. Amir Wain					●●●●
04.	Mr. Tanveer Karamat					●●●●
05.	Mr. Omer Iqbal Khan					●●●●
06.	Mr. Mohammad Shahid Mir					●●●●
07.	Ms. Faaria Rehman Salahuddin	Appointed as a casual vacancy, no meeting attending during the year ending 31 December, 2024.				
08.	Ms. Hanan Darwish					●●●●

BOARD AUDIT COMMITTEE'S MEETINGS

During the year, the Board Audit Committee has conducted four board meetings (all conducted in Pakistan), the following honorable members participating:

Sr.No	Name of Directors	05-Apr-24	22-Apr-24	28-Aug-24	28-Oct-24	Meeting Attended
01.	Ms. Faaria Rehman Salahuddin	Appointed as a casual vacancy, no meeting attending during the year ending 31 December, 2024.				
02.	Mr. Khalid H. Wain					●●●●
03.	Mr. Amir Wain					●●●●
04.	Mr. Mohammad Shahid Mir					●●●●

HR AND REMUNIRATION COMMITTEE'S MEETINGS

During the year, the HR and Remuniration Committee has conducted two board meetings (all conducted in Pakistan), the following honorable members participating:

Sr.No	Name of Directors	11-Apr-24	17-Dec-24	Meeting Attended
01.	Ms. Faaria Rehman Salahuddin	Appointed on 28-Novemeber-2024		●●●●
02.	Mr. Khalid H. Wain			●●●●
03.	Mr. Mohammad Shahid Mir			●●●●
04.	Ms. Hanan Darwish			●●●●

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CYBERSECURITY OVERSIGHT & GOVERNANCE

Avanceon maintains strong oversight of cybersecurity risks through coordinated efforts between senior leadership and the IT department. Cybersecurity is integrated into the company's broader risk management framework, supported by ongoing monitoring and periodic reviews to address evolving digital risks. The company operates under a comprehensive IT Policy that governs its cybersecurity practices, internal controls, and compliance with industry standards. The IT department oversees the implementation of systems and procedures designed to identify, assess, and address cybersecurity risks. Regular independent assessments of the technology environment, including third-party risks, are conducted, with the most recent review completed during the reporting period.

Business Continuity & Disaster Recovery Plan

Business Continuity Planning (BCP) is a comprehensive process meticulously crafted to minimize the organization's exposure to business risks stemming from unforeseen disruptions in critical operations vital for its sustenance. These disruptions encompass a spectrum of events, ranging from short-term crises to prolonged disasters, including but not limited to physical damages i.e., fires, floods, earthquakes, explosions, terrorism & power outages, hardware, or software failures, natural & other calamities.

At Avanceon – BCP is tailored to address the recovery and seamless continuation of operations in the event of a significant disruption, specifically focusing on unavailability of Avanceon facilities.

- Minimize interruptions to business & service operations
- Resume critical operations within a specified time after a disaster
- Assure clients/customers interests and business are protected
- Limit the severity of the disruption
- Expedite the restoration of services
- Establish awareness about implications of disaster upon restoration of services

Information Technology Governance Policy

In recent times to align with the ever-changing dynamics of modern business world, Information Technology is now a critical component of overall Corporate Governance. Therefore, Avanceon has positioned itself to effectively utilize information technology resources for maximization of shareholder value.

IT governance is focused on effective and secured IT solutions to meet the needs of our stakeholders in the most convenient and creative ways. As the use of Information Technology is increasing extensively, Company Management is required to uphold high standards for cyber security.

IT governance policy is primarily focused on ensuring IT systems and processes are aligned with the goals and objectives of the organization & support the overall strategy of the organization with specific focus on the following objectives:

IT strategy is aligned with Business Strategy

IT Risks are identified & Managed

Ensure compliance with regulations and standards

IT systems improves overall performance and efficiency

IT systems ensure accountability and responsibility

Foster a culture of continuous improvement within business operations

Early Warning System

Microsoft 365 – a cloud powered productivity platform capable of generating automatic alerts, warnings & system alarms controlled by Microsoft whenever, suspicious data traffic observed, multi-functional authentication breaches or user's profile being at risk in the form of e-mail & dashboard notifications.

Independent Assessment of Information & Technology Environment

An independent comprehensive assessment of the Information & Technology environment had been carried out by TUV Austria. During the course of this activity a comprehensive assessment of control environment for IT service being conducted out along with Penetration Testing to assess controls on data security breach.

Strive for IT Skill Development through Educational and Professional Trainings

The Management is aware of the critical importance of providing educational training to key personnel in the IT and Compliance departments. As these trainings are essential for the timely identification and response to potential cyber-penetrations and intrusions.

In line with this approach, Avanceon Management has taken proactive steps to ensure that the necessary resources are in place for these trainings from time to time when required in the upcoming years.

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Enterprise Resource Planning (ERP) System Overview

As part of our ongoing commitment to operational excellence and digital transformation, we have successfully implemented an integrated Enterprise Resource Planning (ERP) system that centralizes and streamlines key business functions across the organization. Being a gold ISV partner of Microsoft we are currently using Microsoft Dynamics GP 2018 (October 2022 Release) under their Internal Use of Rights (IUR) program. This ERP system serves as a unified platform for managing finance, human resources, procurement, inventory, supply chain operations, and project accounting. By automating routine tasks, enabling real-time reporting, and maintaining consistent data across departments, the ERP system enhances efficiency, transparency, and data-driven decision-making throughout the organization.

a) Integration of Core Business Processes and Modules

Our ERP platform is structured around a suite of interlinked modules, including finance, HR, inventory management, procurement, and project accounting. Each module is designed to seamlessly communicate with the others, allowing for real-time data exchange and cohesive operations across departments. Functions such as payroll processing, vendor and asset management, budgeting, and project cost tracking are integrated to ensure smooth workflows and accurate reporting.
To support this integration, a comprehensive Standard Operating Procedure (SOP) framework has been developed and embedded within the ERP system. These SOPs standardize operational activities, promote accountability, and ensure consistency across departments, making it easier for employees to navigate processes and maintain compliance with organizational standards.

b) Management Support in Implementation and Enhancement

Leadership has played a pivotal role in the ERP system's successful deployment and ongoing refinement. From defining the system's scope and selecting appropriate modules to setting implementation milestones, management has provided clear strategic direction. Regular performance evaluations and stakeholder feedback sessions are conducted to ensure the system continues to align with business goals.

Furthermore, management actively supports system enhancements and upgrades by prioritizing resource allocation and encouraging interdepartmental collaboration. This leadership commitment fosters a culture of ownership and adaptability, ensuring the ERP system evolves with the organization's changing needs.

c) Structured User Training and Enablement

To maximize the benefits of the ERP system, we have implemented a robust user training and enablement strategy. New users are onboarded through role-specific training sessions, designed to align with their daily responsibilities. To supplement this, a library of digital user manuals and step-by-step video tutorials is made available for on-demand learning.

We have also launched a new initiative titled Digital Tips — concise, practical insights shared regularly to promote best practices and enhance system proficiency. These resources empower employees to utilize the ERP system effectively and confidently, improving accuracy and productivity across all departments.

d) Risk Management in ERP Projects

Recognizing the critical role of risk mitigation in large-scale IT projects, a detailed ERP implementation and risk management plan was developed in collaboration with multiple departments. The plan includes preventive controls such as regular data backups, rigorous user access reviews, structured change management protocols and DRP testing.

Before any system upgrades or new module deployments are rolled out, comprehensive testing is conducted in a controlled environment to identify and resolve issues proactively. This systematic approach to risk management ensures business continuity, system stability, and the integrity of organizational data.

e) System Security, Access Controls, and Segregation of Duties

To safeguard sensitive business and employee information, our ERP system incorporates advanced security measures and a well-defined access control framework. Access rights are role-based, ensuring that employees can only view or modify data relevant to their functions. This not only supports compliance and governance but also enforces effective segregation of duties.

Regular security audits and activity logs are maintained to detect anomalies and ensure traceability. Security protocols are reviewed periodically and updated in line with evolving data protection standards, helping maintain a secure, compliant, and well-governed ERP environment.

AVANCEON'S WHISTLEBLOWER POLICY – "SPEAK OUT!"

The Board of Directors of Avanceon and its subsidiaries have implemented a range of ethics and compliance policies that reflect our commitment to the highest standards of governance and corporate behavior. Upholding these values has always been a core strength of our organization, reinforced through voluntary disclosures and regular assessments of our business practices.

To further support this framework, a formal Whistleblower mechanism — the "Speak Out" system — has been established. Avanceon expects all employees, suppliers, and contractors across our affiliated entities to not only adhere to our ethical standards, but also to voice any concerns related to business ethics, workplace safety, environmental responsibility, harassment, or other compliance-related issues.

We are committed to maintaining the confidentiality of individuals who report in good faith and to protecting them against retaliation or victimization for raising legitimate concerns.

The "Speak Out" system is designed to address serious issues that could have significant implications for Avanceon or its affiliates, including but not limited to:

- Unlawful actions or activities that may damage the organization's reputation
- Fraudulent practices leading to loss of assets
- Intentional misrepresentation in financial reporting
- Violations of corporate conduct policies
- Breaches of applicable Safety, Health, and Environmental (SHE) standards
- Incidents of harassment, discrimination, or other unfair workplace practices

Concerns can be raised through the Independent **"Speak Out"** hotline at **0092-42-37515129** or email to **speakout@avanceon.ae** or by mail to **Speak Out (PO Box 4012, Lahore - Pakistan.)**

Note:
During the year 2024, no cases were reported, highlighting ethical commitment of Company's stakeholders.

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I AM ETHICAL

I AM HONEST

I AM TRANSPARENT

I AM UNBIASED

I AM CAREFUL

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Crowe

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AVANCEON 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 Avanceon Limited ("the Company") 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.

Further, we highlight below instances with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1	9	Two out of seven Directors have to acquire the prescribed certifications under the Directors' Training Program as encouraged under clause 19 of the Regulations.
2	10 & 19	The positions of Chief Financial Officer and Company Secretary hold by the same person simultaneously as required under clause 24 of the regulations.

Lahore
Dated: April 03, 2025
UDIN: CR202410051m3wyeFpvL

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

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STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: Avanceon Limited
For the year ended: 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 as per the following, -

a. Male: Six (06)
b. Female: One (01)

2. The composition of Board is as follows:

Category	Name
Independent Directors	Mr. Mohammad Shahid Mir Mr. Omer Iqbal Khan Ms. Faaria Rehman Salahuddin
Non-Executive Directors	Mr. Khalid Hamid Wain Mr. Amir Wain Mr. Tanveer Karamat
Executive Directors	Mr. Bakhtiar Hameed Wain
Female Directors	Ms. Faaria Rehman Salahuddin

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 has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The following directors have successfully completed the Directors' Training Program in accordance with the Regulations:

Mr. Bakhtiar Hameed Wain	Executive Director
Mr. Tanveer Karamat	Non-Executive Director
Mr. Mohammad Shahid Mir	Independent Director
Ms. Faaria Rehman Salahuddin	Independent Director

Additionally, Mr. Khalid Hamid Wain, Non-Executive Director, is exempted from the Directors' Training Program as per the applicable provisions. *The remaining two directors have yet to complete the DTP, and the Company is focused on arranging training programs in the forthcoming year to ensure compliance and enhance the professional expertise of its board members.

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
*Explained in SOC 19

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

Ms. Faaria Rehman Salahuddin	Chairman/ Independent Director
Mr. Khalid Hamid Wain	Member / Non-Executive Director
Mr. Amir Wain	Member / Non-Executive Director

b) HR and Remuneration Committee

Ms. Faaria Rehman Salahuddin	Chairman/ Independent Director
Mr. Khalid Hamid Wain	Member / Non-Executive Director
Mr. Muhammad Shahid Mir	Member / Independent Director

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

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

	Frequency	Number of meetings held during
a) Audit Committee	Quarterly	4
b) HRandRemuneration	Yearly	2

15. The Board has set up an effective internal audit function to 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;

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

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

Sr. No.	Reference	Description	Explanation
1.	Regulation 24 of the Listed Companies (Code of Corporate Governance) Regulation, 2019.	Same person shall not simultaneously hold office of Chief Financial Officer and Company Secretary of a Listed Company.	The management is of the view, that the employee holding the position of Chief Financial Officer and Company Secretary is suitably qualified and professionally capable with the relevant experience to act and fulfill the duties and responsibilities of both the roles.

ON BEHALF OF THE BOARD

MR. KHALID HAMID WAIN
CHAIRMAN

MR. BAKHTIAR HAMEED WAIN
CHIEF EXECUTIVE OFFICER

LAHORE
DATE: March 07, 2025

CORPORATE POLICIES

DISCLOSURE OF POLICY FOR ACTUAL AND PERCEIVED CONFLICTS OF INTEREST

Avanceon's disclosure of policy for actual and perceived conflicts of interest is covered int the Conflict-of- Interest Policy, which reuires employess to disclose relationships with a potential Guarantor or Vendor and provides guidance on managing conflicts. The purpose of this policy is to provide guidance in identifying and handling potential and actual conflicts of interest involving the organization and is applicable to all permanent, contractual, and daily wage employess. Any action by an employee, which deliberately or recklesssly breaches thsi conflict - of interest policy, may result in disciplinary action which may lead to termination of employment.

Disclosure for it Governance Policy

Information Security governing policy is covered in the Acceptable Use of IT Resources. The policy describe the acceptable use of IT resource for the company. The Policy describes the acceptable use of IT resource for the Company. The purpose is to outline the usage of Avanceon IT resources by all its employees. This policy applies to the use of all Avanceon IT resources (e.g, desktop computers, laptops, printers, disk space storage, software telecommunications equipment, networks, Internet, E-mail, etc.) nad supporting infrastructure that is owned, leased, or controlled by Avanceon and used by its employees, contractors, interns, or other personnel at the Central, Regional, and Satellite office locations.

Avanceon's Whistleblower Policy - "Speak Out!"

The BOD of Avanceon and its subsidiaries have adopted several policies related to ethics and responsible behavior which define the high standard of governance and business conduct to which we pldge ourselves as an organization. This has always been our core strength and is reinforced through voluntary reporting of irregularities and periodic reviews of business practices.

As an additional measure a Whistleblower system has also been established. The Company expects employees, suppliers, and contractors at all affliated companies to not only abide by our standards of business conduct but also to speak out about any concerns they have regarding business ethics, safety, environmental performance, harassment and otther employment related matters or other employment related matters or other possible breaches of compliance. They can use the independent "Speak Out" hotline 0092-42-37515129 or email to speakout@avanceon.ae to raise their concerns.

They can also write to Speak Out (PO Box 4012, Lahore - Pakistan.) Every effort is made to maintain the confidentiality of complainants and to protect then from any form of to protect them from any form of retaliation or victimization for genuinely

held concerns raised in good faith.Speak-outs are encouraged to report serious concerns that could have a significant impact on the organization.

Actions that:

are unlawful or may damage the reputation of Avanceon or an affiliate

are fraudulent and lead to a loss of assets

may be intended to result in incorrect financial reporting

are in violation of various corporate policies governing business conduct

are in violation of Safety Health & Environmental standards applicable to the business

give rise to harassment, discrimination, or other unfair employment practices

HUMAN RESOURCE MANAGEMENT POLICIES INCLUDING PREPARATION OF SUCCESSION PLAN HUMAN RESOURCE MANAGEMENT

Human Resource Management at Avanceon is covered across several polices, which serve as a comprehensive framework to managing people, workplace, and culture. Hiring and confirmation provisions ensure that Avanceon reserves the right to assess prior work experience and skill levels, and to confirm applicants where applicable when considering full- time or part-time employment.

Compensation encompasses 10 policies, the purpose of which is to ensure employee's wellbeing and growth. These include Vehicle Benefit, Education Allowance, Employee Professional Accreditations, Performance Bonus, Sales Incentive, Technical Services Employee Incentive, Performance bonus, Variable Pay Plan for managers and support staff, Umrah as well as Employee Stock Option Plan amongst others. Human Resources management that encompasseSalaries, Attendance, Asset Utilization, Rewards, health, and other guidelines such as Mobile Usage are covered across 11 policies.

The Human Resource department introduced four new policies in 2021 which include Performance Bonus Policy, Incentive Distribution Methodology, VPP for Non-Sales Managers and Support Staff and Employee Stock Purchase Plan.

MEDICAL AND INSURANCE POLICY

One of the most important tasks in creating a high- performance culture is taking care of your employees.When employees' needs are met, they feel aligned with the mission, vision, and values of the organization. This results in high levels of engagement and commitment. They come to work with enthusiasm and are willing to go the extra mile to support the organization.

At Avanceon we ensure that the baseline rewards are fair and sufficient. These include some of the basic needs of an employee. One such need is medical and hospitalization cover. At Avanceon, we have hence, very carefully devised a medical policy to cover this criterion. With the best hospitals on our panel, we provide extensive hospitalization cover to the employee and his/her family, and unlimited OPD coverage as well.

Life insurance is also available to our employees under which they are covered for permanent partial disability, temporary total disability, accidental death, and extended death benefit.

Two years ago, Avanceon increased the room limit allowance by 22% and 16% for Plan A and B respectively. Furthermore, Avanceoners also receive clinic/lab, these centers are known as discount center where employees can avail discount from 10% to 25 % by showing their medical insurance cards.

COMPASSIONATE LEAVES

All permanent and contractual employees are entitled to compassionate or bereavement leaves which is in addition to casual/sick and annual leaves. Compassionate leaves can be taken when a member of an employee's immediate family* or household passes away or suffers a life-threatening illness or injury and requires extensive medical care.

*Immediate family of an employee includes spouse, child, parent, sibling, grandparent and grandchild.

PAY CONTINUATION PLAN

The demise of the bread earner can have a debilitating effect on a household. To ensure that none of our employee's families must worry about their finances, life insurance policy has been revised to include the Pay Continuation Plan.

In addition to employee benefits, in the event of an employee's demise, the grieved family will receive 50% of the employee's monthly gross salary for the period of ten years.

EDUCATION ALLOWANCE POLICY

At Avanceon we believe education can be a means to a tolerant and prosperous society. To facilitate our employees' children education in reputable institutes, we help in meeting associated costs. Avanceon has developed an education allowance policy which does not discriminate based on grades or cadres and is the same for all, across the board. For our support staff, we have a separate CSR initiative in which we cover all the education expense of their children till graduation. From the initial admission to their tuition fee and pick n drop expenses, everything is covered by Avanceon.

SUCCESSION PLANNING POLICIES

Succession Planning Policy for Avanceon encompasses the Company's best practice in terms of Human Resources Management. The purpose of the policy is to ensure replacement for key executive, management, and technical positions within the organization. This policy covers middle management positions and above in Avanceon Ltd. The point is to identify high-potential employees, ensure systematic and long-term development and provide a continuous flow of talent. The business-critical engineering skill set is being maintained through an engineering skill set matrix and managed for all engineering resources.

SOCIAL & ENVIRONMENTAL POLICY

Policy requiring minimum HSE Training requirements was promulgated for all facilities of AVANCEON. This policy requires designation wise mandatory trainings for all employees. It has four stages and each employee is required to achieve desired level of training.

The HSE Team will be maintaining the attendance records of all employees and to achieve the next cadre, it will be mandatory to pass the next training level. These training levels have been carefully designed while keeping the job-related requirements of all associates in mind. The training will help to raise the associate's skill level in HSE while performing their daily tasks.

Each training will have a post training test which will be conducted via Docebo and it will be mandatory to pass it.

POLICY AND PROCEDURE FOR STAKEHOLDER ENGAGEMENT

Stakeholder engagement policies and procedures map out all aspects of outreach with the broader audience interested in Avanceon. The Company involves committees at regular points throughout the year both for specific projects and general insights. The policies ensure that different parties are aware of the conduct and the function of the Company including Institutional Investors, Customers & Suppliers, Banks and other lenders, Media, regulators, and analysts. Business Conduct for Avanceon addresses Stakeholder Engagement through five key commitments: Ethics, Ownership, Customer Delight, Continuous Improvement and Community Care, which need to be translated across all its communications.

INVESTOR GRIEVANCE POLICY

Investor grievances are covered in the Securities & Exchange Commission of Pakistan rules as at May 11, 2001. These statutory rules have been published by the Government. The information pertaining to financial performance, shareholding pattern, compliance with Corporate Governance and announcements can be viewed or requested by the shareholders on http://www.avanceon.ae. Apart from this, www.avanceon.ae contains comprehensive information about the Company, its products, services, solutions, press releases and investor's information.

SAFETY OF RECORD

Safety of Record is ensured by the Information Security Governing Policy, which provides a framework for Information privacy, accessibility and integrity to the operation and management of Avanceon, which are of great importance. Failure in any of these areas can result in disruption to the services, can hurt company business and can shake the confidence of existing and potential clients. Information and asset security therefore play a critical role in the successful operation of the company. The purpose of the Information Security Policy is to guarantee business continuity and curtail business damage by minimizing information security incidents to an acceptable level. Superior information security provision for our customers and employees is Avanceon's commitment to protect from internal or external information security threats, whether deliberate or accidental. Adherence to this policy is crucial to safeguarding these interests.

WORK FROM HOME POLICY

In 2020, Avanceon developed a comprehensive work from home Policy & Guide. Avanceon became heavily dependent on online collaboration tools with more than 90% of its workforce working from home. The purpose of this policy and procedure is to provide a framework of understanding about how home working operates at Avanceon. Due to COVID-19, there can be scenarios where an individual, group of people, a regional office or whole company is required to work from home. This policy provides clear guidelines on how to effectively manage work from home.

STRATEGY & RESOURCE
ALLOCATION

Avanceon continuously reviews its strategic objectives to remain aligned with evolving macroeconomic trends, technological advancements, customer expectations, and regulatory environments across the regions it operates in. The company's strategic direction is driven by the aim to deliver sustainable growth, innovation, and operational excellence while expanding its digital, industrial, and environmental footprint.

Strategic Objectives (Short-term, Medium-term, Long-term)

- **Short-term Objectives**

o Accelerate digital transformation initiatives
o Expand footprint in key growth sectors (e.g., Oil & Gas, Infrastructure)
o Enhance project execution capabilities through agile practices
o Deliver sustainable and LEED-compliant solutions
o Drive internal automation and paperless workflows

- **Medium-term Objectives**

o Increase regional penetration across Middle East and South Asia
o Strengthen strategic OEM alliances and co-innovation models
o Grow recurring revenues through lifecycle services and support
o Scale up Avanceon's MES, SCADA, and digital platforms

- **Long-term Objectives**

o Become the leading digital industrial solutions provider in the region
o Lead in green, smart infrastructure development
o Drive societal impact through strategic ESG and SDG alignment
o Establish Avanceon as a global leader in sustainable automation

Capital	Resource Allocation Plan
Financial Capital	Focused investments in strategic business units, digital transformation, and technology platforms to support growth. Maintaining a stable capital structure and adequate liquidity to ensure sustainable expansion and resilience.
Human Capital	Development of a high-performance culture through targeted training, leadership pipelines, DEI initiatives, and global talent acquisition for mission-critical roles.
Manufactured Capital	Enhancement of manufacturing and integration capabilities, expansion of engineering centers, and digital infrastructure upgrades to meet global standards.
Intellectual Capital	Strengthening of proprietary platforms, engineering methodologies, and digital IP through R&D and innovation programs. Promoting knowledge-sharing across teams.
Social & Relationship Capital	Building long-term partnerships with OEMs, customers, and regulatory bodies. Investing in CSR, community development, and transparent stakeholder engagement.
Natural Capital	Implementation of energy-efficient technologies, paperless workflows, and LEED-aligned green buildings to minimize environmental impact and support climate goals.

Each capital is strategically aligned to support Avanceon's vision of enabling smart, sustainable industries through advanced automation and digitalization.

Avanceon's long-term value creation is driven by our deeply integrated capabilities and core resources. These are the enablers of our strategic direction, our competitive edge, and our ability to continuously deliver innovative solutions for the industries of tomorrow.

Capital	Resource Allocation Plan
Global Physical Footprint	Operational presence across the Middle East, South Asia, and North America enables proximity to clients, faster execution, and localized innovation.
Expert Human Resources	Cross-functional teams of engineers, project managers, and domain specialists drive excellence, agility, and high customer satisfaction.
Diversified Solutions Portfolio	A broad portfolio of automation, process control, energy efficiency, cloud-based and modular solutions tailored for key verticals such as Oil & Gas, FMCG, Water, Power, and Infrastructure.
Strong Compliance & Risk Culture	Adherence to global safety, security, and quality standards including ISA/IEC-62443 ensures trust, operational continuity, and stakeholder confidence.
Digital Innovation & Platforms	Proprietary digital frameworks, integrated systems, and IIoT-enabled solutions support scalable transformation for clients.
Sustainable Shareholder Value	Sound financial governance and disciplined capital allocation drive profitability, investment potential, and long-term resilience.
Customer-Centric Engagement	Deep client relationships built on collaboration, post-implementation support, and value co-creation across the solution lifecycle.
Strategic Alliances & OEM Partnerships	Long-standing collaborations with global OEMs like Schneider Electric, Rockwell Automation, and AVEVA enhance our ability to deliver best-in-class integrated offerings.
Community Engagement & CSR	Ongoing commitment to education, employment inclusion, and environmental sustainability strengthens our corporate reputation and license to operate.

These strengths form the foundation of Avanceon's competitive advantage—enabling us to lead the industrial digital transformation while delivering consistent value to all stakeholders.

Avanceon's strategy for market development and product and service innovation is anchored in sustainable growth, regional expansion, and digital transformation. We continue to strengthen our presence across key geographies, including the Middle East, South Asia, and North America, by tailoring our business models to regional needs and investing in emerging markets. Our focus remains on deepening value within core verticals such as Oil & Gas, FMCG, Power, Water & Infrastructure, while actively exploring opportunities in renewable energy, electric mobility, and smart cities. Avanceon is committed to customer-centric innovation—developing integrated automation solutions, modular systems, and IIoT-enabled platforms that drive efficiency and long-term ROI.
We continuously enhance our digital service portfolio with cloud-based technologies, cybersecurity solutions, and SCADA capabilities to support our clients' transformation journeys. Strategic alliances with leading OEMs like Schneider Electric, AVEVA, and Rockwell Automation further strengthen our ability to deliver future-ready solutions. All product and service development initiatives are aligned with our sustainability goals, ensuring that we empower industries to become more resilient, efficient, and environmentally responsible.

- **Technological Changes**

o Rapid advancements in industrial automation, cybersecurity, and IIoT have led Avanceon to increase investment in digital platforms, cloud-based services, and smart manufacturing tools.

o Continuous adaptation to new technologies enables us to stay competitive and responsive to evolving industry demands.

- **Sustainability Reporting and Challenges**

o Global focus on climate action and ESG compliance has encouraged Avanceon to embed sustainability into its core operations.

o Initiatives include paperless processes, energy-efficient system designs, and development of LEED-aligned infrastructure.

o Challenges include the complexity of global sustainability reporting standards and varying levels of market readiness.

- **Initiatives in Promoting and Enabling Innovation**

o Avanceon fosters a culture of innovation through internal R&D programs, cross-functional innovation labs, and digital upskilling initiatives.

o Strategic collaborations and talent development bootcamps enable teams to co-create future-ready solutions.

- **Resource Shortages**

o No major shortages experienced during the year; however, proactive supply chain diversification and contingency planning are in place.

o Regular assessments ensure uninterrupted project execution and business continuity across regions.

Strategies to Achieve Objectives and Key Performance Indicators

Strategic Objectives	Strategic Initiatives	Plans/Strategies for Meeting Objectives	Key Performance Indicator (KPI)
Expand footprint in industrial automation and digital transformation solutions	Grow presence across key verticals including Oil & Gas, FMCG, Power, and Infrastructure	• Strengthen presence in Middle East, Pakistan, and Qatar markets• Focus on industry-specific automation and SCADA solutions• Enhance modular & cloud-based system offerings	Revenue growth in target verticals
Lead in digitalization and smart manufacturing solutions	Drive digital transformation projects for clients	• Implement advanced MES, cloud, and IIoT platforms• Promote digital twin and predictive analytics solutions• Enhance Avanceon's proprietary platforms and dashboards	Number of digital transformation projects delivered
Enhance customer success and retention	Offer end-to-end lifecycle services	• Expand after-sales support and remote monitoring • Provide integrated lifecycle and managed services • Customize solutions per client feedback and O&M needs	Customer satisfaction index and contract renewal rate
Lead in green energy and sustainability	Introduce energy-efficient and LEED-compliant solutions	• Promote solar, energy optimization, and e-house solutions• Develop automation for sustainable infrastructure• Align offerings with UN SDGs and LEED frameworks	Number of sustainable/LEED-compliant projects
Build next-gen project execution excellence	Enhance PMT capability through Agile & Scrum	• Conduct continuous PM training & certification• Adopt Scrum, LEAN, and TÜV-compliant frameworks• Monitor KPIs through digital dashboards and reporting	Project delivery success rate & timeline adherence

Strategic Objectives	Strategic Initiatives	Plans/Strategies for Meeting Objectives	Key Performance Indicator (KPI)
Empower human capital for future readiness	Develop and retain high-potential talent	• Run engineering bootcamps and leadership grooming• Drive talent mobility across regions• Invest in AI-based training and mentorship	Employee retention & upskilling ratio
Strengthen strategic alliances with OEMs	Deepen technology partnerships	• Grow Alliance System Integrator role with Schneider Electric, Siemens, Rockwell• Engage in co-innovation and joint customer programs• Leverage latest OEM tools and platforms	Number of certified partner projects
Commit to ESG and community impact	Execute targeted CSR aligned with SDGs	• Deliver STEM education initiatives• Sponsor environmental and social uplift programs• Measure impact across women empowerment, education, and sustainability	CSR impact score and SDG-aligned initiatives
Deliver process excellence through automation	Innovate internal operations and delivery systems	• Implement automation in finance, HR, and project tracking• Go paperless for all internal workflows• Enhance ERP, Power BI & cloud adoption	Internal process efficiency improvement %

Avanceon's strategic objectives are closely aligned with its mission to passionately grow as a leader in engineered solutions by inspiring team development and delivering unparalleled customer value. These objectives support the company's vision of being the preferred partner for industrial automation and digitalization. By focusing on innovation, market expansion, sustainable practices, and customer-centric solutions, Avanceon ensures that its long-term goals are rooted in its core values. Each initiative—from empowering employees to developing cutting-edge technologies—reinforces the company's commitment to value creation, operational excellence, and purpose-driven growth.

STAKEHOLDER'S
RELATIONSHIP & ENGAGEMENT

Engaging Stakeholders for Sustainable Growth

Avanceon Limited believes that strong, transparent, and inclusive engagement with stakeholders is essential for long-term business sustainability and responsible corporate governance. The company is committed to recognizing and addressing the interests, expectations, and concerns of all key stakeholders through a structured engagement approach

Identification of Key Stakeholders

Stakeholders are identified based on their influence on and interest in the operations, strategic decisions, and overall performance of Avanceon Limited. Engagement mechanisms are tailored to each group to ensure open dialogue, trust, and mutual value creation.

Stakeholder Group	Engagement Method	Engagement Frequency
Shareholders	Avanceon engages with shareholders through a variety of platforms to ensure the timely and relevant dissemination of information: • Annual/Extra Ordinary General Meetings serve as key forums for shareholder interaction, approvals, and performance briefings. • Meeting notices and resolutions are published in leading national newspapers in accordance with regulatory requirements. • Ongoing communication is facilitated via investor briefings, our corporate website, and official social media platforms including LinkedIn, Facebook, and Instagram. • We maintain an active Investor Relations function to address shareholder queries and provide timely responses.	**General Meetings** **Regular**
Customers and Suppliers	We view our customers and suppliers as long-term partners in our value chain: • Regular customer feedback, performance reviews help us align offerings with evolving expectations. • Supplier engagement sessions, capacity-building workshops, and ethical sourcing initiatives support strong and sustainable vendor relationships.	**Customer feedback** **Regular/Frequent**
Board of Directors	The Board of Directors, including Executive, Non-Executive, and Independent Directors, plays an essential role in steering Avanceon's long-term direction: • Engagement is maintained through structured board meetings, committee sessions, steward meeting and strategy retreats. • Directors receive timely updates on company performance, industry trends, and emerging risks.	**Board Meetings** **Regular/ Quarterly**

Human Resources Factory	Our people are our greatest asset. At Avanceon, we ensure employees are engaged, empowered, and supported: • Town hall meetings, quarterly meetups, newsletters, and digital platforms are used for two-way internal communication. • Structured training programs, career development pathways, and performance management systems enhance capabilities and motivation. • We maintain a positive work environment through inclusive policies, wellness initiatives, and fair HR practices.	**Regular/Frequent**
Regulators and Government Authorities	Avanceon maintains full compliance with applicable laws and engages constructively with regulators: • We submit timely disclosures, audit reports, and compliance documentation in line with statutory requirements. • Our teams regularly monitor regulatory developments to adapt our governance practices accordingly.	**Regular/Frequent**
Lenders & Financial Institutions	Our relationship with financial institutions is built on integrity and transparency: • Regular financial statements, compliance updates, and business performance briefings are shared with lenders and banking partners. • Dedicated engagement ensures alignment on loan covenants, financial health, and strategic financing needs. • We maintain robust internal controls to safeguard stakeholder interests.	**Regular/Frequent**
Analysts & Potential Investors	We actively engage analysts and potential investors to communicate our strategy and outlook: • Earnings calls, analyst briefings, and investor conferences are platforms for sharing financial performance and business insights. • Investor queries are addressed through our Investor Relations function, supported by transparent and accessible disclosures on our media platform. • These engagements improve visibility, attract capital, and support accurate company valuation.	**Annually**
Institutional & Mutual Fund Investors	We build long-term relationships with both domestic and international institutional investors: • One-on-one meetings, group briefings, and participation in capital market events enable deeper dialogue. • Focused updates on strategy execution and future plans are provided regularly. • These investors are key partners in sustaining our growth journey.	**Regular/Frequent**

Medai& Mutual Fund Investors	We ensure that Avanceon's achievements, values, and contributions to society are effectively communicated: • Engagement with the media is maintained through press releases, briefings, and official announcements. • Public communication is enhanced via digital storytelling, multimedia campaigns, and interactive social media presence. • We are committed to presenting a responsible and authentic corporate image to the public.	**Occasional**
Community & Social Impact	As part of our corporate citizenship efforts, we engage with local communities to drive meaningful social impact: • CSR initiatives, educational programs, and charitable donations form the foundation of our community investment. • We collaborate with NGOs, educational institutions, and welfare organizations to deliver impactful outcomes. • Employee volunteering is encouraged to cultivate empathy and strengthen social bonds.	**Occasional Event-based**
Internal and External Auditors	Auditors play a critical role in reinforcing our commitment to governance: • Regular internal audits, statutory reviews, and special-purpose audits are conducted to assess control effectiveness. • We respond promptly to audit observations and implement corrective measures as needed. • The Audit Committee oversees the audit process and ensures full compliance with financial and regulatory standards.	**External AuditBi-Annually** **Internal Audit Regularly**

Encouraging Minority Shareholders to Attend General Meetings

To encourage minority shareholders to attend general meetings, the management has implemented several key initiatives. Notices are sent through multiple channels, including email, post & Company's website ensuring that all shareholders are informed. In addition, a public notice is published in newspapers (English & Urdu) to reach a wider audience. These notices are issued in full compliance with the Code of Corporate Governance (CCG), ensuring proper disclosure and adherence to legal timelines. Shareholders also receive timely reminders closer to the meeting date to ensure high attendance.
To make the meeting experience more appealing, the management offers complimentary refreshments, aiming to create a more welcoming environment for attendees. These efforts are designed to increase engagement, ensuring that minority shareholders are well-informed, motivated, and encouraged to participate actively in the meeting.

Issues Raised in the Last AGM, Decisions Taken, and Implementation Status

- **Question Answer Session**

A comprehensive QA session was held during the AGM, providing an opportunity for shareholders and stakeholders to raise their concerns and queries. The session was well-received, and no significant issues were raised.

- **Circulation of AGM Minutes**

The minutes of the AGM were distributed to all relevant parties within the stipulated time frame, ensuring transparency and timely communication.

- **Website Update**

In response to shareholder feedback, the company has updated its official website to prominently display a contact email address. This is aimed at enhancing communication and providing a direct channel for shareholder inquiries and concerns.

- **Shareholder Concerns**

During the AGM, no significant issues or concerns were raised by the shareholders, indicating a smooth and effective meeting.

Stakeholder Engagement and Corporate/Analyst Briefing

Steps Taken to Solicit Stakeholder Views:

The Board has actively engaged with stakeholders through a series of Corporate/Analyst briefing sessions. These sessions were designed to foster transparency and open communication, allowing stakeholders to express their views and provide feedback on key issues. The Board made a concerted effort to understand the concerns and priorities of stakeholders, ensuring that their perspectives are considered in strategic decision-making. Feedback from these sessions has been instrumental in shaping the company's policies and practices moving forward.

Corporate/Analyst Briefing Summary:

The company conducted an analyst briefing to provide insights into financial performance, strategic initiatives, and outlook. During the session, key points were addressed, including quarterly performance, upcoming projects, and market trends. The Board reviewed the feedback and expressed satisfaction with the constructive nature of the discussions, which further strengthened investor confidence and aligned future strategies with market expectations.

Corporate Benefits to Shareholders:

The company remains committed to delivering value to its shareholders through robust financial performance and strategic growth. Key benefits provided include consistent value appreciation and dividend, reflecting the company's strong fiscal health. Shareholders have seen positive returns, supported by an upward trajectory in market value and a stable dividend policy. The Board remains focused on enhancing shareholder value through prudent financial management and strategic investments.

Redressal of Shareholders', Investors' and Stakeholders' Complaints:

Avanceon Limited remains committed to fostering trust through transparent, responsive, and timely communication with its shareholders, investors, and other stakeholders.

To ensure efficient resolution of concerns, the Company maintains a comprehensive Investor Relations section on its official website, addressing matters such as dividends, bonus shares, and other corporate actions. Additionally, a dedicated 'Contact Us' link is available to facilitate direct communication with the Company.

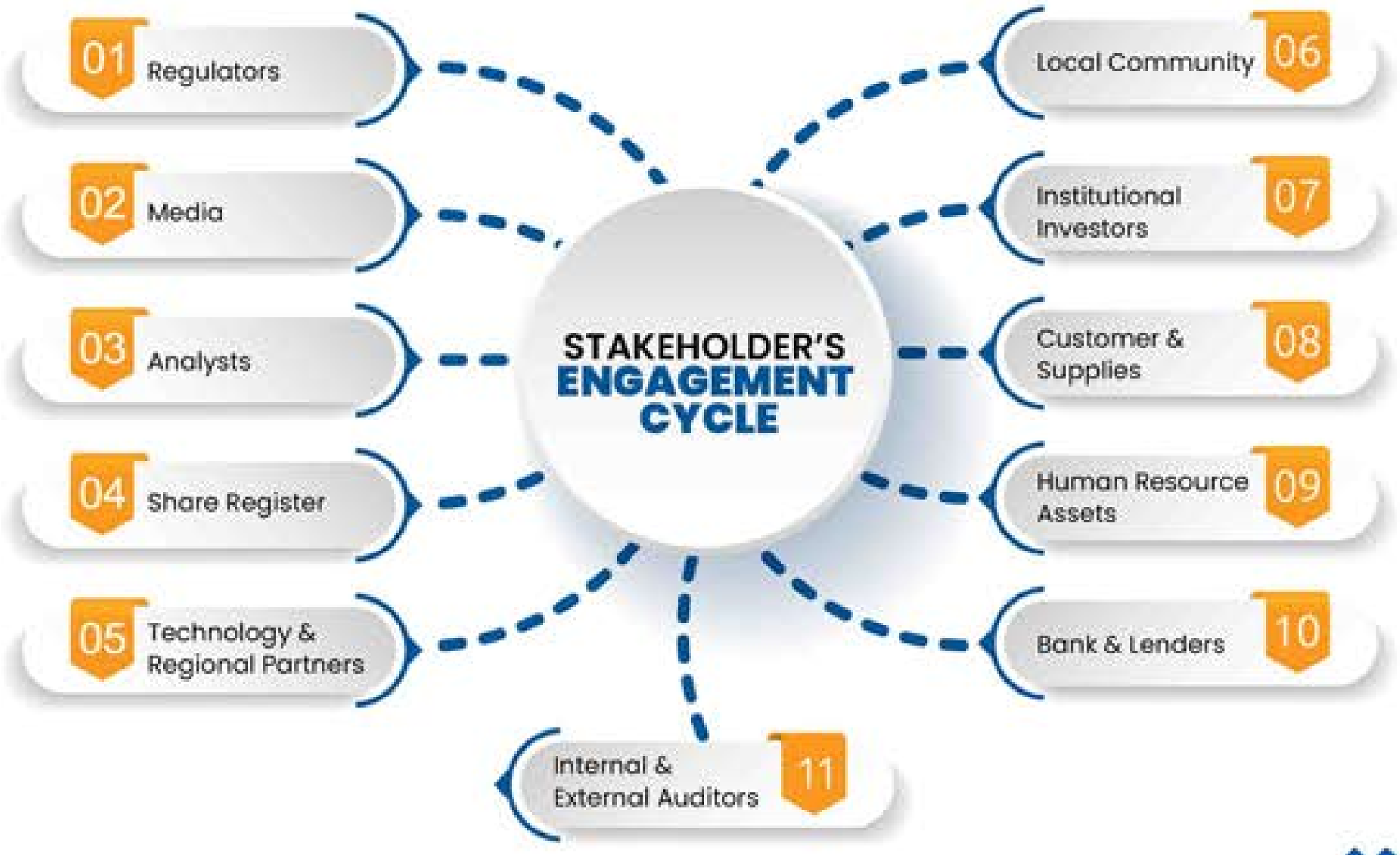
For further facilitation, a link to the SECP Investor Complaint Form is also provided on the website, allowing stakeholders to escalate unresolved concerns to the Securities and Exchange Commission of Pakistan.

All complaints received during the reporting period were addressed promptly and resolved in an effective and satisfactory manner.

The legitimate needs, interests of key stakeholders and industry trends.

Stakeholder	Legitimate Needs and Interests	Industry Trends
Customers and Suppliers	- Quality services - Performance alignment through feedback - Ethical sourcing & capacity building	- Customer-centric innovation - Ethical and sustainable sourcing
Employees (Human Resources)	- Career growth & development - Work-life balance & inclusion - Fair HR practices and structured communication	- Focus on employee wellbeing - Upskilling & flexible workplace
Shareholders and Investors	- Maximized returns - Transparent reporting - Timely communication	- Responsible investing
Board of Directors	- Strategic oversight - Timely updates on risks, performance, and trends	- Strong governance culture - Data-informed decision making

Regulators and Government Bodies	- Legal compliance - Timely disclosures and adherence to evolving regulations	- Trusted Partner
Lenders and Financial Institutions	- Financial transparency	- Increased financial reporting requirements - Risk-based lending practices
Analysts and Potential Investors	- Accurate and timely insights - Transparent business outlook	- Greater demand for real-time data
Institutional and Mutual Fund Investors	- Strategic clarity - Long-term value creation	- Sustainable growth focus - Deeper investor engagement
Media and General Public	- Authentic brand image - Social impact visibility	- Rise in digital storytelling - Real-time media interactions
Community and Social Impact Groups	- Meaningful CSR programs - Educational and charitable outreach - Employee volunteerism	- Emphasis on social value creation
Internal and External Auditors	- Access to data for review - Compliance with audit findings	- Robust internal controls



DIRECTORS' REPORT

The directors of the company are pleased to present their report together with the Company's audited annual financial statements along with consolidated financials for the year ended 31 December 2024, all financial statements and notes to the accounts have been prepared by the management of the company which reflects that; they presented fairly its state of affairs, the result of its operations, cash flows and all changes in equity and Proper books of account of the company have been maintained along with appropriate accounting policies have been adopted and consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.

The Directors' Report shall be put forward to the members at the 22nd Annual General Meeting of Avanceon Limited ("the Company") to be held on Wednesday, 30 April 2025 at 03:00 P.M. at The Nishat Hotel, Grand Imperial Hall, 9-A, 3rd Floor, Gulberg III, Mian Mehmood Ali Kasuri Road, Lahore.

Macro-Economic Review

Pakistan

The Pakistan economy experienced a slight improved 2024, albeit challenges pertaining to fiscal deficit, monetary control, high inflation, and cross border & global political tensions.

According to Pakistan's Economic Survey for the fiscal year 2023–24, the country's real GDP grew by **2.38%**, falling short of the targeted **3.5%**. This growth was primarily driven by a strong performance in the agriculture sector, which expanded by **6.25%**, while both the industrial and services sectors experienced modesst growth of **1.21%** each.

The GDP at current market prices increased to **Rs 106,045 billion (approximately USD 375 billion)**, reflecting a **26.4%** rise from the previous year's **Rs 83,875 billion (USD 338 billion)**. Per capita income also saw an increase, rising to **USD 1,680** from **USD 1,551** in the prior year.

Industrial Growth Outlook: The industrial sector targeted a 4.4% growth for FY2024–25, driven by anticipated improvements in energy supply, reduced import restrictions, and stable macroeconomic indicators.

The industrial automation sector in Pakistan is poised for gradual growth, contingent on improvements in energy infrastructure and financial accessibility. The government's focus on industrial revitalization and the global demand for automation solutions present avenues for expansion. However, addressing infrastructural and financial challenges remains crucial for sustained development.

Middle East & North Africa (MENA):

- The International Monetary Fund (IMF) projected a growth rate of 2.7% for the MENA region in 2024, a slight improvement from 1.9% in 2023. This uptick was primarily driven by Gulf Cooperation Council (GCC) countries, where growth was expected to rise from 0.5% in 2023 to 1.9% in 2024. However, the broader region faced challenges due to conflicts and trade disruptions.
- Gulf Cooperation Council (GCC): The UAE's real GDP was projected to grow by 4% in 2024, up from an earlier estimate of 3.5%. This growth was fueled by strong domestic economic activities in tourism, construction, and financial services, alongside increased hydrocarbon production from the UAE's OPEC+ quota.

In summary, while 2024 saw a modest economic recovery in the Middle East, the region faced significant challenges due to geopolitical tensions, oil market volatility, and structural issues. The outlook for 2025 hinges on the resolution of these challenges and the implementation of necessary reforms.

Inflation (Pakistan)

According to Pakistan's Economic Survey for the fiscal year 2023–24, the Consumer Price Index (CPI) inflation averaged **24.5%**, showing a decrease from **28.2%** during the same period in the previous year. This decline was attributed to factors such as exchange rate stability, monetary tightening, fiscal consolidation, a smooth food supply, and favorable global commodity prices. Core inflation, which excludes food and energy prices, also showed a downward trend, indicating easing underlying inflationary pressures.

The State Bank of Pakistan maintained a tight monetary policy, aiming to control inflationary pressures. The Pakistani rupee appreciated by approximately **3%** against the US dollar during the first eleven months of FY2023-24, contributing to reduced import costs and easing inflation. The government's fiscal consolidation efforts, including increased tax revenues and controlled expenditures, helped in reducing inflationary pressures.

The Ministry of Finance projected that inflation would further decline, estimating it to remain within the range of **4.0–5.0%** for December 2024, supported by continued fiscal discipline, exchange rate stability, and effective monetary policies.

Inflation (Middle East)

In 2024, inflation in the Middle East exhibited a diverse pattern across the region, influenced by varying economic conditions, geopolitical factors, and policy responses.

The International Monetary Fund (IMF) projected that inflation in the Middle East and North Africa (MENA) region would average **15%** in 2024, a decrease from 17.5% in 2023. This decline was attributed to easing global commodity prices and tighter monetary policies. The IMF projected a further decline in regional inflation to **12.4%** in 2025, contingent on continued stabilization of commodity prices and effective policy measures.

THE REPORT:
The performance of the Company showed a tremendous growth in terms of order generation of the group as enumerated table below:

(USD in '000)	2024	2023	Variation	% Variation
Avanceon	72,000	58,000	14,000	24%
Octopus	5,500	5,300	200	4%
Total	77,500	63,300	14,200	22%

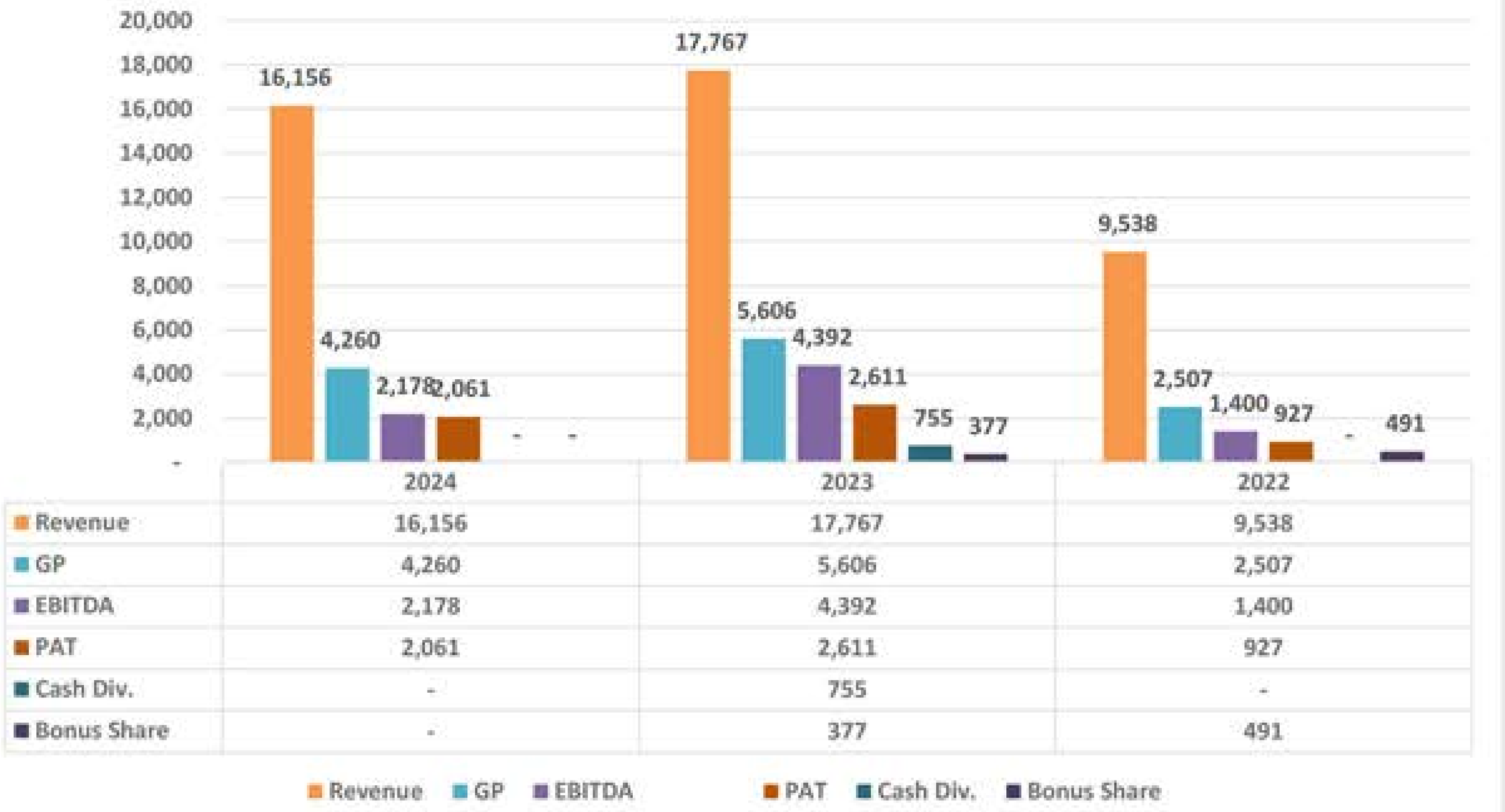
Regarding performance in terms of revenue, profit before and after tax, the details are provided below. Overall performance was slightly lower compared to FY-2023, primarily due to the majority of orders being booked in the last quarter of the year, which limited the opportunity for revenue recognition within the fiscal period.

Margins remained stable, excluding the impact of one-time spike orders, supported by effective control over fixed costs, a reduction in taxation, and continued diversification of our business portfolio.

We commenced 2025 with a record-high opening order backlog of USD 75 million — the highest in Avanceon's history.

Operating results (consolidated)

(Rupees in '000)	2024	2023	Variation	% Variation
Revenue	16,156,098	17,767,312	(1,611,214)	-9%
Profit before tax	1,493,659	3,720,439	(2,226,780)	-60%
Profit after tax	2,061,454	2,610,738	(549,284)	-21%

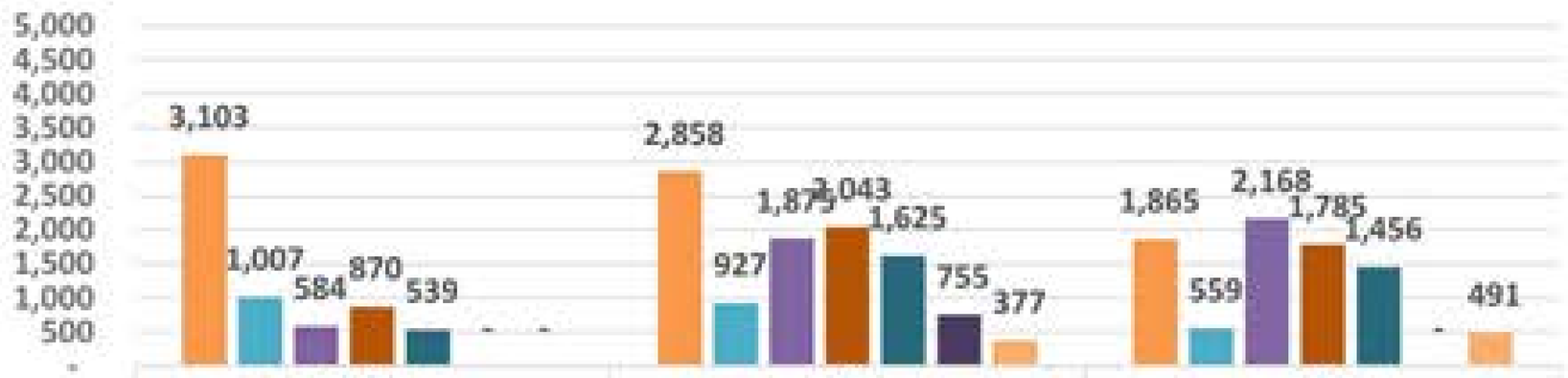


Operating results (standalone)

The standalone operating results demonstrated a positive growth trajectory, both in terms of revenue and margin enhancement. While Profit Before Tax (PBT) and Profit After Tax (PAT) recorded a decline of 67%, this was primarily due to the substantial exchange gain recognized in FY-2023 (a non-cash item classified under other income) and an exchange loss incurred in the current year.

An adjusted, like-for-like comparison — excluding the impact of foreign exchange fluctuations — reveals a remarkable 2,448% increase in profitability, underscoring the underlying strength of the business. Operations in the Pakistan market remained robust, marked by consistent order generation, successful project commissioning, strong liquidity management, and the retention of ample banking facilities.

(Rupees in '000)	2024	2023	Variation	% Variation
Revenue	3,102,844	2,857,594	245,250	9%
Profit before tax	573,245	1,737,300	(1,164,055)	-67%
Profit after tax	539,096	1,625,082	(1,085,986)	-67%
Exclude exchange/(loss) aprox	(100,000)	1,600,000	(1,700,000)	
Revised Profit after tax	639,096	25,082	614,014	2448%



	2024	2023	2022
Revenue	3,103	2,858	1,865
GP	1,007	927	559
Dividend & Other Income	584	1,875	2,168
EBITDA	870	2,043	1,785
PAT	539	1,625	1,456
Cash Div.	-	755	-
Bonus Share	-	377	491

Revenue GP Dividend & Other Income EBITDA PAT Cash Div. Bonus Share

SUBSEQUENT APPROPRIATIONS

During the current year 2024 the board of directors recommended nonpayment of any payouts keeping in view the funding of growth in the group this has been communicated to all the shareholders on the date when the results disseminated to PSX. The complete communication giving the reason and justification for non-declaration of any payouts is enumerated below.

Regional Operations Centre

The Avanceon Building
19 Km Main Multan Road
Lahore 54660 Pakistan

03 April 2025

AVN/PR/03042025

Subject: **Annual Results Avanceon Limited Group and Standalone 31 Dec 2024.**

Dear Shareholders,

We hope this message finds you well. As part of our ongoing commitment to strategic growth and long-term value creation, we are writing to inform you that the Board of Directors has decided not to declare any dividend or bonus shares for the year ended 31 Dec 2024. This decision reflects our focus on preserving capital to fund the continued growth and expansion of the business.

As you would realize it's a dynamic and strong competitive market, so we believe that reinvesting profits into high-return growth opportunities is highly likely way to enhance long-term shareholder value. By preserving our financial flexibility and focusing on key areas such as the middle east especially the KSA market with vision 2030 offering extensive opportunities, we are confident in our ability to strengthen the business and deliver sustained performance moving forward. To add glimpse, we begin the year 2025 with a backlog of orders totalling $75m and a significant pipeline of opportunities, we are confident in achieving a revenue growth of at least 25%.

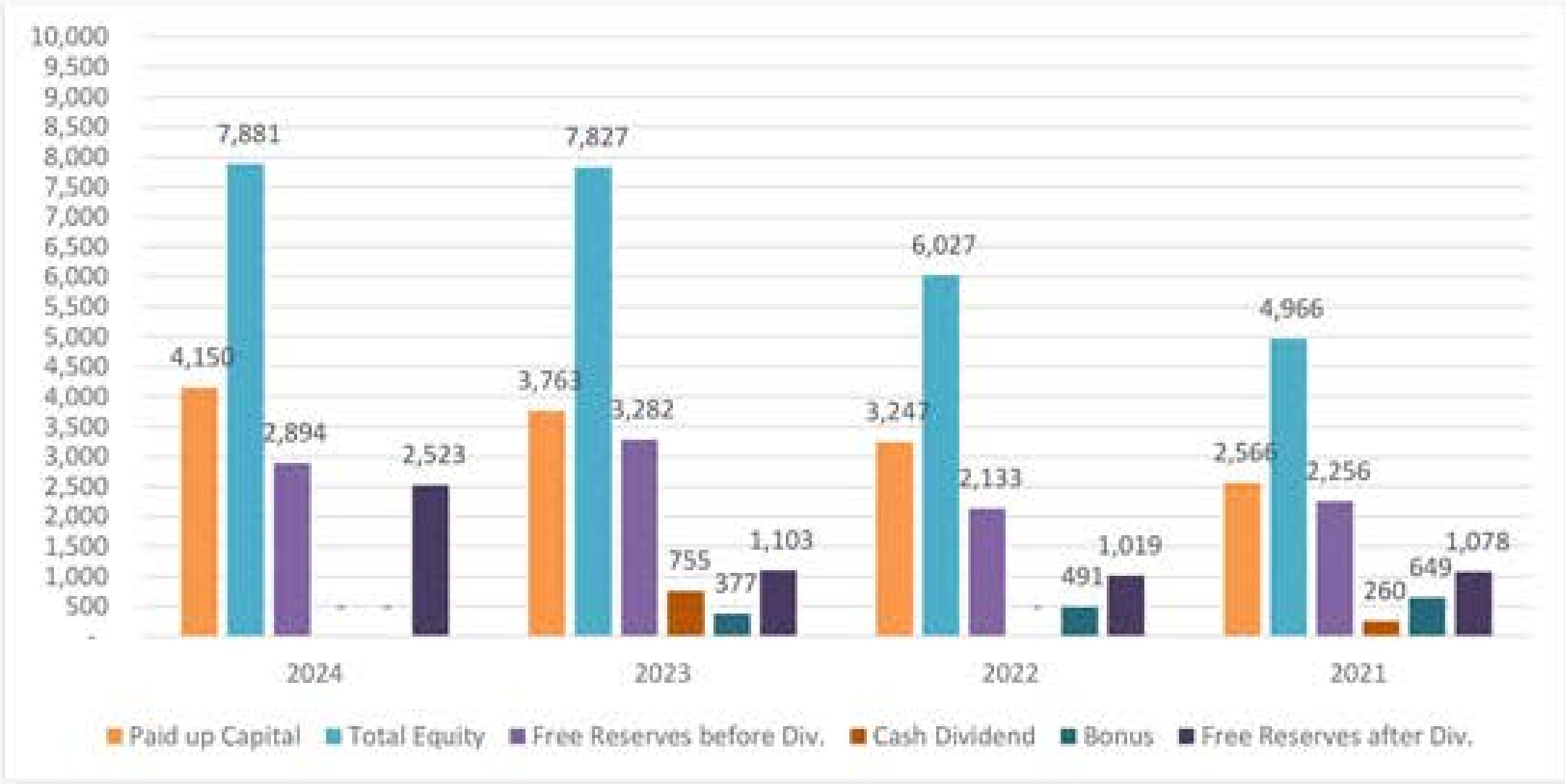
We remain fully committed to our shareholders and will continue to monitor the financial landscape. The upcoming years offers great opportunity for business growth in terms of shareholder's wealth maximization, we will keep you updated on the company's performance and any future decisions related to payouts either in the form of Bonus shares or dividend distributions.

Thank you for your continued trust and support.

Yours truly,

AHSAN KHALIL * Company Secretary * AVANCEON LTD.

Ahsan Khalil | Company Secretary



EARNINGS PER SHARE (EPS)

The Company's earnings per share (EPS) have maintained a positive trend over the past five years, reaching Rs. 1.37 for the current year. This reflects consistent performance across all business segments and regions. The current year's EPS is slightly lower compared to 2023, primarily due to the exchange gain recorded last year, which is not applicable in 2024 owing to the stability of the USD. However, when adjusted for exchange gains or losses to provide a like-for-like comparison, the EPS for 2024 actually shows an improvement over the previous year.

Consolidated

The basic earnings per share after tax is Rs. 5.11 (2023: Rs. 6.08 - restated).

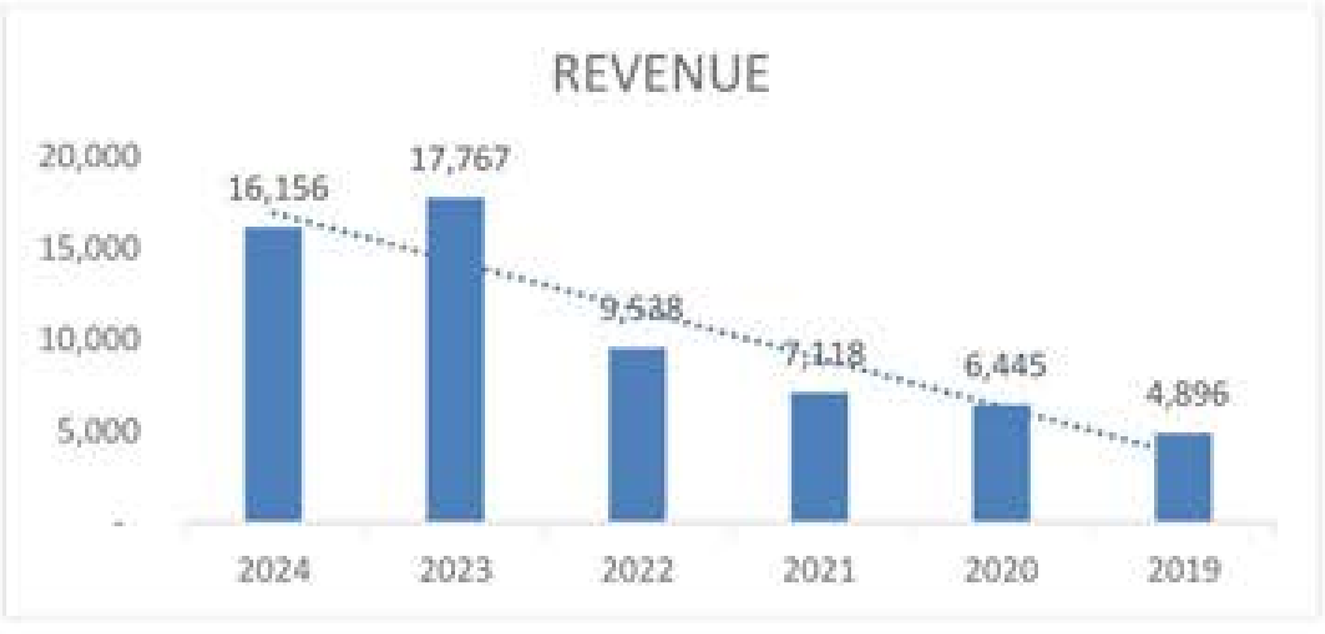
Standalone

The basic earnings per share after tax is Rs. 1.37 (2022: Rs. 3.93 - restated)

FINANCIAL PERFORMANCE (CONSOLIDATED)

Revenue

The Company delivered a remarkable financial performance in the past fiscal year, with revenues reaching Rs. 16 billion (USD 58 million), underscoring the continued strength in project execution. The slight decline in revenue compared to 2023 is primarily attributed to certain projects nearing completion in the last quarter, with revenue recognition deferred to the following year. Over the years, the Company has sustained a positive revenue trajectory, demonstrating consistent growth from 2019 to 2023, with a compound annual growth rate (CAGR) exceeding 27%.



Gross Profits

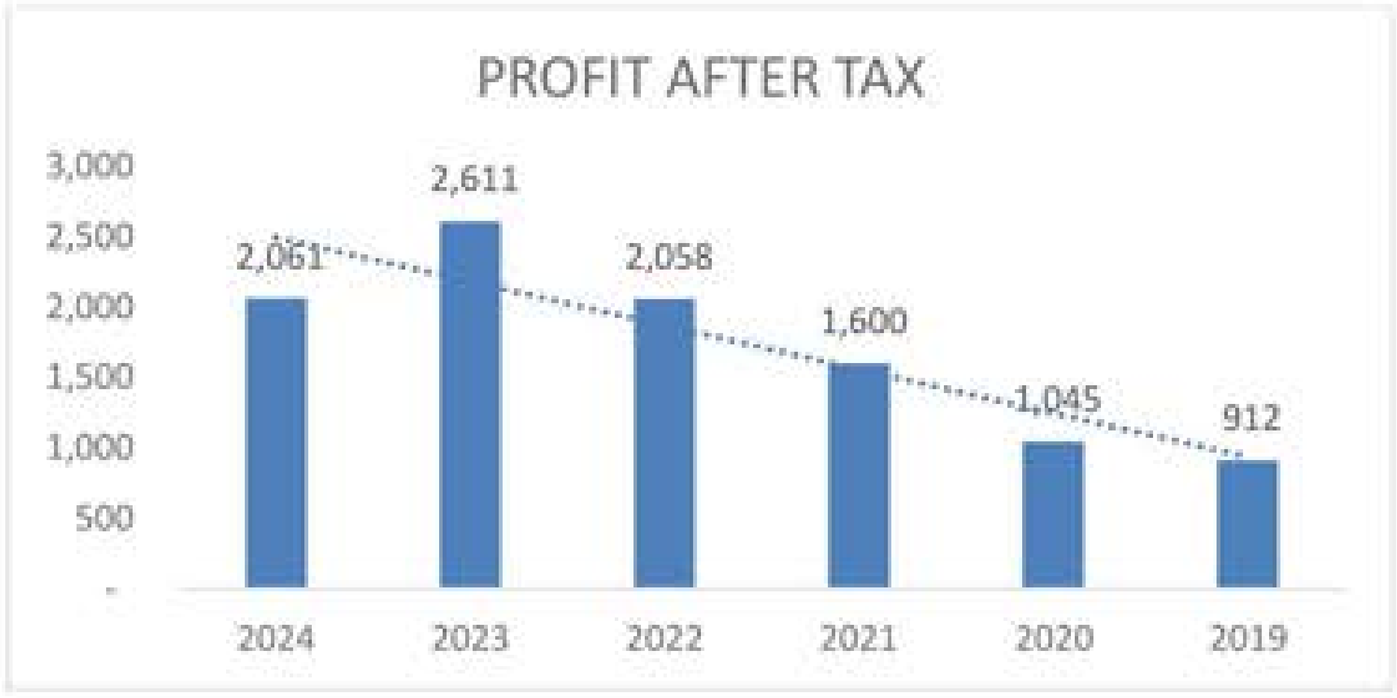
We're delighted to share that our current year's gross margin has seen a significant improvement, standing at an average of over 25% over the last 6 years. This impressive uptick can be largely attributed to the execution of high-margin projects in our Pakistan and Qatar regions, coupled with enhanced operational efficiency and strategic cost-saving initiatives across our services. With USD stabilizing in Pakistan the gross margins considerably improved in Pakistan operations for the current year 2024.

The Group experienced a slight decline in gross margin, primarily due to a one-time spike order in the Qatar region during 2023. At the core of our sustained success lies a lean operational model, which centralizes critical functions—including engineering, procurement and logistics, HSE and quality, as well as finance and support. This streamlined structure has been instrumental in driving margin enhancement and, ultimately, in creating greater value for our shareholders. Additionally, our joint venture with the Zamil Group in the Kingdom of Saudi Arabia has contributed to notable margin improvements, reaffirming our commitment to cultivating strategic alliances that deliver mutual long-term benefits.

Earnings before Interest, Taxes, depreciation and amortization (EBITDA)

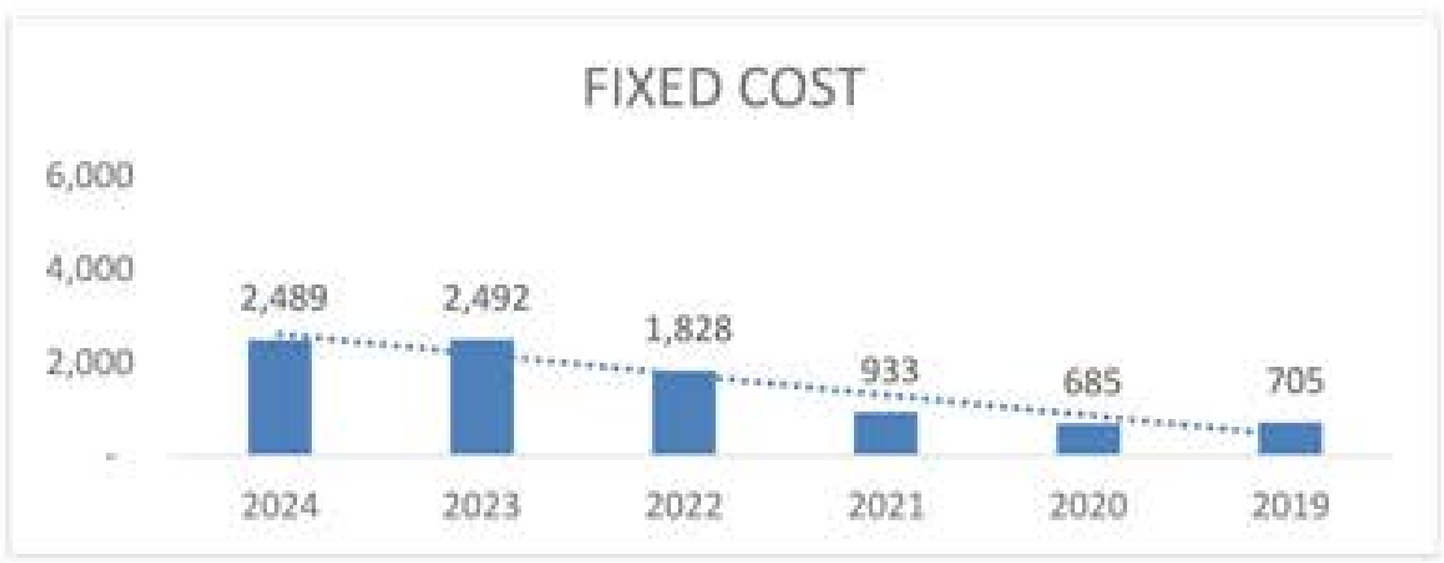
Profit after taxation

The Directors are pleased to report a profit after taxation (PAT) of Rs. 2.0 billion for the current year. While this reflects a slight decrease compared to 2023, the prior year's result included a one-off gain from the recognition of other income related to the 'AVANCEON' trademark. In contrast, the 2024 performance is underpinned by improved gross margins, disciplined control of fixed costs, increased joint venture profits from the Kingdom of Saudi Arabia, and a favorable tax impact—collectively contributing to the sustained PAT of Rs. 2.0 billion.



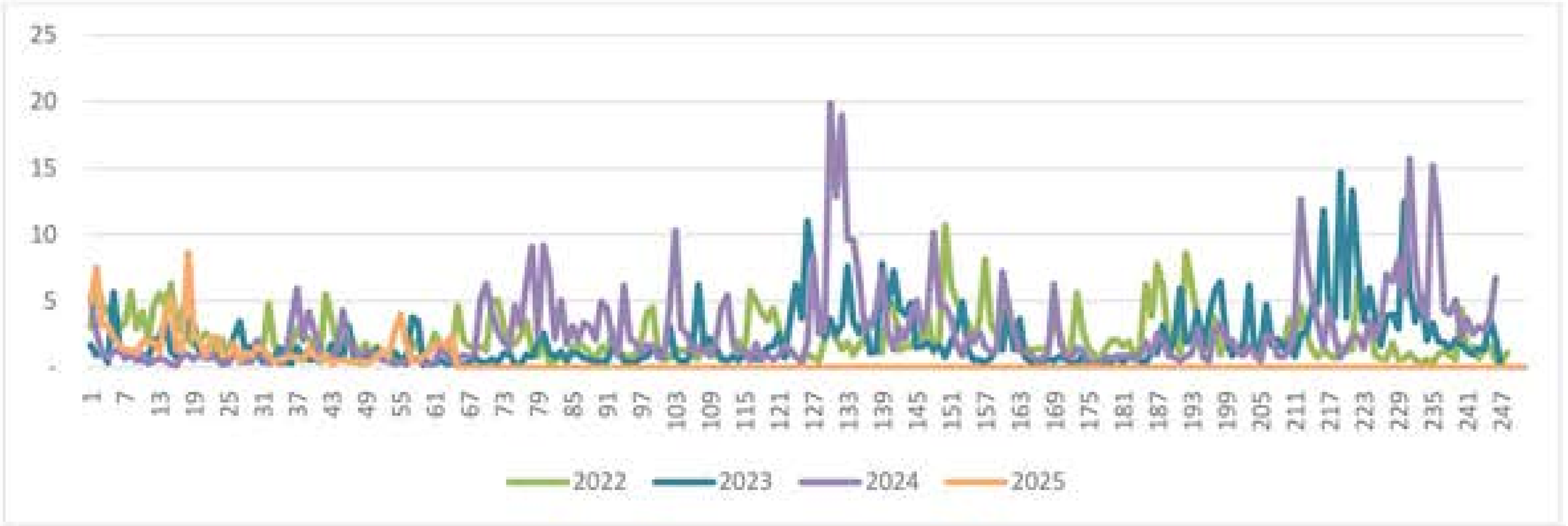
Fixed Cost

Fixed costs have been a key differentiator in enabling the Company's controlled growth and delivering improved profitability. Rigorous oversight by the Steward Boards in both Pakistan and the Middle East has resulted in exemplary cost management throughout the year. Our Event-Oriented Reconciliation (EOR), circulated monthly to all department heads, plays a crucial role in closely monitoring fixed costs. This, combined with robust internal controls and alignment with the group corporate plan, ensures a disciplined financial approach. We report a 1% reduction in fixed costs—an impressive achievement given the persistent inflationary pressures. As a service-based organization, a significant portion of Avanceon's expenditure is attributed to its Human Resource factory. Other income and expenses largely reflect exchange rate fluctuations and reversals of expected credit losses.



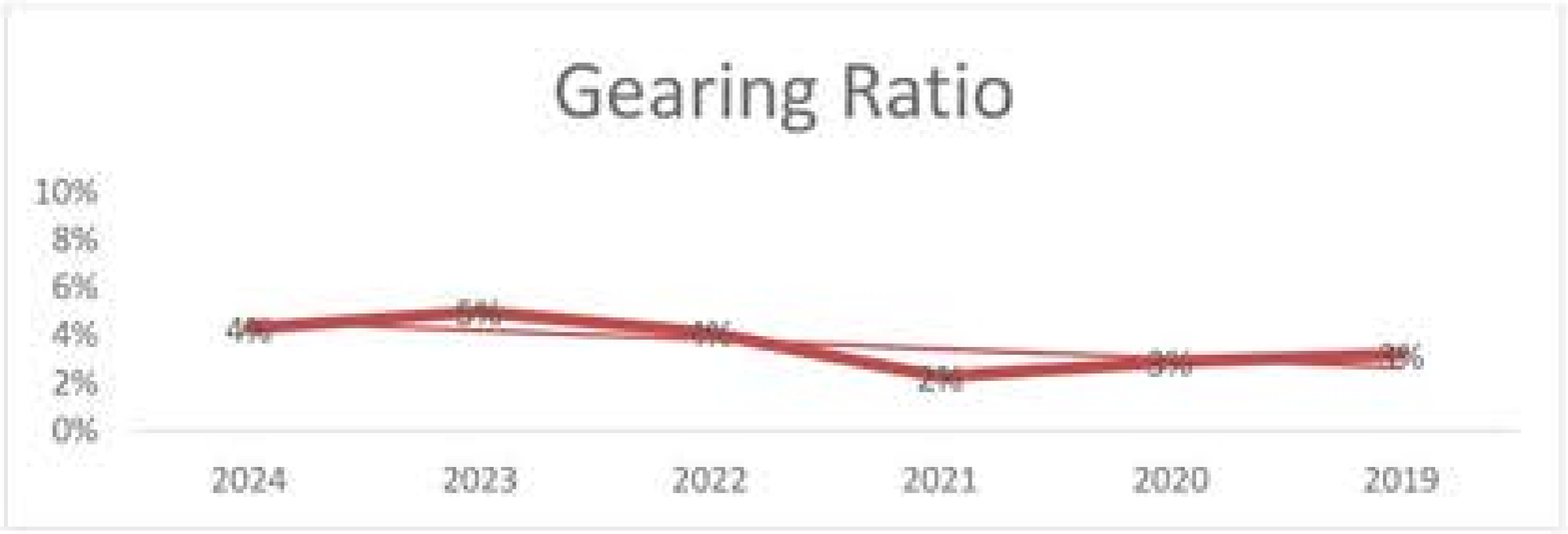
STOCK LIQUIDITY

Avanceon's stock activity remained relatively subdued during the current year, although trading volumes were consistent throughout. The Company anticipates attracting new retail and corporate investors as a result of the strong performance in 2024 and the strategic plans set for 2025. We are also planning to host an analyst briefing at the end of April or early May 2025, where we will update stakeholders on our performance and future plans. Additionally, our Employee Stock Option Scheme (ESOS) has now matured, allowing employees to liquidate their holdings and take further positions in the market with greater ease, without the risk of losing liquidity opportunities.



CAPITAL STRUCTURE

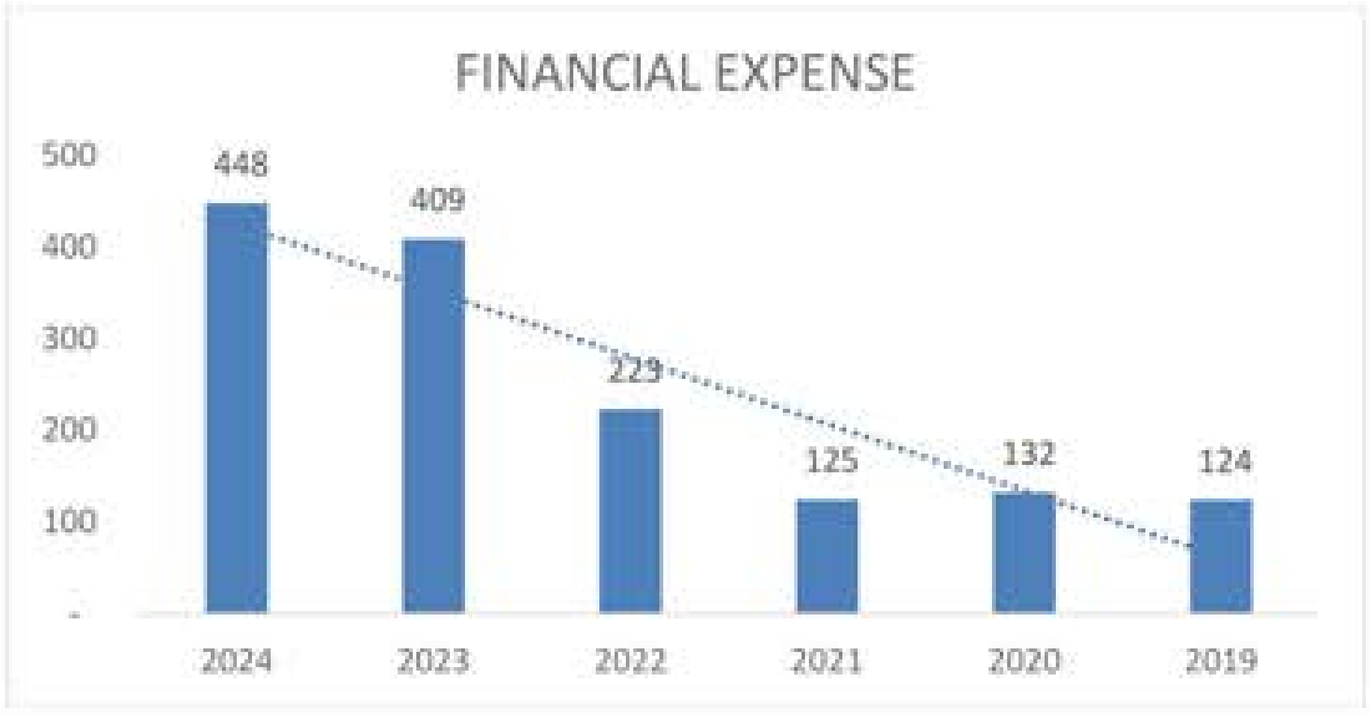
Avanceon Group operates with a notably low gearing ratio, reflecting a well-balanced capital structure that underscores its financial strength and prudent liquidity management. The Group carries no significant long-term debt, aside from a facility in the UAE for the purchase of office land and a long-term Musharakah arrangement in Pakistan for vehicle financing. Working capital lines are utilized solely to address short-term cash flow requirements. The Company has consistently met all its short-term financial obligations, including finance and operating leases, without delay. Looking ahead, the Company is actively working to expand its banking facilities—encompassing short-term, long-term, and project financing—in Pakistan to support the construction of its new office at the Technology Park in Lahore, for which land acquisition is currently underway. Additionally, efforts are in progress to establish global group-wide credit lines to support working capital needs across regions.



WORKING CAPITAL MANAGEMENT

Financial charges remained aligned with the Group's working capital requirements, reflecting a measured increase of 9% compared to the previous year. This rise was largely attributable to elevated KIBOR rates, which surged above 22% per annum in 2023, before moderating significantly in 2024.

The Company continues to manage its working capital prudently by negotiating favorable credit terms with customers—ensuring each order remains cash-positive and receivables are collected within reasonable, agreed timelines. Through stringent financial discipline and vigilant oversight, the Company has successfully maintained short-term borrowings at optimal levels, thereby minimizing financing costs and supporting a healthy cash flow position.



FUTURE PROSPECTS

A clear and forward-looking vision remains a cornerstone of our Board and management's strategic direction. As we embark on 2025, the Company stands on solid ground with an opening project backlog of USD 75 million and an anticipated purchase order pipeline of USD 88 million. These figures provide a strong foundation for our 'Road to 100' initiative—our ambitious goal to achieve USD 100 million in annual revenue by 2028. Notably, this projection does not factor in potential revenue spike orders, which may add up strength of our current positioning.

The outlook for sustained growth remains robust, particularly in Pakistan and across the broader Middle East, with a strategic focus on the Kingdom of Saudi Arabia in alignment with KSA Vision 2030. While revenue for the current year fell marginally short of initial expectations, confidence remains high in our trajectory toward the USD 100 million milestone. Looking ahead, we anticipate renewed momentum from a full global economic recovery—especially across key markets such as the UAE, KSA, Qatar, Oman, Nigeria, and with growing optimism surrounding political and economic stability in Pakistan.

SERVICE TO SOCIETY

We remain steadfast in our commitment to being active and responsible corporate citizens. As part of our Corporate Social Responsibility (CSR) initiatives, the Company fully sponsors the educational expenses of the children of lower-tier employees, ensuring access to quality education regardless of socioeconomic status. In addition, we contribute to various charitable foundations focused on uplifting underprivileged communities. We take pride in mentioning that this program has revealed results beyond our expectations and these children are now part of our team in Avanceon as actual employees in engineering/ software and support functions.

For the current year, the Company has earmarked a dedicated CSR fund of USD 250,000, to be channeled into key areas including education, healthcare, public safety, and environmental well-being.

HEALTH, SAFETY AND ENVIRONMENT

At Avanceon, we place the highest priority on maintaining rigorous health and safety standards across all our worksites and offices. We are firmly committed to proactively managing the health and safety risks inherent to our operations, and we continually strive to enhance our procedures to mitigate, eliminate, or control the risks of fire, accidents, and injuries to both employees and visitors. We are certified under ISO 14001:2004. Furthermore, we ensure that all our products are shipped in full compliance with relevant safety standards and legal requirements, reinforcing our commitment to responsible operations at every stage.

ESG (Environmental Social Growth)

At Avanceon, we recognize the growing significance of environmental, social, and governance (ESG) factors in shaping a sustainable future. With the evolving social impact of environmental challenges, we remain steadfast in our commitment to ESG principles. In 2025, we will adopt the IFRS S1 and S2 standards to further enhance our ESG practices. A core focus for us has been raising awareness and fostering understanding of ESG standards throughout the organization. The implementation of these standards will be a key pillar of our social platform, driving meaningful change and ensuring that our actions align with our commitment to sustainability and responsible corporate governance. By integrating ESG practices into our strategies, we aim to make sustainability not just continuity a central part of our business drive, leading us towards a future where we can continue to have a positive impact and grow.

ISSUES RAISED IN THE LAST AGM/AGENDA ITEMS

During the Annual General Meeting for the year ending 31 December 2023, no major issues were raised.

Agenda # 1: To confirm the minutes of the Extraordinary General Meeting held on 22 December 2023.

Agenda # 2: To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 December 2023 together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.

Agenda # 3: To appoint Auditors of the Company and fix their remuneration. The Members are hereby notified that the Board Audit Committee and the Board of Directors have recommended the name of M/s BDO Ebrahim & Co. Chartered Accountants for re-appointment as auditors of the Company for the year ending 31 December 2024.

Agenda # 4: To consider and approve, as recommended by the Board of Directors, the payment of a final cash dividend at the rate of Rs. 2/- (20%) for the year ended 31 December 2023.

Agenda # 5: To consider and approve, as recommended by the Board of Directors, the issue of bonus shares @ 10% and pass the following resolution;

"RESOLVED that Ordinary Shares of Rs. 10/- each to be issued as Bonus Shares and that the said shares be allotted as fully paid Ordinary Shares to the Members of the Company whose names appear on the Register of Members as at the close of the business on Friday, 19 April 2024 in the proportion of 10 Bonus Share for every 100 Shares held, that is at the rate of 10%.

These Bonus Shares shall rank pari passu as regards dividend and in all other respects with the existing Ordinary Shares of the Company.

FURTHER RESOLVED that fractional entitlements of the members shall be consolidated into whole shares and sold in the stock market and the sale proceeds shall be donated to a charitable institution.

BOARD OF DIRECTORS' REMUNERATION

All directors of the Company are Non-Executive, with the exception of the Chief Executive Officer (CEO). The CEO receives a fixed salary and benefits in accordance with the Company's HR policies and established salary scales. The CEO's performance is assessed against approved criteria by the Human Resource and Remuneration Committee, with recommendations submitted to the Board for approval. Independent directors are compensated with agreed/approved fee for attending board meetings

CORPORATE GOVERNANCE PRACTICES

The Board of Directors of Avanceon Limited is committed to the company principles and complies with requirements of Code of Corporate Governance included in the listing regulations of the Pakistan Stock Exchange (PSX). The code of Corporate Governance has been disclosed and discussed in detail, along with the Statement of Compliance.

BOARD OF DIRECTOR'S TRAINING

In the current year, new Board members were inducted to fill casual vacancies arising from personal commitments of previous members. As a result, no director training was conducted during the year. However, the Company remains fully committed to providing the remaining directors with a comprehensive Directors' Training Program in 2025

SHARES TRADED BY EXECUTIVES

During the year, the below mentioned executives have traded the stock of Avanceon and informed to Stock Exchange:

Name of Company	Employee Name	Designation	Transaction Type	No. of Shares	Price	Transaction Type	Date of Transaction	Date of Submissi on
Avanceon Limited	Ahsan Khalil	Chief Financial Officer	Sell	25000	51.66	CDC	26/03/2024	15/04/2 024
Avanceon Limited	Tanveer Karamat	Director	Sell	20000	67.56	CDC	23/07/2024	30/07/2 024
Avanceon Limited	Tanveer Karamat	Director	Sell	10000	67.60	CDC	23/07/2024	30/07/2 024
Avanceon Limited	Mohamma d Shahid Mir	Director	Sell	38670	64.05	CDC	05/08/2024	06/08/2 024
Avanceon Limited	Tanveer Karamat	Director	Sell	50000	55.55	CDC	13/11/2024	19/11/20 24
Avanceon Limited	Tanveer Karamat	Director	Sell	30000	60.33	CDC	12/12/2024	13/12/20 24
Avanceon Limited	Tanveer Karamat	Director	Sell	10000	57.36	CDC	06/12/2024	17/12/20 24

COMPOSITION OF BOARD AUDIT COMMITTEE

The board audit committee consists of three members listed below.

Sr. No.	Name of Members		
1.	Ms. Faaria Rehman Salahuddin	Chairman	Independent Director
2.	Mr. Khalid Hamid Wain	Member	Non-Executive Director
3.	Mr. Amir Wain	Member	Non-Executive Director

COMPOSITION OF BOARD OF HR AND REMUNIRATION COMMITTEE

The board of HR and Remuneration committee consists of three members listed below;

Sr. No.	Name of Members		
1.	Ms. Faaria Rehman Salahuddin	Chairman	Independent Director
2.	Mr. Khalid Hameed Wain	Member	Non-Executive Director
3.	Mr. Muhammad Shahid Mir	Member	Independent Director

COMPOSITION OF BOARD OF DIRECTORS

The board consist of seven directors listed below;

Sr. No.	Name of Director	
1.	Mr. Khalid H. Wain	Non-executive Director but not independent
2.	Mr. Bakhtiar H. Wain	Executive Director
3.	Mr. Amir Wain	Non-executive Director but not independent
4.	Mr. Tanveer Karamat	Non-executive Director but not independent
5.	Mr. Mohammad Shahid Mir	Independent Director
6.	Mr. Omer Iqbal Khan	Independent Director
7.	Ms. Faaria Rehman Salahuddin	Independent Female Director

The total number of directors are seven as per the following, -

a. Male: Six

b. Female: One

BOARD OF DIRECTOR'S MEETINGS

During the year, the Board of Directors has conducted four board meetings (all conducted in Pakistan), the following honorable members participating:

Sr. No.	Name of Director	Present	Leave Granted
1.	Mr. Khalid H. Wain	4	0
2.	Mr. Bakhtiar H. Wain	4	0
3.	Mr. Amir Wain	4	0
4.	Mr. Tanveer Karamat	4	0
5.	Mr. Omer Iqbal Khan	4	0
6.	Mr. Mohammad Shahid Mir	4	0
7.	Ms. Faaria Rehman Salahuddin	0	0 Appointed as a casual vacancy, no meeting attending during the year ending 31 December, 2024.
8.	Ms. Hanan Darwish	4	0

SEGMENTAL BUSINESS PERFORMANCE AND MARKET SHARE INFORMATION

As previously reported, and with great pride, we highlight that, according to the Control Engineering Giants List, Avanceon commands a market share nearing 4%, securing our position among the top 15 system integrators globally, with the current market leader holding 9%. Avanceon's core strength lies in reinforcing its market leadership in Pakistan, while simultaneously expanding its market share by tapping into underserved markets and diversifying its customer portfolio across new verticals. In the Middle East, our success is anchored in the infrastructure, transportation, and smart cities sectors, particularly within the Kingdom of Saudi Arabia. This strategy focuses on pioneering solutions in regions where the relevance of these innovations is recognized but implementation has yet to occur. Domestically, in Pakistan, Avanceon leads with an impressive over 60% share of the process control industry.

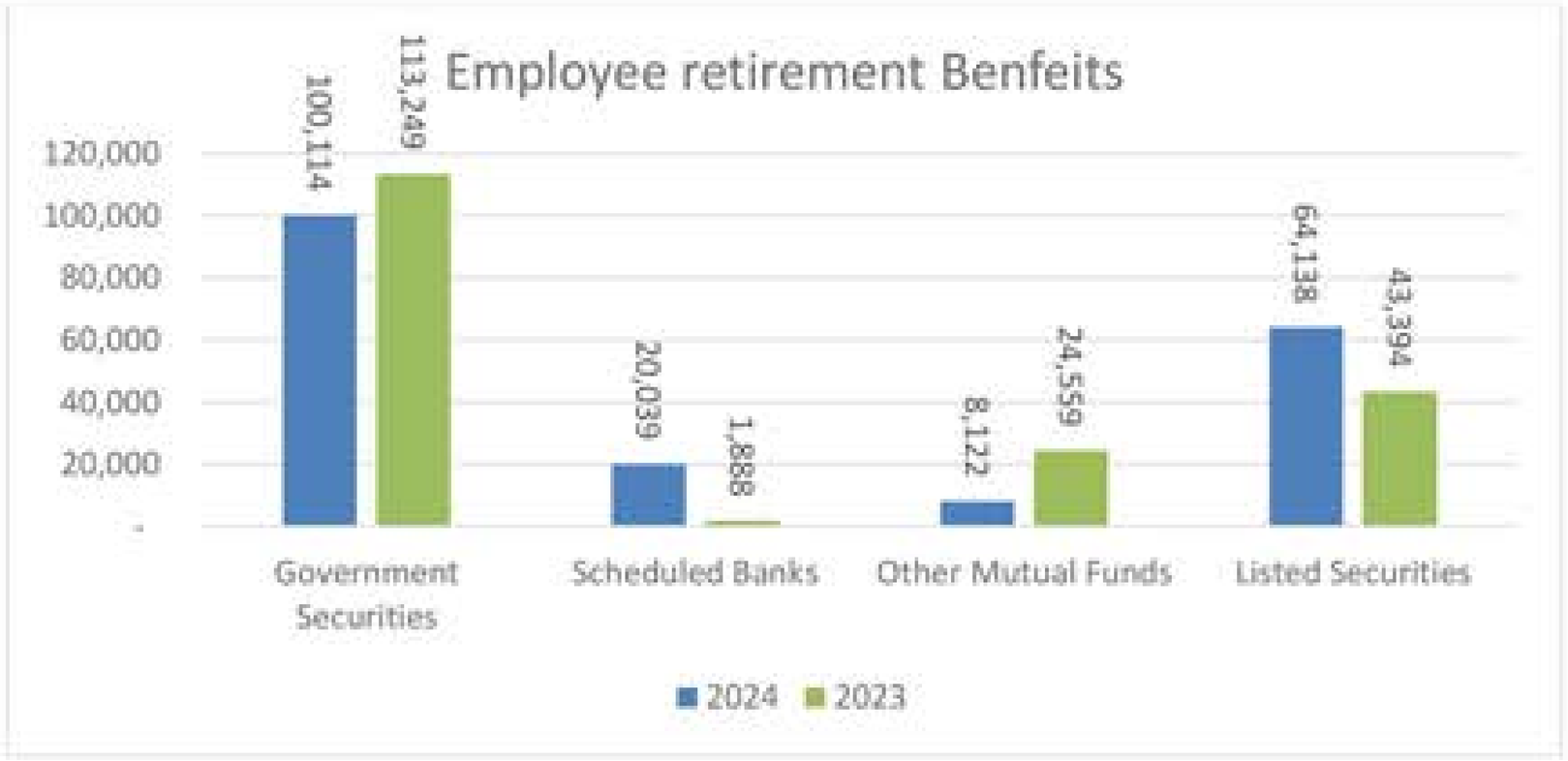
PROCEDURES ADOPTED FOR QUALITY ASSURANCE

At Avanceon, the management of Health, Safety, and Environmental (HSE) data, along with the robust data collection process and transparent reporting, forms a cornerstone of our corporate responsibility framework. The Company diligently reports its HSE performance in alignment with the SMETA 4-Pillar guidelines for sustainability reporting, as well as established ISO standards, ensuring that our practices are consistent with the highest international benchmarks.

Our comprehensive HSE data management system is designed to provide real-time, actionable insights at all levels of management, enabling early intervention when deviations from established targets are detected. This proactive approach ensures that potential risks are addressed before they escalate. In addition to internal monitoring, our systems and processes undergo regular reviews by third-party auditors, in addition to routine corporate and divisional HSE audits. These external evaluations further ensure the integrity and effectiveness of our HSE practices, allowing us to continuously improve and maintain a culture of safety and sustainability across all our operations.

EMPLOYEES' RETIREMENT BENEFITS

	2024 (Un-audited)		2023 (Audited)	
	Investments (Rupees in thousand)	Investment as % of size of the fund	Investments (Rupees in thousand) Restated	Investment as % of size of the fund
Government Securities	100,114	52%	113,249	62%
Scheduled Banks	20,039	10%	1,888	1%
Other Mutual Funds	8,122	4%	24,559	13%
Listed Securities	64,138	33%	43,394	24%
	192,413	100%	183,091	100%



OPERATING FINANCIAL DATA

Operating, financial data and key ratios of the Company for the last six years as disclosed are annexed on subsequent pages in the Management part of this Report.

PATTERN OF SHAREHOLDING

The pattern of shareholding as at December 31, 2024 is annexed in the Management section of this Report. The Directors, Chief Executive, Chief Financial Officer, Company Secretary and their spouse and minor children have made no transactions of the Company's shares during the year, except those reported in the pattern of shareholding.

STATUTORY AUDITORS OF THE COMPANY

The present Auditors, M/s. Crowe Hussain Chaudhury & Co. Chartered retire and being eligible, offer themselves for re-appointment. The Audit Committee of the Company has been recommended their re-appointment as Auditors of the Company for the year ending December 31, 2025.

COMMUNICATIONS

Communication with the shareholders is given a high priority. Financial results including quarterly, half yearly and annual results & reports are distributed to them within the time specified in the Companies Act, 2017. The company communicates all material information which fall under the material information category under listing regulations to Pakistan Stock Exchange (PSX) and Securities and Exchange Commission of Pakistan (SECP). The Company also has a website, www.avanceon.ae, which contains updated information on the Company's activities and financial reports.

ACKNOWLEDGEMENT

The Board is pleased with the continued dedication and efforts of the employees of the Company.

For and on behalf of the Board of Directors

Mr. Bakhtiar H. Wain
Director, Chief Executive Officer

Mr. Tanveer Karamat
Director April 26, 2025

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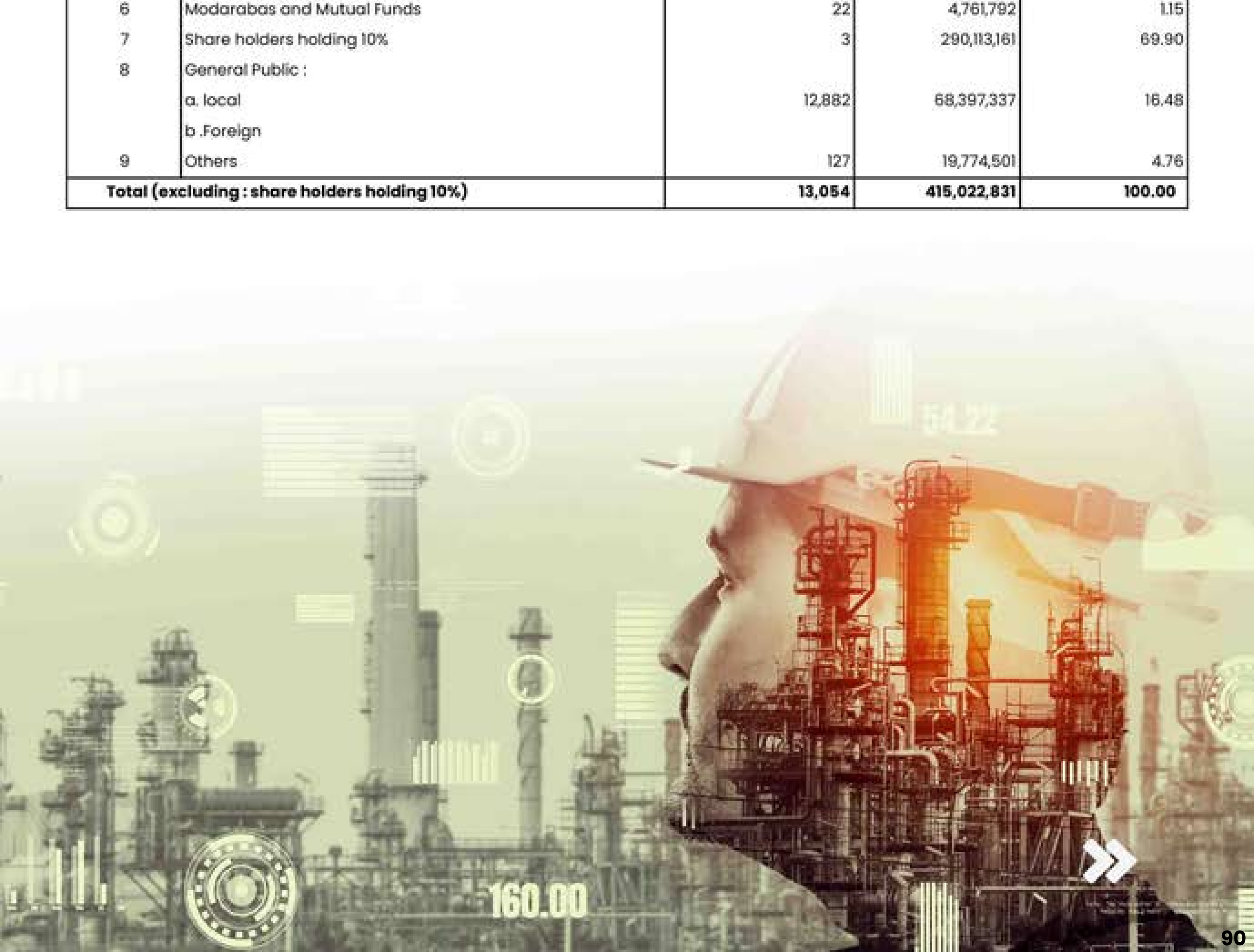
PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2024

SNO.	Shareholders Category	No. of Shareholder	No. of Shares	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children (to be confirm by Company)	9	292,573,305	70.50
2	Associated Companies, Undertakings and related Parties (to be confirm by Company)	1	632,500	0.15
3	NIT and ICP			
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	6	24,266,147	5.85
5	Insurance Companies	7	4,617,249	1.11
6	Modarabas and Mutual Funds	22	4,761,792	1.15
7	Share holders holding 10%	3	290,113,161	69.90
8	General Public :			
	a. local	12,882	68,397,337	16.48
	b .Foreign			
9	Others	127	19,774,501	4.76
Total (excluding : share holders holding 10%)		**13,054**	**415,022,831**	**100.00**



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PATTERN OF SHAREHOLDING

Directors, Chief Executive Officer, and their spouse and minor children

SNO.	FOLIO	NAME	HOLDING
1	1	MR. BAKHTIAR HAMEED WAIN	192,368,961
2	2	MR. KHALID WAIN	2
3	4	MR. TANVEER KARAMAT	2
4	3107	MR. OMER IQBAL KHAN	5
5	00307-150395	MOHAMMAD SHAHID MIR	300,000
6	03277-129426	AMIR WAHEED WAIN	43,435,362
7	03525-112897	BAKHTIAR HAMEED WAIN	54,308,838
8	05264-48871	TANVEER KARAMAT	2,159,135
9	12484-29983	FAARIA REHMAN SALAHUDDIN	1,000
		TOTAL >>	**292,573,305**

Associated Companies, Undertakings and related Parties

SNO.	FOLIO	NAME	HOLDING
1	12732-3143	AVANCEON LTD. EMPLOYEES PROVIDENT FUND	632,500
		TOTAL >>	**632,500**

Banks, Development Financial Institutions, Non Banking Financial Institutions

SNO.	FOLIO	NAME	HOLDING
1	01867-22	PAKISTAN KUWAIT INVESTMENT CO. (PVT) LTD.	150,000
2	01875-39	SAMBA BANK LIMITED	500,000
3	03889-44	NATIONAL BANK OF PAKISTAN	11,146,586
4	04127-28	MCB BANK LIMITED - TREASURY	12,390,746
5	17285-25	SAMBA BANK LIMITED - MT	22,540
6	19117-22	ASKARI BANK LIMITED - MT	56,275
		TOTAL >>	**24,266,147**

Insurance Companies

SNO.	FOLIO	NAME	HOLDING
1	01826-91793	ASKARI GENERAL INSURANCE COMPANY LIMITED	40,000
2	02451-21	JUBILEE GENERAL INSURANCE COMPANY LIMITED	150,000
3	03277-10526	HABIB INSURANCE CO.LIMITED	9,401
4	03277-90405	DAWOOD FAMILY TAKAFUL LIMITED	97,387
5	12484-18622	ASKARI GENERAL INSURANCE COMPANY	30,000
6	18085-28	EFU LIFE ASSURANCE LIMITED	3,792,195
7	18200-22	E. F. U. GENERAL INSURANCE LIMITED	498,266
		TOTAL >>	**4,617,249**

Modarabas and Mutual Funds

SNO.	FOLIO	NAME	HOLDING
1	03277-4962	FIRST ALNOOR MODARABA	8,000
2	06411-21	CDC - TRUSTEE AKD INDEX TRACKER FUND	41,883
3	06627-25	CDC - TRUSTEE NBP INCOME OPPORTUNITY FUND	91,500
4	11049-29	MC FSL - TRUSTEE JS GROWTH FUND	4,100
5	12195-21	CDC - TRUSTEE ABL STOCK FUND	500,000
6	12880-27	CDC - TRUSTEE NBP MAHANA AMDANI FUND - MT	990,042
7	13953-27	MCBFSL - TRUSTEE PAK OMAN ADVANTAGE ASSET ALLOCATION FUND	100,000
8	13961-26	MCBFSL - TRUSTEE PAK OMAN ISLAMIC ASSET ALLOCATION FUND	100,000
9	14373-27	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	235,500
10	14514-28	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	9,790
11	14605-27	CDC - TRUSTEE AL-AMEEN ISLAMIC ASSET ALLOCATION FUND	11,638
12	14902-21	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	543,061
13	15362-27	CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	24,000
14	15974-23	CDC - TRUSTEE NBP ISLAMIC STOCK FUND	44,000
15	16139-23	CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	535,236
16	16162-20	CDC-TRUSTEE NITIPF EQUITY SUB-FUND	125,350
17	16188-28	CDC-TRUSTEE NITPF EQUITY SUB-FUND	47,006
18	16246-20	CDC - TRUSTEE NBP SAVINGS FUND - MT	412,662
19	18002-26	CDC - TRUSTEE NIT ASSET ALLOCATION FUND	51,978
20	18390-39	CDC - TRUSTEE HBL INCOME FUND - MT	41,312
21	18770-24	CDC - TRUSTEE HBL FINANCIAL SECTOR INCOME FUND PLAN I - MT	574,592
22	18986-29	CDC - TRUSTEE PAK-QATAR ISLAMIC STOCK FUND	270,142
		TOTAL >>	4,761,792

Others

SNO.	FOLIO	NAME	HOLDING
1	2308	K.F. CORPORATION PRIVATE LIMITED	152
2	2614	M/S. UK CORPORATION	652
3	3063	BONUS WITHHELD 5% B-2	300,361
4	3088	BULK MANAGEMENT PAKISTAN (PVT.) LTD.	88
5	3090	MANAGEMENT AND EDUCATIONAL SERVICES (PVT) LIMITED	56
6	3101	AHSAN KHALIL - COMPANY SECRETARY FOR FRACTIONAL SHARES	1,559
7	3109	TRUSTEE TO COMPANY SECRETARY	1,741
8	3115	AHSAN KHALIL - COMPANY SECRETARY FOR FRACTIONAL SHARES	1,268
9	3118	TRUSTEE TO THE BONUS SHARES	1,400
10	3121	TRUSTEE TO THE BONUS FRACTIONS SHARES (B- 7)	3,376
11	3126	MR. AHSAN KHALIL (TRUSTEE TO BONUS FRACTIONAL SHARES)	3,609
12	00521-17670	ARISTEA SICAV NEW FRONTIERS EQUITY FUND	717,220
13	00521-8117	TRUSTEE-ANPL MAN STAFF DEFINED CONTRIBUTIO SUPERANNUATION FD	2,725
14	00521-8125	TRUSTEE-ANPL MANAGEMENT STAFF PENSION FUND	2,180
15	00521-8133	TRUSTEE-ANPL MANAGEMENT STAFF GRATUITY FUND	4,251
16	00521-8141	TRUSTEE-ANPL MANAGEMENT STAFF PROVIDENT FUND	3,270
17	00547-2761	J.P. MORGAN SECURITIES PLC	380,205
18	00695-12524	BMA FUNDS LIMITED - DELIVERABLE FUTURES TRADES	285,580
19	00695-22848	TUNDRA SHIKARI GLOBAL	6,680,008
20	01669-26	SHAFFI SECURITIES (PVT) LIMITED	279
21	01826-102285	ESSITY PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	948
22	01826-137232	ABCDATA (PRIVATE) LIMITED	27,050
23	01826-168708	PITCO (PVT.) LIMITED	46,646
24	01826-173062	IQBAL HAMID TRUST	237,977
25	01826-198390	SARMAAYA FINANCIALS (PRIVATE) LIMITED	17,400
26	01826-233916	SYNGENTA MANAGEMENT EMPLOYEES GRATUITY FUND	13,700
27	01826-76133	TRUSTEE-GUL AHMAD TEXTILE MILLS EMPLOYEE PROVIDENTFUND TRUST	10,000
28	03244-85976	TRUSTEE-THE CRESCENT TEXTILE MILLS LTD EMPL PROVIDENT FUND	70,000
29	03277-128420	PHOENIX FACILITY MANAGEMENT (PRIVATE) LIMITED	1,000
30	03277-13154	TRUSTEES HOMMIE&JAMSHED NUSSERWANJEE C.T	9,087
31	03277-26972	WESTBURY (PRIVATE) LTD	90,000
32	03277-4230	CRESCENT STEEL AND ALLIED PRODUCTS LTD.	300,000
33	03277-4841	BULK MANAGEMENT PAKISTAN (PVT.) LTD.	137,576
34	03277-4931	SOFIAN BUSINESS CORPORATION (PRIVATE) LIMITED	35,000
35	03277-78974	CS CAPITAL (PVT) LTD	250,000
36	03277-81025	SHEFFIELD (PRIVATE) LIMITED	50,000
37	03277-94268	AL-RAHIM TRADING COMPANY (PRIVATE) LIMITED	7,000
38	03277-94363	K. F. CORPORATION (PRIVATE) LIMITED	135,622
39	03277-96883	IGI INVESTMENTS (PVT.) LIMITED	39,171
40	03525-128164	J. K. EXPORTS (PVT.) LIMITED	84,611
41	03525-61184	PITCO (PVT) LTD	227,700
42	03525-67537	SHAMALIK BROTHERS (PVT) LTD	5,545
43	03525-87235	MAPLE LEAF CAPITAL LIMITED	1
44	03525-89276	SIDDIQ LEATHER WORKS (PVT.) LIMITED	397,791
45	03525-94230	PROSPERITY SECURITIES (SMC-PVT.) LIMITED	201
46	03657-25	CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	9
47	04317-25	DALAL SECURITIES (PVT) LTD.	101,250
48	04374-7750	HAMID ADAMJEE TRUST	5,450
49	04432-24195	MODISH MOVE (PRIVATE) LIMITED	4,000
50	04457-45	FDM CAPITAL SECURITIES (PVT) LIMITED	25,000
51	04457-83348	ALOO & MINOCHER DINSHAW CHARITABLE TRUST	5,000

52	04705-87224	FEDERAL BOARD OF REVENUE	458,778
53	04705-97687	FREEMEN CORPORATION (PRIVATE) LIMITED	2,500,019
54	04804-55797	M. A. OILS (PVT.) LIMITED	149,968
55	04804-66	INTERMARKET SECURITIES LIMITED(FORMERLY EFG HERMES PAK. LTD)	391
56	04879-28	AKHAI SECURITIES (PRIVATE) LIMITED	500
57	05264-180120	DYNASTY FINANCIAL ADVISORS (PRIVATE) LIMITED	4
58	05264-21	JS GLOBAL CAPITAL LIMITED	2,000
59	05470-26	B & B SECURITIES (PRIVATE) LIMITED	80
60	05512-91390	SIDDIQ LEATHER WORKS (PVT) LIMITED	20,000
61	05736-15	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	2,693,103
62	05884-10025	KHURSHEED SALT WORKS (PRIVATE) LIMITED	2,500
63	05884-10033	AVI DINSHAW (PRIVATE) LIMITED	2,500
64	05884-10041	EDDIE COMPANY (PRIVATE) LIMITED	2,500
65	05884-10058	KARACHI LIGHTERAGE COMPANY (PRIVATE) LIMITED	5,000
66	05884-10066	FRAMROZE E. DINSHAW (PRIVATE) LIMITED	2,500
67	06445-28	DARSON SECURITIES (PRIVATE) LIMITED	5,500
68	06452-35	ARIF HABIB LIMITED	243,000
69	06452-43019	SHARMEEN FOODS (PVT.) LIMITED	15,997
70	06452-44140	CITY SCHOOLS GROUP EMPLOYEES PROVIDENT FUND	179,162
71	06452-51103	BPS GROUP COMPANIES EMPLOYEES PROVIDENT FUND	98,277
72	06452-7758	SARGODHA JUTE MILLS LIMITED	12,000
73	06502-5986	UNITED TOWEL EXPORTERS (PVT.) LIMITED	14,101
74	06700-41946	FRANCISCANS OF ST JOHN THE BAPTIST PAKISTAN	16,500
75	07229-23	ALTAF ADAM SECURITIES (PVT) LTD.	21,500
76	07286-27	DR. ARSLAN RAZAQUE SECURITIES (PVT.) LIMITED	19,418
77	07450-30361	PAKISTAN RESOURCES DEVELOPMENT SERVICES (PRIVATE) LIMITED.	55,000
78	07450-35337	DIYANAH ISLAMIC FINANCIAL SERVICES (PVT.) LIMITED	7,833
79	07450-521	B.R.R. GUARDIAN LIMITED	10,000
80	10629-382088	SIDDIQ LEATHER WORKS (PVT) LTD	65,000
81	10629-526395	ROCK WELL ENTERPRISES (PRIVATE) LIMITED	10,000
82	10827-25	MOONACO SECURITIES (PRIVATE) LIMITED	30,000
83	11387-29150	B. K. SAADAAN (PVT) LIMITED	54,826
84	11387-43847	ESSAM REHMANI COMPANY (PRIVATE) LIMITED	60,000
85	11692-21	ABA ALI HABIB SECURITIES (PVT) LIMITED	1,500
86	12484-7807	BRAVISTO (PVT) LIMITED	1
87	12666-1120	Trustees of Pakistan Human Development Fund	1,327
88	12690-2281	KHAADI (SMC-PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	5,200
89	12732-7151	TRUSTEE ILM-O-FLAH FOUNDATION	30,000
90	12922-21	ABA ALI HABIB SECURITIES (PVT) LIMITED - MT	100,091
91	12955-28	INTERMARKET SECURITIES LTD(FORMERLY EFG HERMES PAK.LTD) - MF	35,000
92	12997-24	TOPLINE SECURITIES LIMITED - MF	20,000
93	13078-24	AL HABIB CAPITAL MARKETS (PRIVATE) LIMITED - MT	112,271
94	13748-1228	HRSG OUTSOURCING (PVT) LIMITED EMPLOYEES GRATUITY FUND	62,675
95	13748-1244	HRSG OUTSOURCING (PVT) LIMITED EMPLOYEES PROVIDENT FUND	188,025
96	14118-27	ASDA SECURITIES (PVT.) LTD.	110,669
97	14241-22	FIKREES (PRIVATE) LIMITED	2,000
98	14258-21	TRADE SMART SECURITIES (PRIVATE) LIMITED	2,507
99	14415-21	CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT	4,087

100	14746-21	KTRADE SECURITIES LIMITED	1
101	14944-27	ADAM SECURITIES LTD. - MF	41,433
102	15057-24	NINI SECURITIES (PRIVATE) LIMITED	7,252
103	15180-29	R.T. SECURITIES (PVT) LIMITED	140,000
104	16857-26	MRA SECURITIES LIMITED - MF	179,177
105	16865-25	BAWA SECURITIES (PVT) LTD. - MF	2,000
106	16899-22	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	440,000
107	16923-27	N. U. A. SECURITIES (PRIVATE) LIMITED - MF	20,000
108	17004-27	FAWAD YUSUF SECURITIES (PRIVATE) LIMITED - MF	206,832
109	17053-22	ORIENTAL SECURITIES (PRIVATE) LIMITED - MF	17,550
110	17103-25	DARSON SECURITIES (PRIVATE) LIMITED - MF	1,000
111	17509-26	TRUST SECURITIES & BROKERAGE LIMITED - MF	32,300
112	17699-25	FIRST STREET CAPITAL (PRIVATE) LIMITED - MT	150,000
113	18432-102649	SARMAAYA FINANCIALS (PRIVATE) LIMITED	34,500
114	18432-103068	SHAFFI SECURITIES (PVT) LIMITED	78
115	18432-104389	MBITSOFT (SMC-PRIVATE) LIMITED	35,600
116	18432-1122	AHSAM SECURITIES (PRIVATE) LIMITED	7,650
117	18432-2237	ASA STOCKS (PVT.) LIMITED	5,000
118	18432-2245	SAYA SECURITIES (PRIVATE) LIMITED	18,802
119	18432-36912	S. D. MIRZA SECURITIES (PVT.) LIMITED	54,500
120	18432-504	INA SECURITIES (PVT.) LIMITED	2,762
121	18432-88228	KHYBER INTERNATIONAL PAK (PVT) LTD	3,900
122	18432-88293	GALAXY CAPITAL SECURITIES (PRIVATE) LIMITED	3,200
123	18432-99050	SYED FARAZ EQUITIES (PRIVATE) LIMITED	22,000
124	18457-23	ADAM USMAN SECURITIES (PRIVATE) LIMITED	45,000
125	18630-20	DR. ARSLAN RAZAQUE SECURITIES (PVT.) LIMITED - MT	15,139
126	19273-24	ORBIT SECURITIES (PRIVATE) LIMITED - MF	10,000
127	19356-24	ADAM USMAN SECURITIES (PRIVATE) LIMITED - MF	120,000
		TOTAL >>	19,774,501

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SIX YEARS AT A GLANCE
CONSOLIDATED

YEARS		2024	2023	2022	2021	2020	2019
Profitability Ratios							
Gross Profit ratio		26%	32%	26%	32%	29%	30%
Operating Result Ratio		11%	23%	26%	26%	20%	22%
Profit Before Tax		9%	21%	23%	25%	18%	20%
Profit After Tax		13%	15%	22%	22%	16%	19%
Return On Capital Employed		12%	29%	20%	22%	23%	23%
Interest Coverage Ratio	(Times)	3.9	9.8	10.9	15.1	9.9	8.7
EBITDA	(Rs. In million)	2,178	4,392	2,431	1,941	1,381	1,152
EBITDAP	(Rs. In million)	2,128	4,535	2,866	1,971	1,361	1,177
EBITDA Margin		13%	25%	25%	27%	21%	24%
Growth Ratios							
Net Sales		-9%	86%	34%	10%	32%	41%
Operating Results		-58%	65%	29%	43%	21%	29%
EBITDA		-50%	81%	25%	41%	20%	32%
Profit After Tax		-21%	27%	29%	53%	15%	32%
Cost Ratios							
Cost of Sales (% of Sales)		74%	68%	74%	68%	71%	70%
Administrative & selling Cost (% of Sales)		15%	14%	19%	13%	11%	14%
Financial Cost (% of Sales)		3%	2%	2%	2%	2%	3%
Return to Shareholders							
Return on Equity-Before Tax		11%	31%	21%	23%	22%	22%
Return on Equity-After Tax		15%	22%	19%	21%	19%	21%
Earning per Share (Basic)	(Rs.)	5.11	6.08	2.25	4.84	4.93	4.31
Earning per Share (Diluted)	(Rs.)	5.00	5.99	2.22	4.77	4.82	4.22
Break Up value per share without surplus on revaluation	(Rs.)	34.54	33.91	34.62	31.48	25.40	22.32
Break Up value per share with surplus on revaluation	(Rs.)	35.33	34.79	35.64	32.48	26.54	23.41
Equity Ratios							
Price Earning Ratio		12.07	9.43	29.35	18.83	18.83	8.71
Dividend Per Share		**0%**	**20%**	**0%**	**10%**	**10%**	**0%**
Dividend Payout Ratio		0%	33%	0%	21%	20%	0%
Market Value at the end of The Year		61.69	57.34	66.03	91.12	92.85	37.55
Market Value at the start of the Year		57.34	66.03	91.12	92.85	37.55	82.68

YEARS		2024	2023	2022	2021	2020	2019
Highest Value During Year		67.78	71.22	112.37	139.79	96.05	84.61
Lowest Value During Year		48.06	40.88	66.03	73.57	18.51	29.14
Dividend Yield Ratio		0.00%	0.35%	0.00%	0.11%	0.11%	0.00%
Dividend Cover Ratio		**N/A**	**3.47**	**N/A**	**6.24**	**4.93**	**0.00**
Asset Utilization							
Total Asset turnover	(Times)	0.57	0.68	0.46	0.52	0.64	0.59
Fixed Asset Turnover	(Times)	12.68	14.82	10.00	15.22	14.95	11.29
Inventory Turnover	(Times)	68.52	93.36	104.78	66.47	37.12	21.20
Trade Debts Turnover	(Times)	0.98	1.19	0.63	0.74	0.88	0.81
Trade Creditors Turnover	(Times)	1.31	1.42	1.11	1.39	1.67	1.77
Capital Employed Turnover	(Times)	1.05	1.29	0.79	0.83	1.11	1.05
Operating Cycle							
Inventory Holding Period	(No. of days)	5	4	3	5	10	17
Trade Debt collection period	(No. of days)	372	306	584	496	416	450
Trade Creditors payment period	(No. of days)	278	257	330	263	218	206
Liquidity/Leverage							
Current ratio	(Times)	1.63	1.58	2.02	2.36	2.04	1.89
Quick ratio	(Times)	1.62	1.57	2.01	2.34	2.01	1.84
Cash to current liabilities	(Times)	0.07	0.10	0.16	0.31	0.14	0.08
Financial leverage ratio	(Times)	0.05	0.05	0.04	0.02	0.03	0.03
Total liabilities to equity	(Times)	0.94	1.01	0.82	0.66	0.81	0.90

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ANALYSIS OF FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION

(Rupees in million)

Particulars	2024	2023	2022	2021	2020	2019
Non-Current Assets						
Property and Equipment	1,275	1,199	953	468	431	434
Intangible assets	5,465	5,266	686	52	20	-
Long term investments	380	113	1,433	968	874	843
Long term loans and deposits	82	78	57	38	33	27
Deferred tax asset	33	34	15	-	59	74
Total Non-Current Assets	**7,234**	**6,689**	**3,145**	**1,526**	**1,417**	**1,378**
Current Assets						
Stock in trade	174	130	67	73	124	161
Trade debts	7,132	9,237	8,615	5,551	3,586	2,431
Contract assets	9,320	5,653	6,639	4,120	3,761	3,602
Term deposit with banks	100	94	75	310	74	197
Advances, deposits, prepayments and other receivables 8	3,445	3,014	957	786	502	480
Short term investments	1	10	0	0	3	1
Cash and bank balances	757	1,131	1,347	1,312	527	105
Total Current Assets	**20,928**	**19,269**	**17,700**	**12,154**	**8,577**	**6,979**
Total Assets	**28,163**	**25,958**	**20,845**	**13,679**	**9,994**	**8,357**
Equity and Liabilities						
Share Capital and reserves						
Issued, subscribed and paid up capital	4,150	3,763	3,247	2,566	2,118	1,925
Employees' share compensation reserve	408	178	156	173	74	54
Statutory reserve	3	3	3	3	3	3
Exchange revaluation reserve	2,639	2,672	1,495	755	632	610
Gain on dilution of interest	631	631	631	631	-	-
Share Premium	508	451	314	144	138	138
Un-appropriated profit	5,306	4,440	4,870	3,346	2,410	1,563
	13,647	12,138	10,716	7,618	5,375	4,293
Non controlling interest	687	621	525	459	5	4
	14,333	12,759	11,241	8,077	5,380	4,298
Surplus on revaluation of property and equipment	328	331	332	256	242	210

ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Non-Current Liabilities								
Long term loan	96	109	94	-	24	-	2	20
Lease liabilities	115	149	214	70	42	68	64	52
Employees' end of service benefits	333	295	187	119	101	81	88	49
Diminishing Musharaka	112	135						
Deferred grant	-	-	-	-	1	-	-	-
Deferred taxation	-	-	-	4	-	-	-	-
Total Non-Current Liabilities	**657**	**687**	**495**	**193**	**168**	**149**	**154**	**121**
Current Liabilities								
Current portion of lease liabilities	49	22	62	47	38	46	26	26
Current portion of long term loan	25	40	-	24	26	2	19	18
Current portion of Diminishing Musharaka	58	64						
Current portion of deferred grant	-	-	-	0	1	-	-	-
Finances under mark up arrangements and other credit facilities - secured	1,503	1,220	616	714	487	599	312	340
Creditors, accrued and other liabilities	9,052	8,579	6,359	3,486	2,750	1,928	2,049	1,354
Contract liabilities	2,157	2,257	1,739	883	902	1,127	-	-
Total Current Liabilities	**12,844**	**12,181**	**8,777**	**5,153**	**4,204**	**3,701**	**2,406**	**1,738**
Total Equity and Liabilities	**28,163**	**25,958**	**20,845**	**13,679**	**9,994**	**8,357**	**5,994**	**4,597**

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ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

PARTICULARS	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
	(in % age)						(in % age)					
	Vertical Analysis						Horizontal Analysis					
Non-Current Assets												
Property and Equipment	5%	5%	5%	3%	4%	5%	106%	126%	204%	109%	99%	129%
Intangible assets	19%	20%	3%	0%	0%	0%	104%	768%	1326%	259%	100%	0%
Long term investments	1%	0%	7%	7%	9%	10%	336%	8%	148%	111%	104%	113%
Long term loans and deposits	0%	0%	0%	0%	0%	0%	106%	135%	150%	116%	120%	72%
Deferred tax asset	0%	0%	0%	0%	1%	1%	96%	220%	100%	0%	80%	100%
Total Non-Current Assets	26%	26%	15%	11%	14%	16%	108%	213%	206%	108%	103%	123%
Current Assets												
Stock in trade	1%	1%	0%	1%	1%	2%	133%	194%	92%	59%	77%	189%
Trade debts	25%	36%	41%	41%	36%	29%	77%	107%	155%	155%	147%	125%
Contract assets	33%	22%	32%	30%	38%	43%	165%	85%	161%	110%	104%	177%
Term deposit with banks	0%	0%	0%	2%	1%	2%	107%	126%	24%	420%	38%	104%
Advances, deposits, prepayments and oth	12%	12%	5%	6%	5%	6%	114%	315%	122%	157%	104%	85%
Short term investments	0%	0%	0%	0%	0%	0%	5%	5831%	94%	6%	208%	114%
Cash and bank balances	3%	4%	6%	10%	5%	1%	67%	84%	103%	249%	501%	199%
Total Current Assets	74%	74%	85%	89%	86%	84%	109%	109%	146%	142%	123%	143%
Total Assets	100%	100%	100%	100%	100%	100%	108%	125%	152%	137%	120%	139%

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ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

PARTICULARS	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
	(in % age)						(in % age)					
Equity and Liabilities	**Vertical Analysis**						**Horizontal Analysis**					
Share Capital and reserves												
Issued, subscribed and paid up capital	15%	14%	16%	19%	21%	23%	110%	116%	127%	121%	110%	141%
Employees' share compensation reserve	1%	1%	1%	1%	1%	1%	229%	114%	90%	233%	137%	47%
Statutory reserve	0%	0%	0%	0%	0%	0%	100%	107%	100%	100%	100%	100%
Exchange revaluation reserve	9%	10%	7%	6%	6%	7%	99%	179%	198%	119%	104%	139%
Gain on dilution of interest	2%	2%	3%	5%	0%	0%	100%	100%	100%	100%	0%	0%
Share Premium	2%	2%	2%	1%	1%	2%	113%	144%	218%	104%	100%	224%
Un-appropriated profit	19%	17%	23%	24%	24%	19%	120%	91%	146%	139%	154%	122%
	48%	47%	51%	56%	54%	51%	112%	113%	141%	142%	125%	132%
Non controlling interest	2%	2%	3%	3%	0%	0%	111%	118%	114%	9178%	115%	142%
Surplus on revaluation of property and equipmer	1%	1%	2%	2%	2%	3%	99%	100%	130%	106%	115%	125%
Non-Current Liabilities												
Long term loan	0%	0%	0%	0%	0%	0%	100%	100%	100%	0%	100%	0%
Lease liabilities	0%	1%	1%	1%	0%	1%	78%	69%	307%	166%	62%	106%
Employees' end of service benefits	1%	1%	1%	1%	1%	1%	113%	158%	157%	118%	125%	92%
Diminishing Musharaka	0%	1%	0%	0%	0%	0%	83%	0%	0%	0%	0%	0%
Deferred grant	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%
Deferred taxation	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%
Total Non-Current Liabilities	2%	3%	2%	1%	2%	2%	96%	139%	257%	115%	113%	97%
Current Liabilities												
Current portion of lease liabilities	0%	0%	0%	0%	0%	1%	221%	35%	133%	123%	83%	172%
Current portion of long term loan	0%	0%	0%	0%	0%	0%	63%	0%	0%	91%	1711%	8%
Current portion of Diminishing Musharaka	0%	0%	0%	0%	0%	0%	92%	0%	0%	0%	0%	0%
Current portion of deferred grant	0%	0%	0%	0%	0%	0%	0%	0%	0%	27%	100%	0%
Finances under mark up arrangements	5%	5%	3%	5%	5%	7%	123%	198%	96%	147%	81%	192%
Creditors, accrued and other liabilities	32%	33%	31%	25%	28%	23%	106%	135%	182%	127%	143%	94%
Contract liabilities	8%	9%	8%	6%	9%	13%	96%	130%	197%	98%	80%	100%
Total Current Liabilities	46%	47%	42%	38%	42%	44%	105%	139%	170%	123%	114%	154%
Total Equity and Liabilities	100%	100%	100%	100%	100%	100%	108%	126%	152%	137%	120%	139%

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ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF PROFIT & LOSS

(Rupees in million)

PARTICULARS	2024	2023	2022	2021	2020	2019
Revenue from contracts with customers	16,156	17,767	9,538	7,118	6,445	4,896
Cost of revenue	(11,896)	(12,162)	(7,032)	(4,840)	(4,603)	(3,412)
Gross Profit	4,260	5,606	2,507	2,278	1,842	1,484
Administrative and selling expenses	(2,489)	(2,492)	(1,828)	(933)	(685)	(705)
Other charges	(203)	(3,475)	(9)	(5)	(4)	(4)
Other operating income	194	4,380	1,766	544	163	313
	(2,498)	(1,587)	(71)	(394)	(526)	(397)
Profit/(loss) from operations	1,762	4,019	2,436	1,883	1,316	1,087
Finance cost	(448)	(409)	(223)	(125)	(132)	(124)
Profit from JV	180	110	-	-	-	-
Profit/(loss) before tax	1,494	3,720	2,213	1,759	1,183	963
Taxation	568	(1,110)	(155)	(159)	(138)	(51)
Profit/(loss) after Tax	2,061	2,611	2,058	1,600	1,045	912
Loss For the year from disc. Operations	-	-	-	-	-	-
Profit/(loss) after disc. Operations	2,061	2,611	2,058	1,600	1,045	912
Combined earnings/(loss) per Share						
Basic in Rs.	5.11	6.08	2.25	4.84	4.93	4.31
Diluted in Rs.	5.00	5.99	2.22	4.77	4.82	4.22

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ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

(Rupees in million)

Particulars	2024	2023	2022	2021	2020	2019
Cash flow from operating activities	751	(395)	168	(83)	691	(98)
Cash flow from investing activities	(587)	(475)	170	(271)	100	(22)
Cash flow from financing activities	(539)	654	(303)	1,139	(369)	172
Increase/(decrease) in cash & cash equival	(374)	(216)	34	785	421	52

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ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF PROFIT & LOSS

PARTICULARS	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
	(in % age)						(in % age)					
	Vertical Analysis						Horizontal Analysis					
Revenue from contracts with customers	100%	100%	100%	100%	100%	100%	91%	186%	134%	110%	132%	141%
Cost of revenue	74%	68%	74%	68%	71%	70%	98%	173%	145%	105%	135%	136%
Gross Profit	26%	32%	26%	32%	29%	30%	76%	224%	110%	124%	124%	153%
Administrative and selling expenses	15%	14%	19%	13%	11%	14%	100%	136%	196%	136%	97%	120%
Other charges	-1%	-20%	0%	0%	0%	0%	6%	3914%	192%	107%	96%	94%
Other operating income	1%	25%	19%	8%	3%	6%	4%	248%	325%	334%	52%	67%
	15%	9%	1%	6%	8%	8%	157%	2240%	18%	75%	133%	314%
Profit/(loss) from operations	11%	23%	26%	26%	20%	22%	44%	165%	129%	143%	121%	129%
Finance cost	3%	2%	2%	2%	2%	3%	110%	183%	179%	94%	106%	205%
Profit/(loss) before tax	9%	21%	23%	25%	18%	20%	40%	168%	126%	149%	123%	123%
Taxation	-4%	6%	2%	2%	2%	1%	-51%	717%	98%	115%	273%	57%
Profit/(loss) after Tax	13%	15%	22%	22%	16%	19%	79%	127%	129%	153%	115%	132%
Combined earnings/(loss) per Share												
Basic	0.03%	0.03%	0.02%	0.07%	0.08%	0.09%	84%	270%	46%	98%	114%	119%
Diluted	0.03%	0.03%	0.02%	0.07%	0.07%	0.09%	83%	270%	47%	99%	114%	120%

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ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

PARTICULARS	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
	(in % age)						(in % age)					
	Vertical Analysis						Horizontal Analysis					
Cash flows from operating activities												
Cash generated from operations	-390%	-62%	1203%	16%	199%	27%	1095%	32%	338%	15%	6003%	8%
Finance costs paid	118%	169%	-584%	-16%	-30%	-87%	121%	181%	164%	97%	279%	121%
long term loans and deposits - net	0%	0%	-55%	-1%	0%	0%	0%	0%	344%	609%	100%	0%
Retirement benefits paid	4%	5%	-14%	-3%	-1%	-8%	124%	250%	22%	597%	84%	235%
Taxes paid	68%	70%	-62%	-7%	-4%	-118%	167%	710%	38%	341%	27%	105%
Net cash (used in) / generated from operating activities	-201%	183%	488%	-11%	164%	-186%	-190%	-235%	-202%	-12%	-706%	-136%
Cash flows from investing activities												
Purchase of property and equipment	76%	157%	-216%	-3%	-3%	-41%	84%	454%	283%	189%	65%	120%
Purchase of intangible asset	65%	66%	-84%	-4%	-5%	0%	170%	490%	92%	158%	100%	0%
Proceeds from sale of property and equipment	-4%	-10%	89%	3%	1%	14%	71%	68%	152%	497%	58%	66%
Long term investments made	24%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Profit on bank deposit	-3%	-6%	20%	0%	2%	25%	71%	199%	596%	16%	56%	154%
Term deposits	0%	0%	885%	-30%	29%	-16%	0%	0%	-101%	-189%	-1485%	-143%
Short term investments	-1%	14%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net increase in long term deposits	0%	0%	0%	0%	0%	-23%	0%	0%	0%	0%	7%	262%
Net cash (used in) / generated from investing activities	157%	220%	493%	-34%	24%	-42%	123%	-280%	-63%	-271%	-453%	-3456%
Cash flows from financing activities												
Issue of share capital	-3%	-18%	92%	37%	0%	29%	27%	120%	11%	100%	0%	355%
Share premium	0%	0%	26%	101%	0%	0%	0%	0%	1%	100%	0%	0%
Dividend paid	203%	22%	-573%	-11%	-60%	-56%	159%	24%	239%	33%	857%	30%
Finances under markup arrangements	-76%	-279%	-283%	28%	-27%	542%	47%	-620%	-43%	-202%	-39%	-1032%
Long term loan received	7%	-26%	203%	-3%	12%	-35%	-50%	79%	-256%	-54%	-277%	100%
Repayment of finance lease liabilities	5%	18%	-345%	-8%	-13%	-151%	46%	33%	179%	120%	70%	158%
Net cash (used in) / generated from financing activities	136%	-282%	-881%	145%	-88%	329%	-82%	-216%	-27%	-308%	-214%	-91%
Net (decrease) / increase in cash and cash equivalents	**93%**	**121%**	**100%**	**100%**	**100%**	**100%**	**173%**	**-627%**	**4%**	**186%**	**804%**	**-45%**

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ANALYSIS OF FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

Rupees in million

	2024	2023	2022	2021	2020	2019
Cash flows from operating activities						
Cash generated from operations	1,461	133	414	123	839	14
Finance costs paid	(441)	(365)	(201)	(123)	(127)	(46)
long term loans and deposits - net	-	-	(19)	(6)	(1)	-
Retirement benefits paid	(15)	(12)	(5)	(21)	(4)	(4)
Taxes paid	(254)	(152)	(21)	(57)	(17)	(62)
Net cash (used in) / generated from operating activities	751	(395)	168	(83)	691	(98)
Purchase of property and equipment	(284)	(338)	(75)	(26)	(14)	(22)
Purchase of intangible asset	(242)	(142)	(29)	(32)	(20)	-
Proceeds from sale of property and equipment	15	21	31	20	4	7
Long term investments made	(89)	-				
Profit on bank deposit	10	14	7	1	7	13
Term deposits	-	-	236	(234)	124	(8)
Short term investments	3	(29)	-	-	-	-
Net increase in long term deposits	-	-	-	-	(1)	(12)
Net cash (used in) / generated from investing activities	(587)	(475)	170	(271)	100	(22)
Cash flows from financing activities						
Issue of share capital	10	38	32	294	-	15
Share premium	0	-	8	795	-	-
Dividend paid	(759)	(48)	(197)	(83)	(252)	(29)
Finances under markup arrangements	284	603	(97)	226	(112)	284
Long term loan received	(27)	55	70	(27)	50	(18)
Long term diminishing musharaka - net	(28)	45				
Repayment of finance lease liabilities	(18)	(39)	(119)	(66)	(56)	(79)
Net cash (used in) / generated from financing activities	(539)	654	(303)	1,139	(369)	172
Net (decrease) / increase in cash and cash equivalents	(374)	(216)	34	785	421	52
Cash and cash equivalents at the beginning of the year	1,131	1,347	1,312	527	105	53
Cash and cash equivalents at the end of the year	757	1,131	1,347	1,312	527	105

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CONSOLIDATED STATEMENT OF CASH FLOWS
INDIRECT METHOD

Rupees in million

	2024	2023	2022	2021	2020	2019
Cash flows from operating activities						
Cash flows from Customers	(1,673)	(5,561)	(3,984)	(2,357)	(1,315)	(2,260)
Cash flows from Creditors	1,307	1,298	2,451	555	931	(197)
Cash flows from Stocks	(43)	(83)	6	51	37	(76)
Other cash flows from operations	1,870	4,460	1,942	1,874	1,185	2,546
Cash (used in) / generated from continuing operations	1,461	133	414	123	839	14
Finance costs paid	(441)	(365)	(201)	(123)	(127)	(46)
long term loans and deposits - net	-	-	(19)	(6)	(1)	-
Retirement benefits paid	(15)	(12)	(5)	(21)	(4)	(4)
Taxes paid	(254)	(152)	(21)	(57)	(17)	(62)
Net cash (used in) / generated from operating activities	**751**	**(395)**	**168**	**(83)**	**691**	**(98)**
Cash flows from investing activities						
Purchase of property and equipment	(284)	(338)	(75)	(26)	(14)	(22)
Purchase of intangible asset	(242)	(142)	(29)	(32)	(20)	-
Proceeds from sale of property and equipment	15	21	31	20	4	7
Long term investments made	(89)	-				
Profit on bank deposit	10	14	7	1	7	13
Term deposits	-	-	236	(234)	124	(8)
Short term investments	3	(29)	-	-	-	-
Net increase in long term deposits	-	-	-	-	(1)	(12)
Net cash (used in) / generated from investing activities	**(587)**	**(475)**	**170**	**(271)**	**100**	**(22)**
Cash flows from financing activities						
Issue of share capital	10	38	32	294	-	15
Share premium	0	-	8	795	-	-
Dividend paid	(759)	(48)	(197)	(83)	(252)	(29)
Finances under markup arrangements	284	603	(97)	226	(112)	284
Long term loan received	(27)	55	70	(27)	50	(18)
Repayment of finance lease liabilities	(18)	(39)	(119)	(66)	(56)	(79)
Net cash (used in) / generated from financing activities	**(511)**	**609**	**(303)**	**1,139**	**(369)**	**172**
Net (decrease) / increase in cash and cash equivalents	**(346)**	**(261)**	**34**	**785**	**421**	**52**
Cash and cash equivalents at the beginning of the year	1,085	1,346	1,312	527	105	53
Cash and cash equivalents at the end of the year	**739**	**1,085**	**1,346**	**1,312**	**527**	**105**

ANALYSIS OF FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

PARTICULARS	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
	(in % age) Vertical Analysis						(in % age) Horizontal Analysis					
Cash flows from operating activities												
Cash generated from operations	-390%	-62%	1203%	16%	199%	27%	1095%	32%	338%	15%	6003%	8%
Finance costs paid	118%	169%	-584%	-16%	-30%	-87%	121%	181%	164%	97%	279%	121%
long term loans and deposits - net	0%	0%	-55%	-1%	0%	0%	0%	0%	344%	609%	100%	0%
Retirement benefits paid	4%	5%	-14%	-3%	-1%	-8%	124%	250%	22%	597%	84%	235%
Taxes paid	68%	70%	-62%	-7%	-4%	-118%	167%	710%	38%	341%	27%	105%
Net cash (used in) / generated from operating activities	-201%	183%	488%	-11%	164%	-186%	-190%	-235%	-202%	-12%	-706%	-136%
Cash flows from investing activities												
Purchase of property and equipment	76%	157%	-216%	-3%	-3%	-41%	84%	454%	283%	189%	65%	120%
Purchase of intangible asset	65%	66%	-84%	-4%	-5%	0%	170%	490%	92%	158%	100%	0%
Proceeds from sale of property and equipment	-4%	-10%	89%	3%	1%	14%	71%	68%	152%	497%	58%	66%
Long term investments made	24%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Profit on bank deposit	-3%	-6%	20%	0%	2%	25%	71%	199%	596%	16%	56%	154%
Term deposits	0%	0%	685%	-30%	29%	-16%	0%	0%	-101%	-189%	-1465%	-143%
Short term investments	-1%	14%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net increase in long term deposits	0%	0%	0%	0%	0%	-23%	0%	0%	0%	0%	7%	262%
Net cash (used in) / generated from investing activities	157%	220%	493%	-34%	24%	-42%	123%	-280%	-63%	-271%	-453%	-3456%
Cash flows from financing activities												
Issue of share capital	-3%	-18%	92%	37%	0%	29%	27%	120%	11%	100%	0%	355%
Share premium	0%	0%	25%	101%	0%	0%	0%	0%	1%	100%	0%	0%
Dividend paid	203%	22%	-573%	-11%	-60%	-56%	1591%	24%	239%	33%	857%	30%
Finances under markup arrangements	-76%	-279%	-283%	29%	-27%	542%	47%	-620%	-43%	-202%	-39%	-1032%
Long term loan received	7%	-26%	203%	-3%	12%	-35%	-50%	79%	-256%	-54%	-277%	100%
Repayment of finance lease liabilities	5%	18%	-345%	-8%	-13%	-151%	46%	33%	179%	120%	70%	158%
Net cash (used in) / generated from financing activities	136%	-282%	-881%	145%	-88%	329%	-82%	-216%	-27%	-308%	-214%	-91%
Net (decrease) / increase in cash and cash equivalents	**93%**	**121%**	**100%**	**100%**	**100%**	**100%**	173%	-627%	4%	186%	804%	-45%

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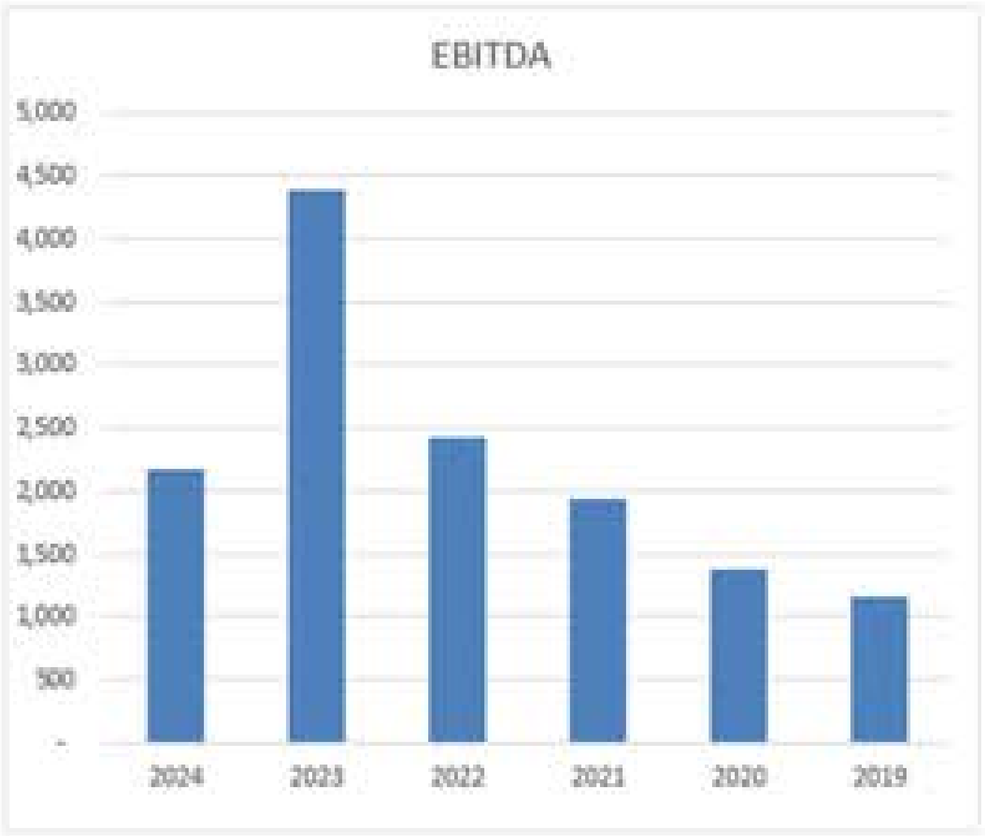
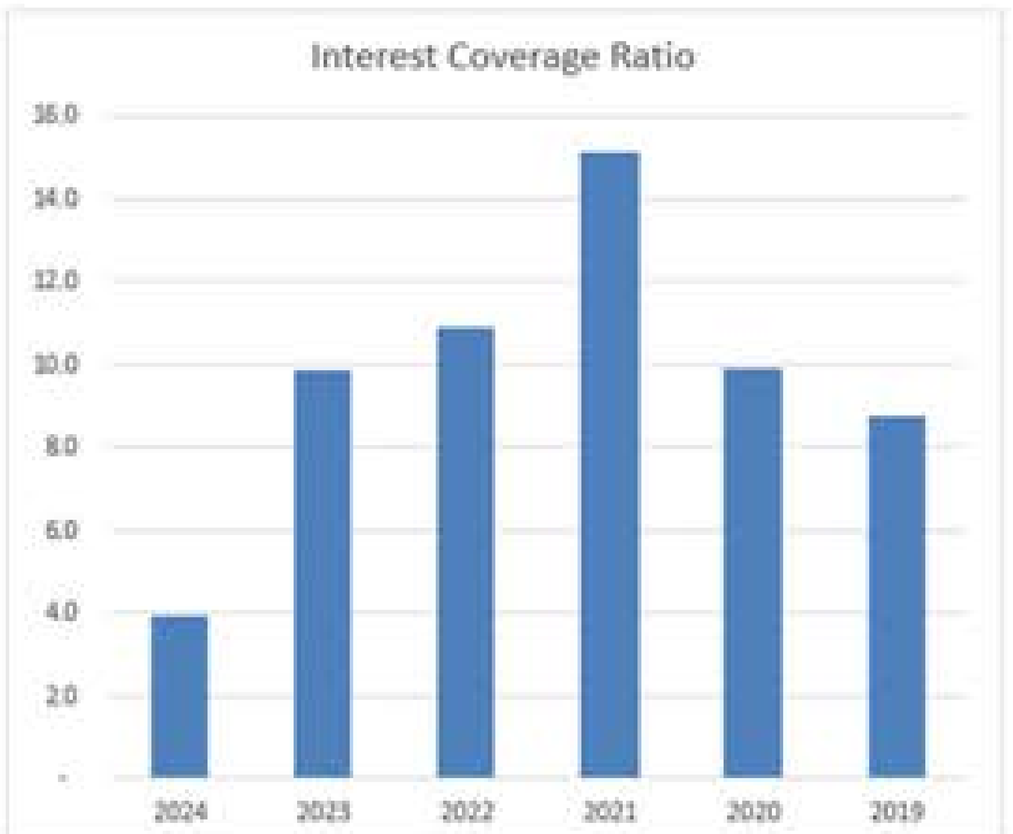
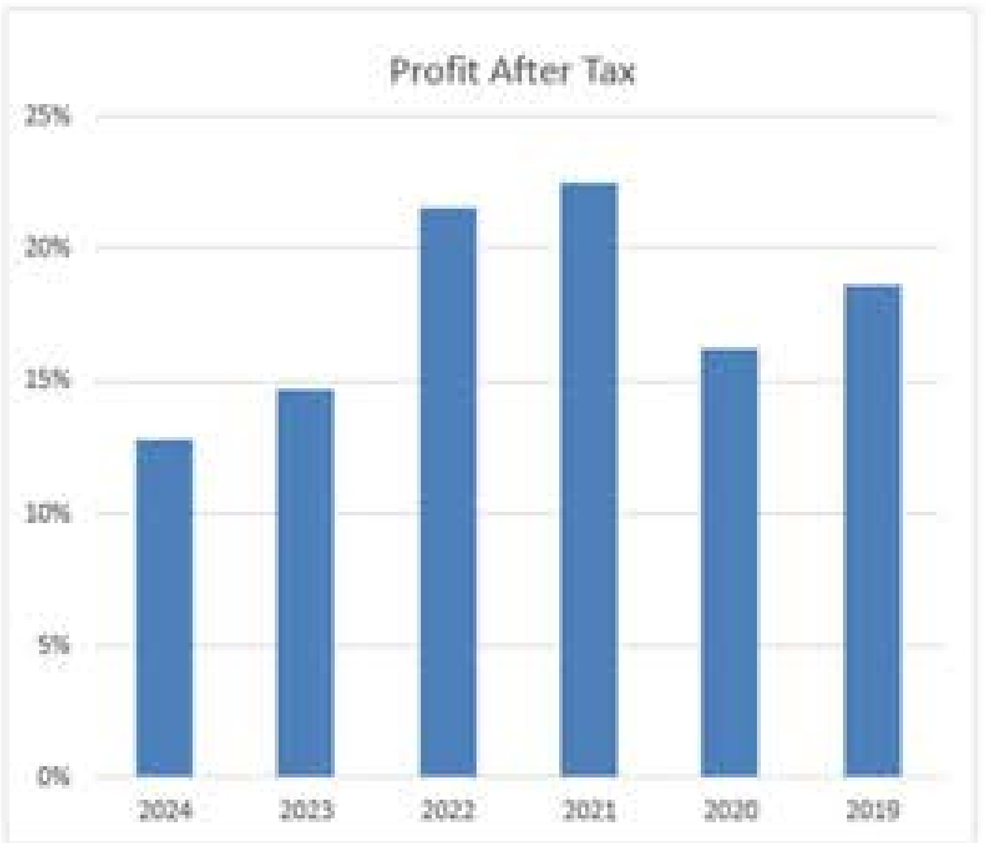
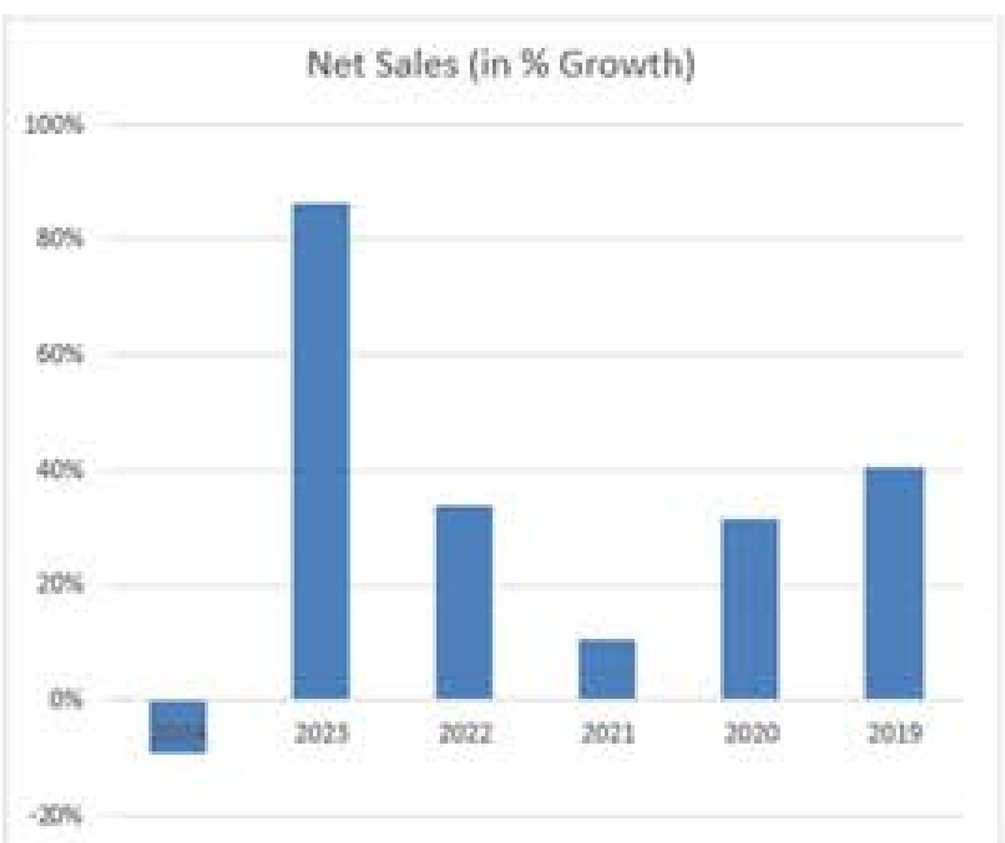
GRAPHIC REPRESENTATION (2019 - 2024)









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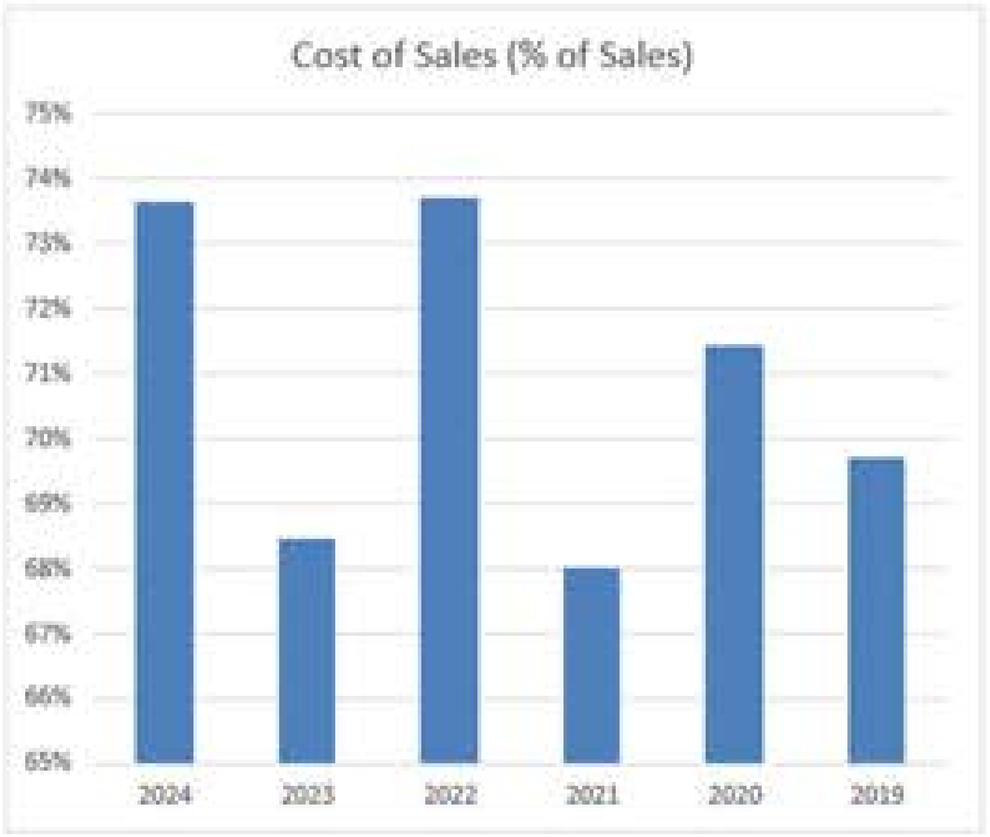

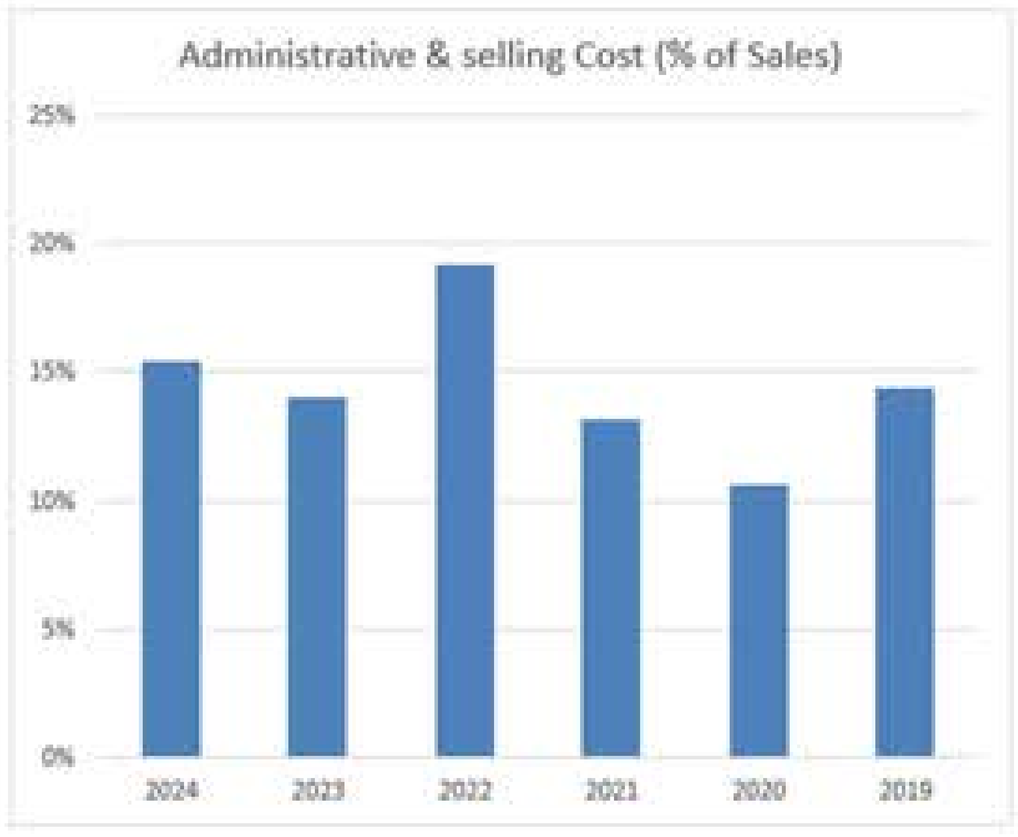

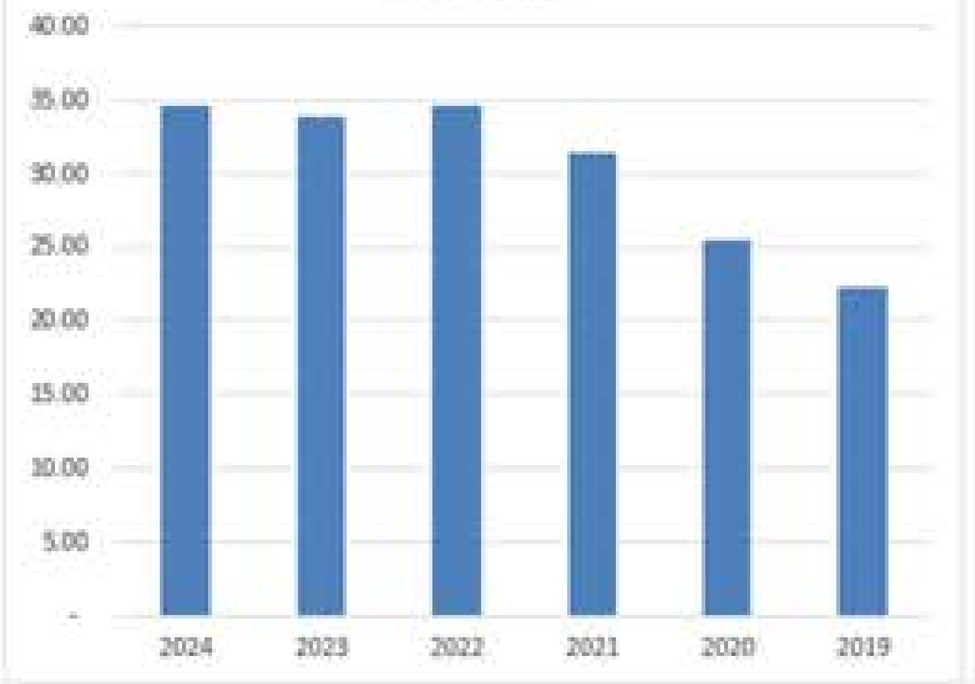

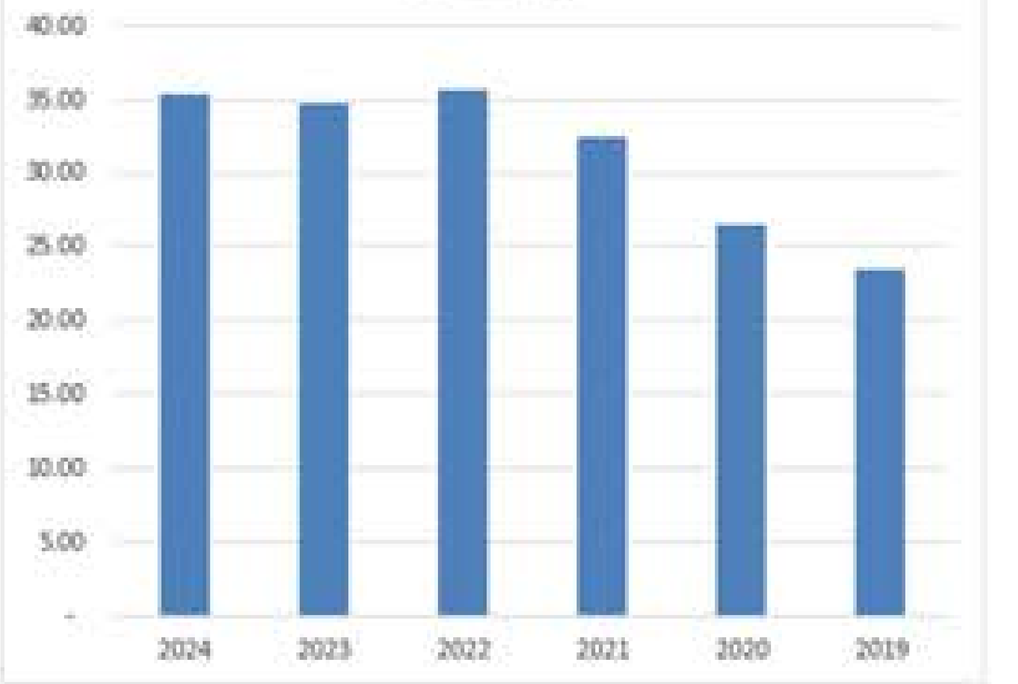

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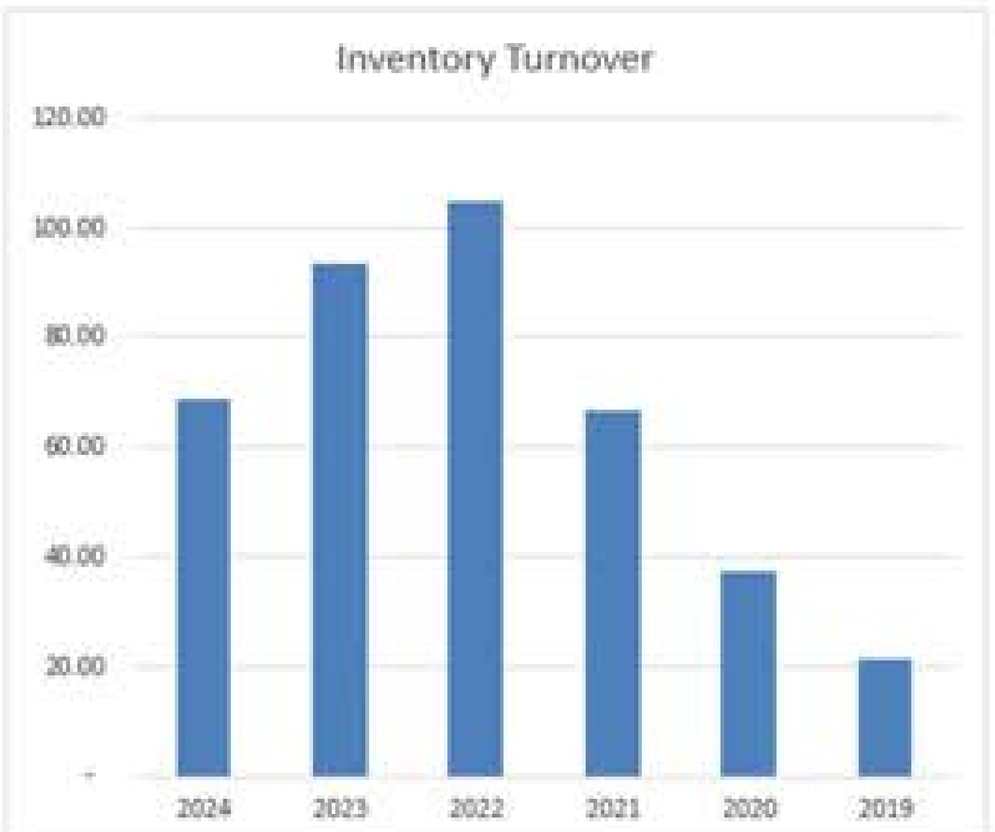

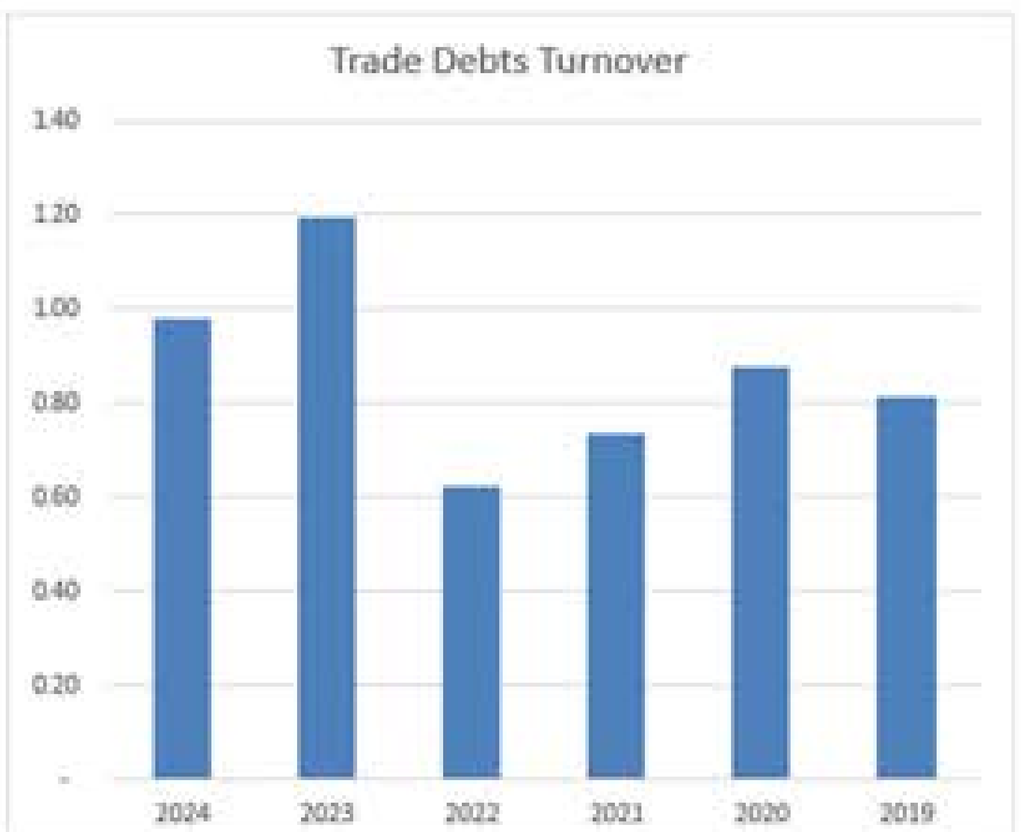

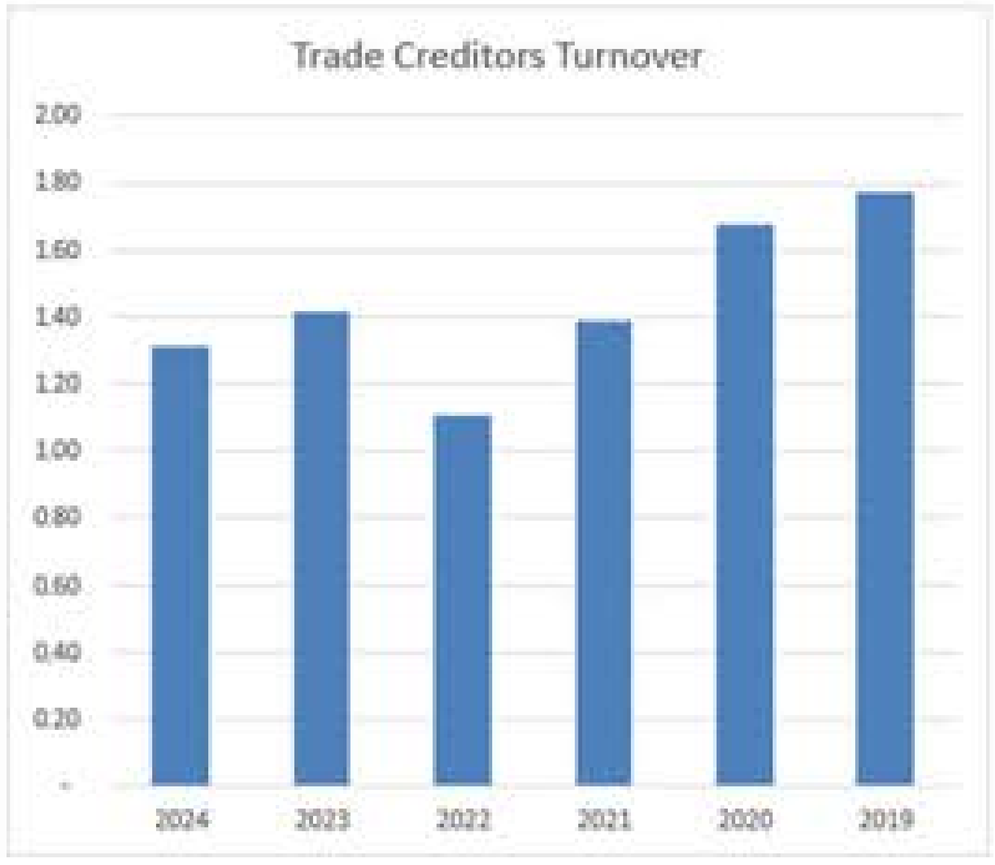

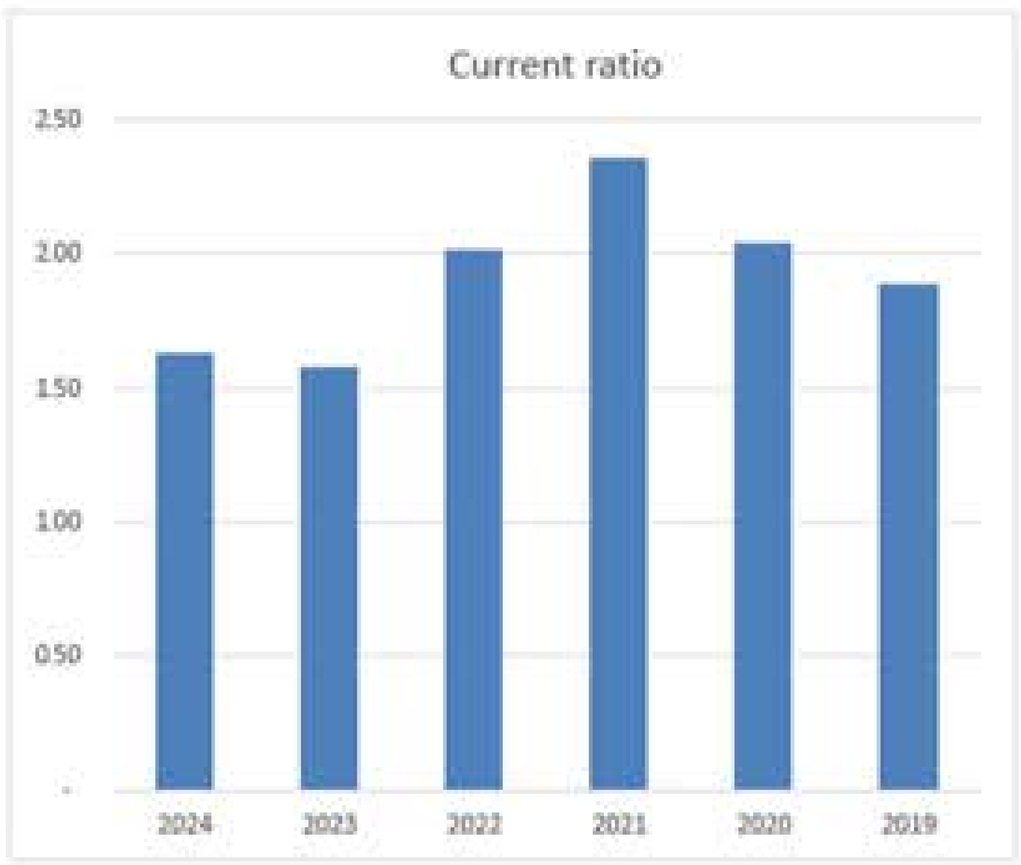

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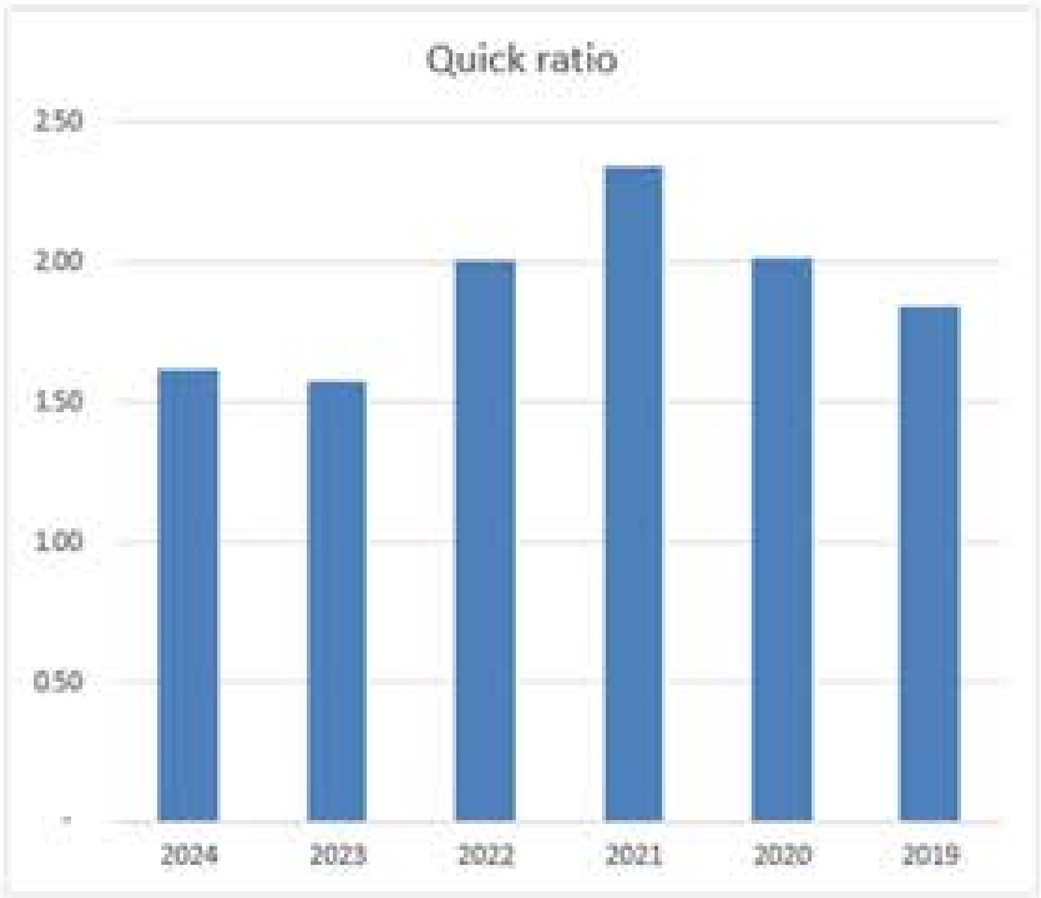

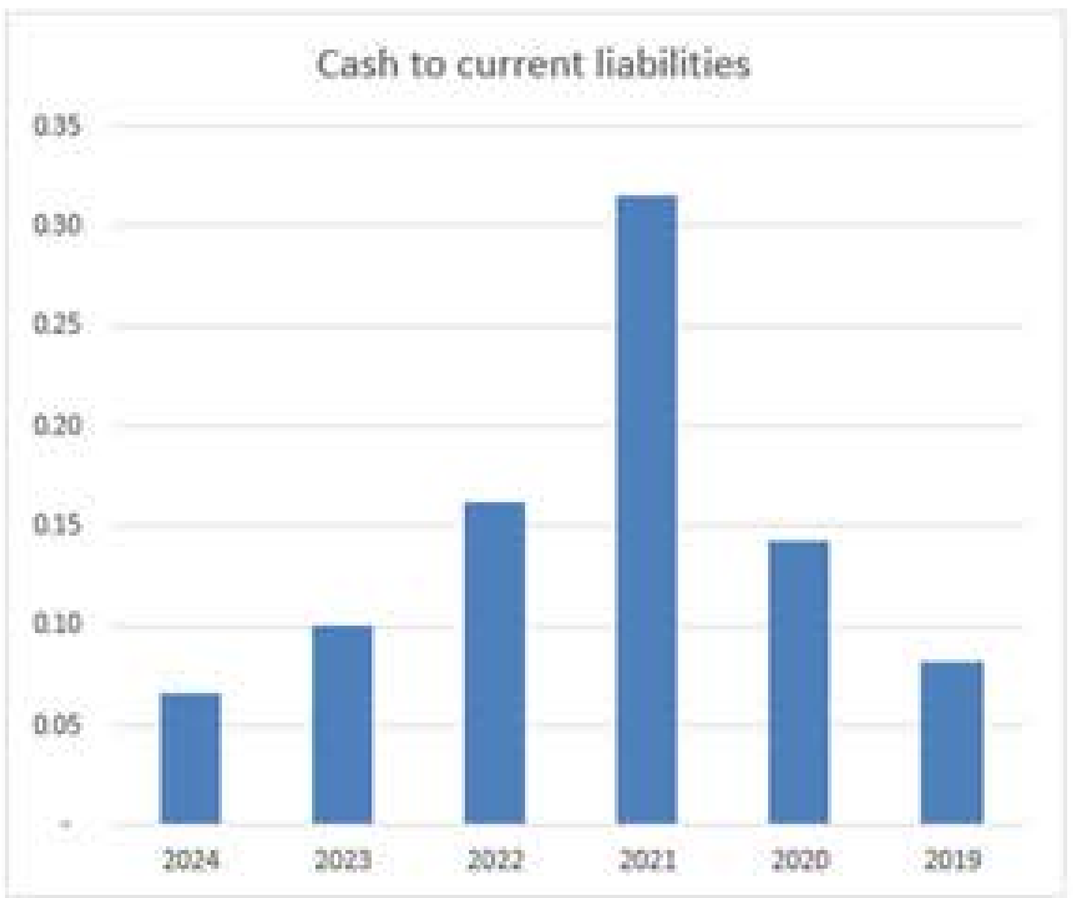

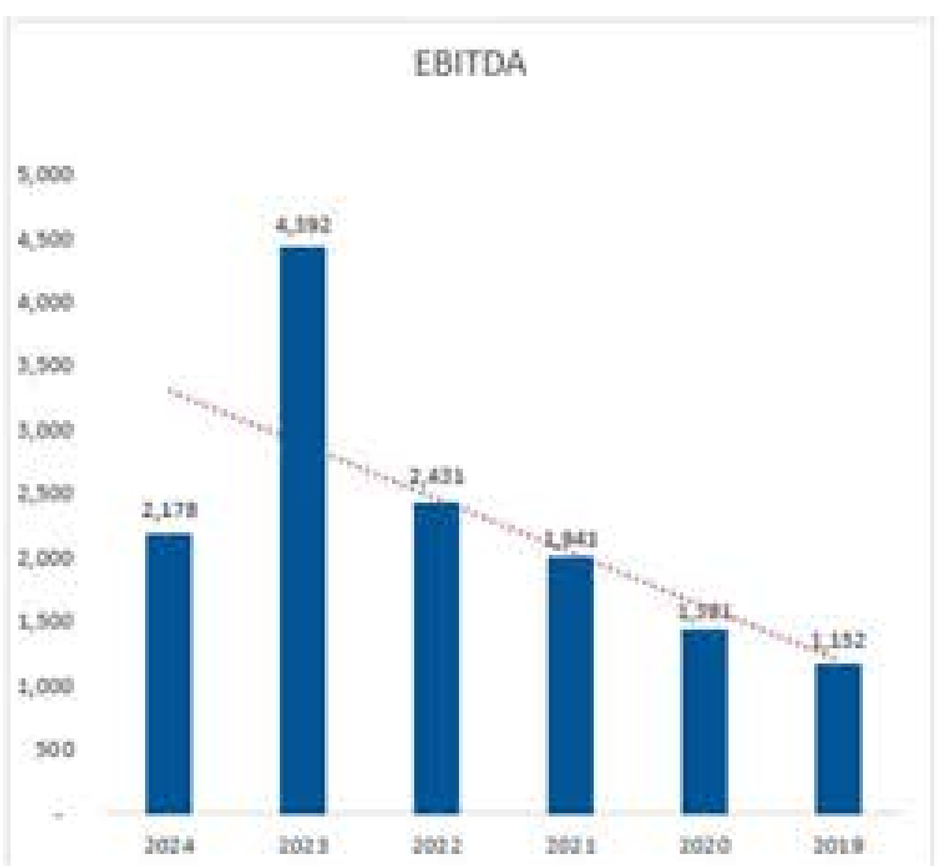

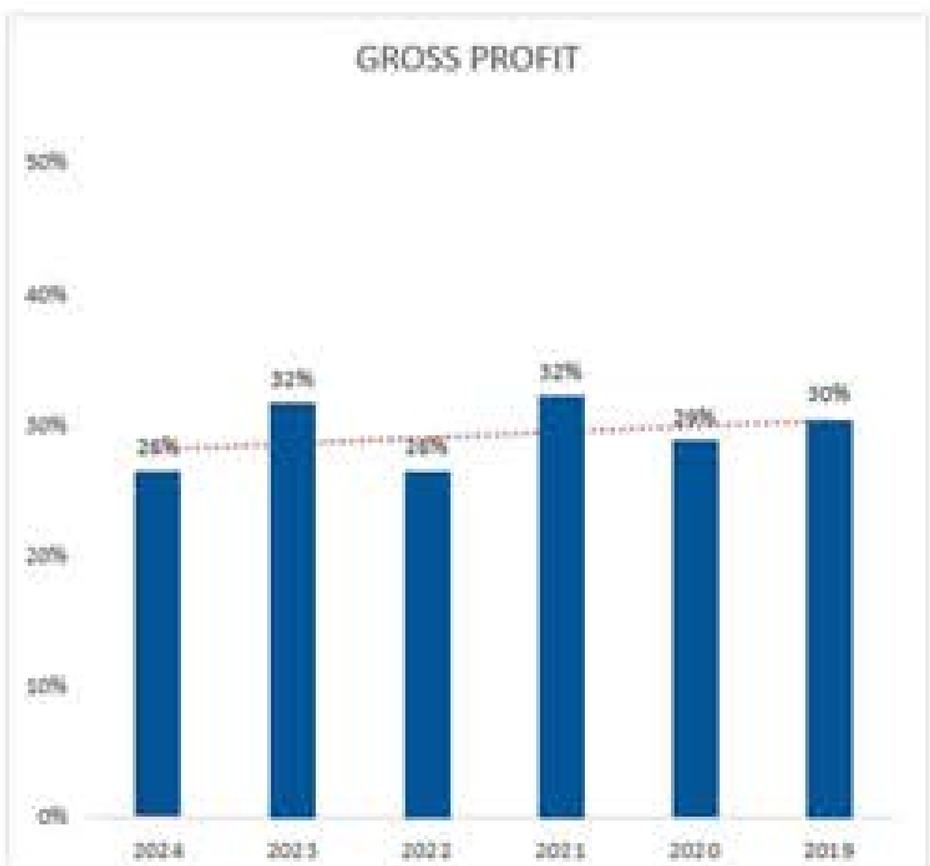

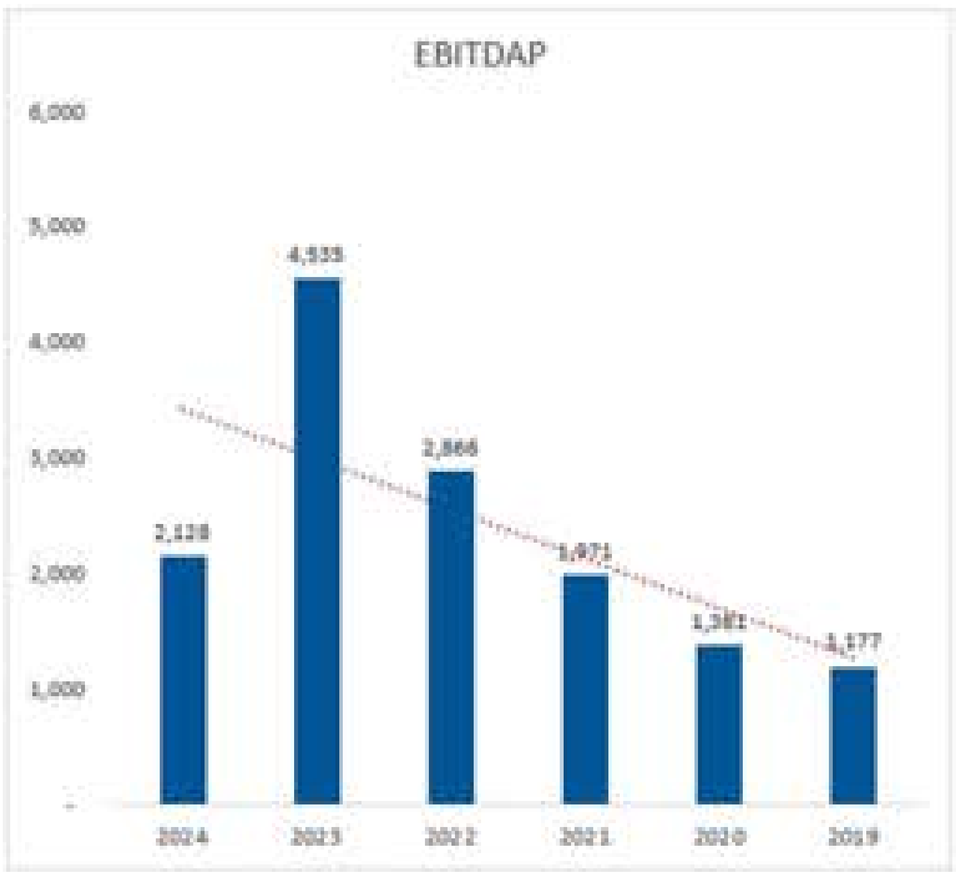

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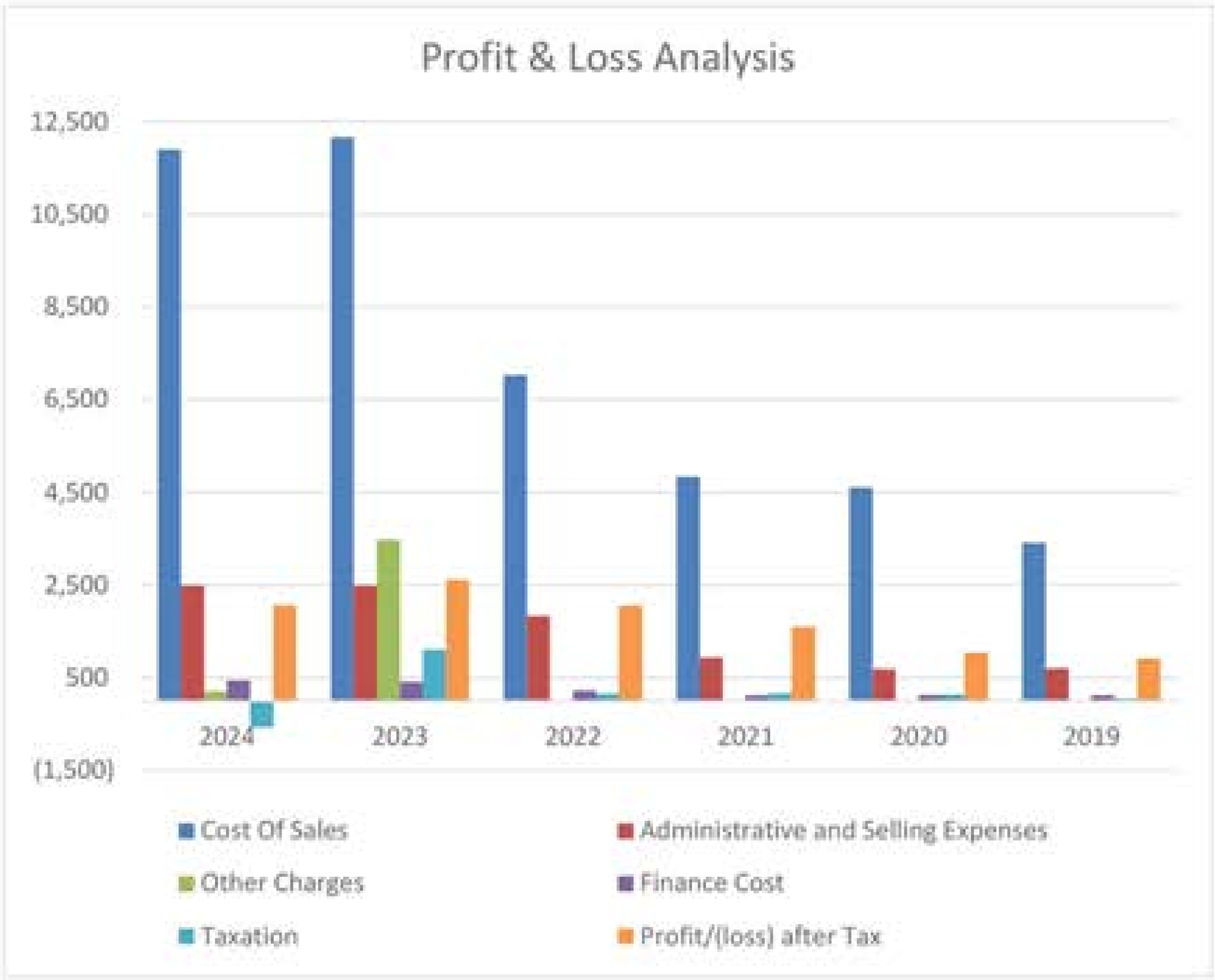

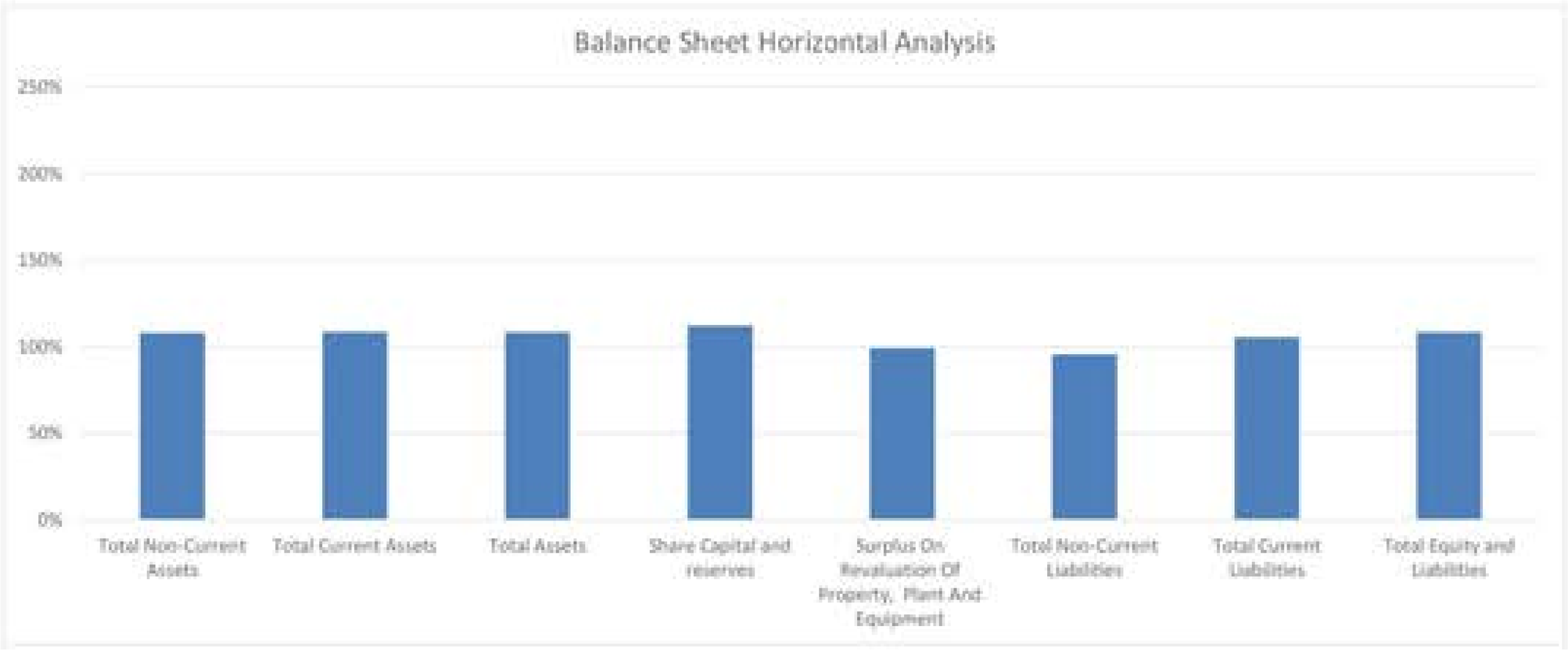

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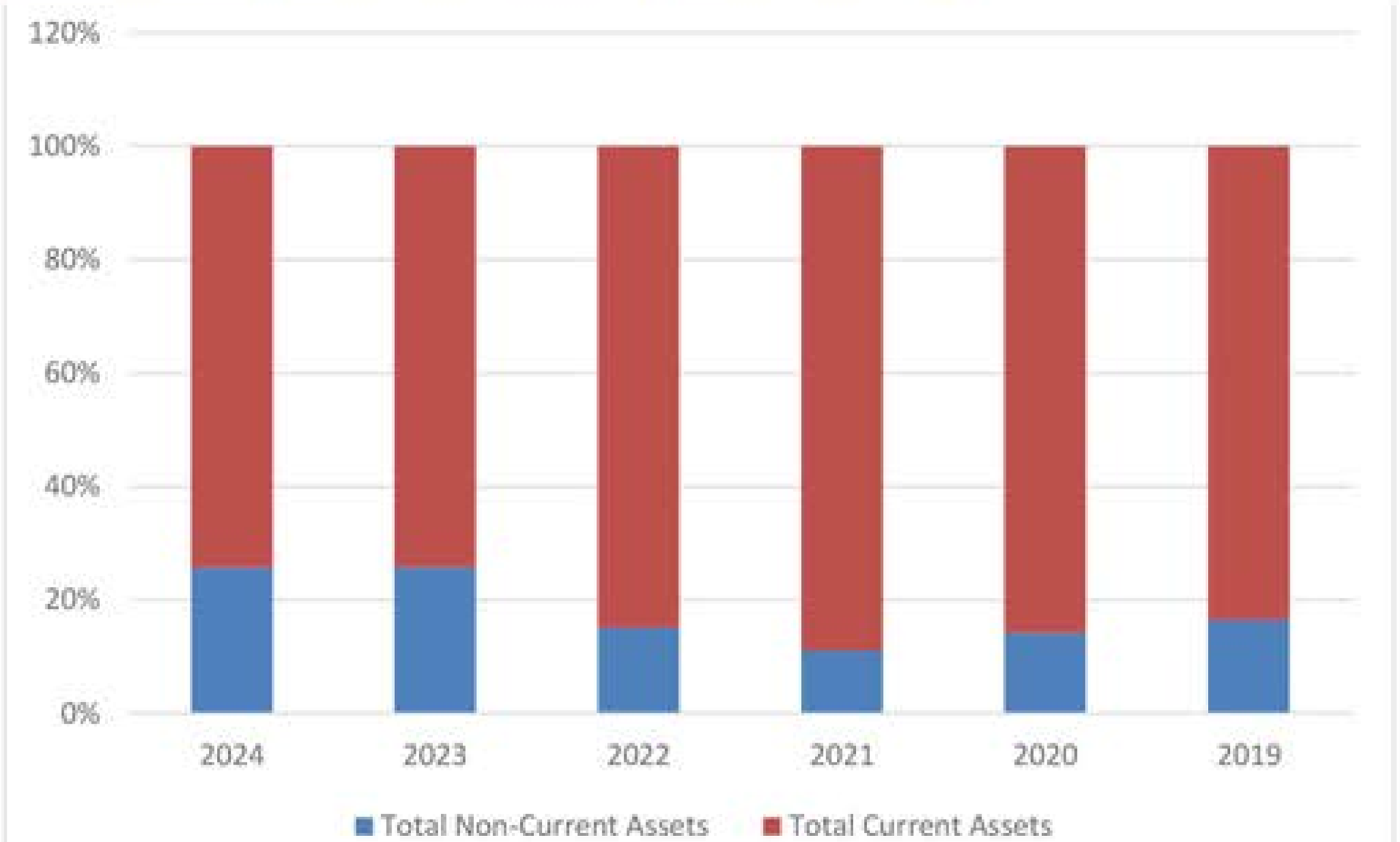

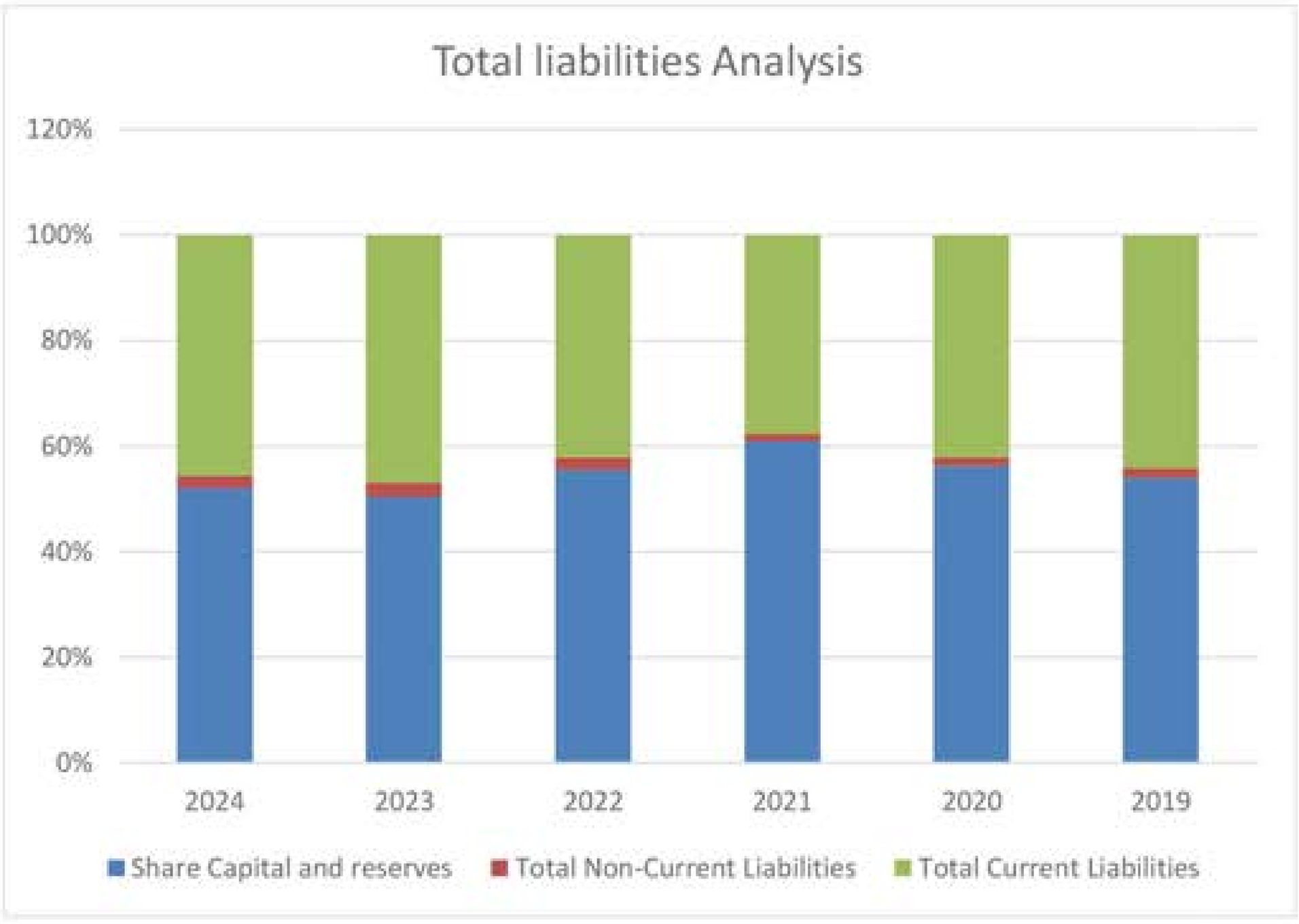

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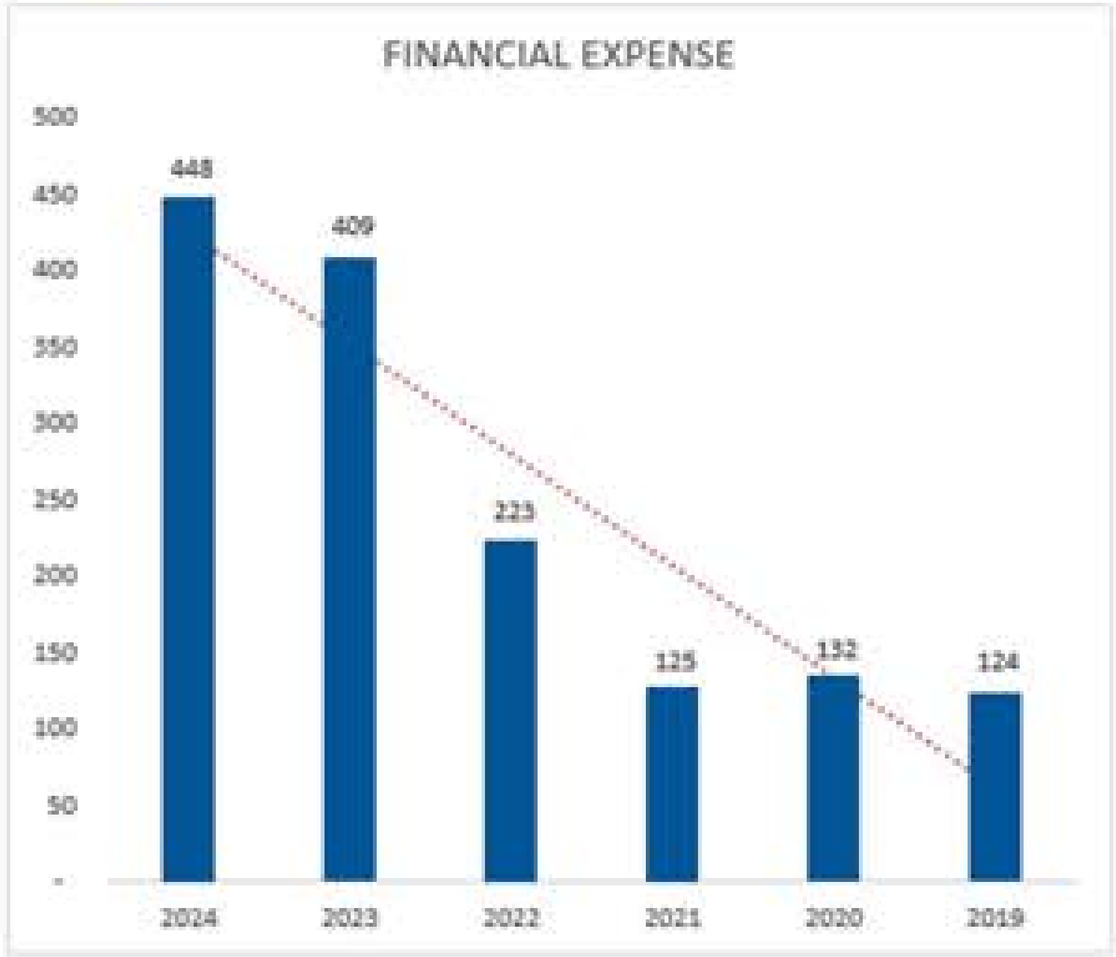

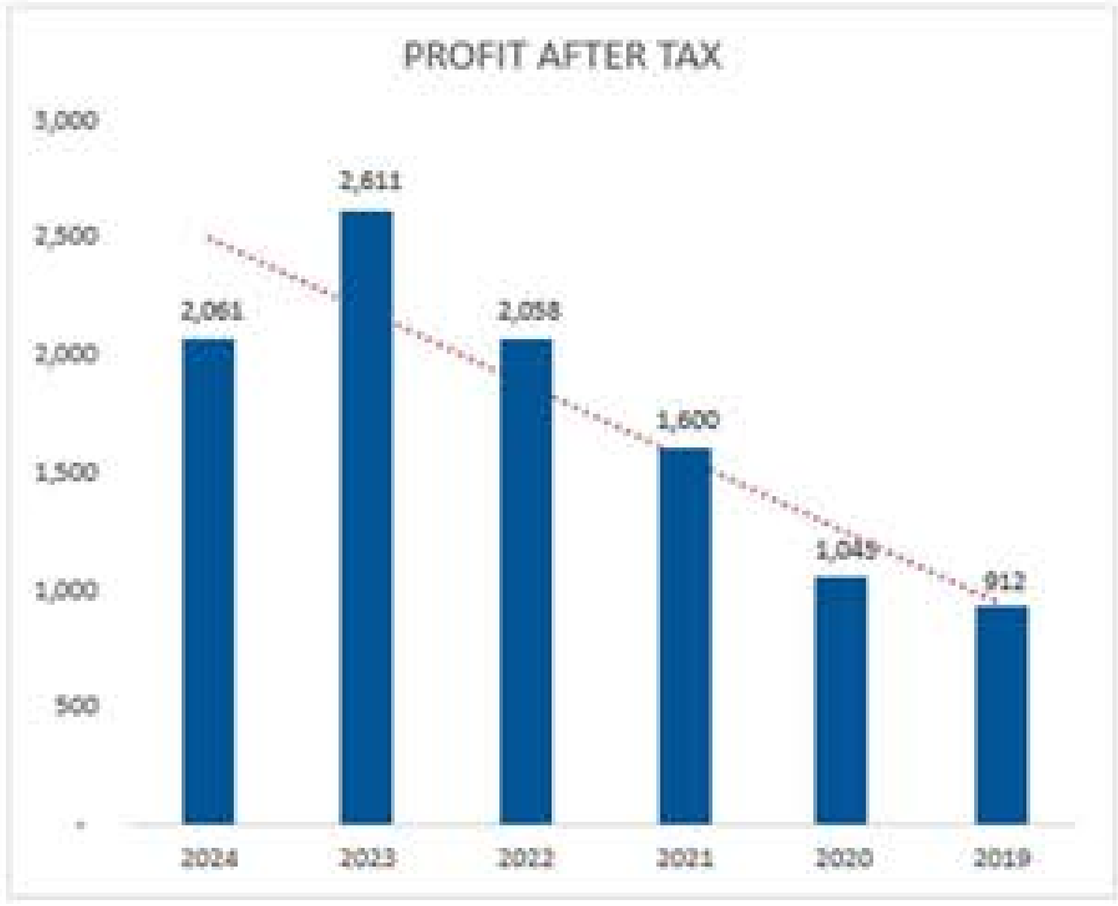

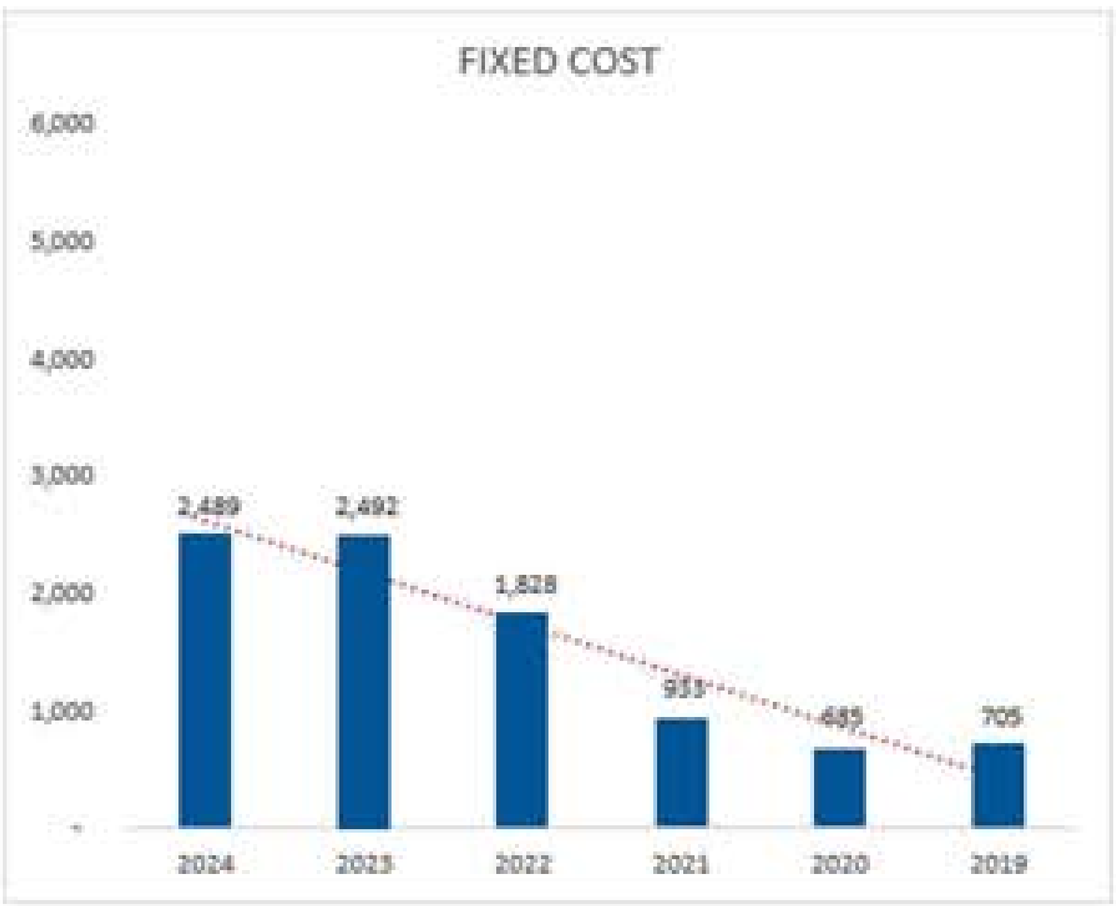

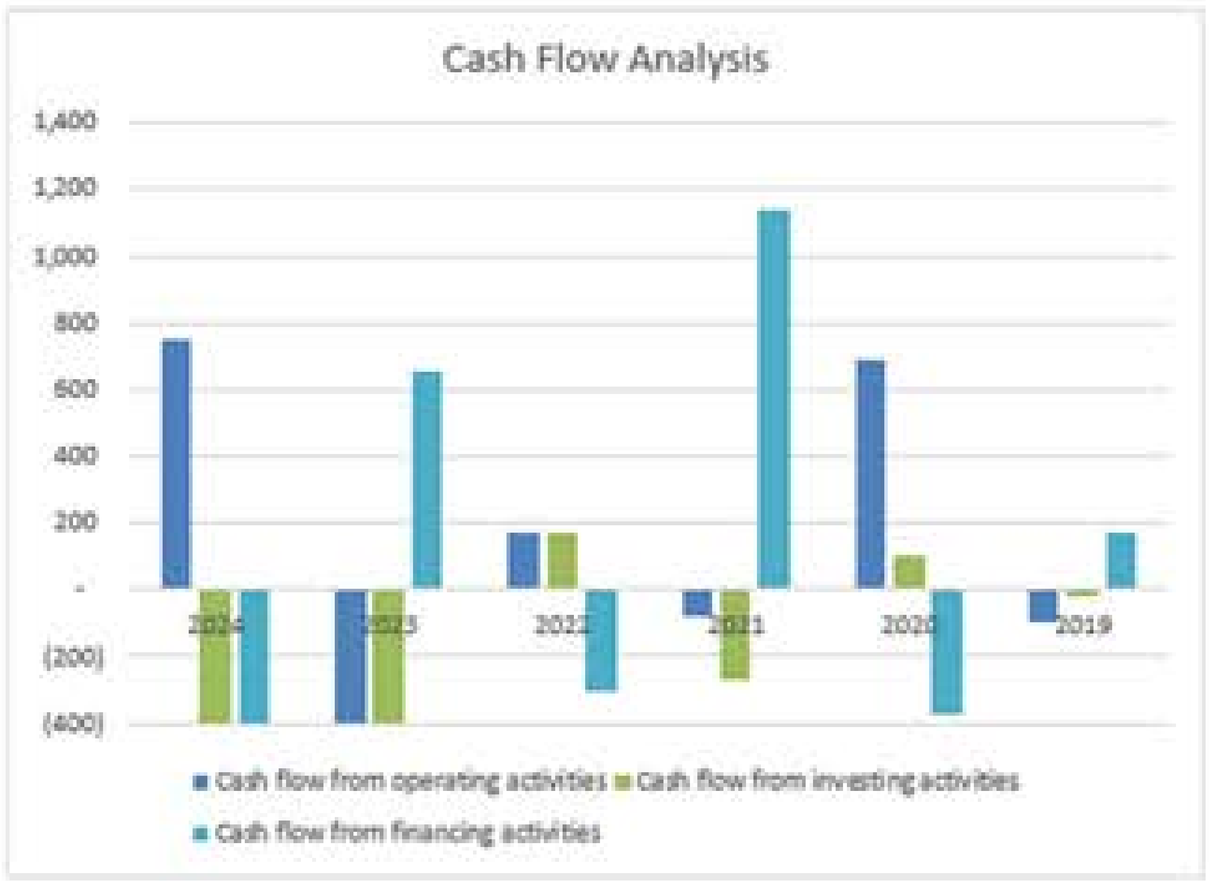

DUPONT ANALYSIS

2024 2023

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UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVANCEON LIMITED

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed financial statements of **Avanceon 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, 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 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, the 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 the 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 Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Following are the key audit matters:

Key Audit Matters	How the Matter was Addressed in Our Audit
1. Revenue	
Refer to Notes 4.11 and 26 to the unconsolidated financial statements. The Company has earned revenue of Rs. 3,102.844 million for the year ended December	Our key audit procedures included: • Obtained an understanding of the Company's processes and related internal controls for revenue recognition and on a

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Key Audit Matters	How the Matter was Addressed in Our Audit
31, 2024. The Company's revenue is derived from multiple revenue streams, as referred to in Note 26 to the accompanying unconsolidated financial statements, including product sale, rendering of services and provision of project solutions. Each stream has its own revenue recognition policy based on the nature of revenue and underlying contractual arrangements as referred to in Note 4.11. Certain contracts with customers require significant management judgment to determine the appropriate timing and method of revenue recognition. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company with multiple revenue streams and inherent risk of material misstatement.	sample basis, tested the operating effectiveness of those controls • Assessed the appropriateness of the Company's revenue recognition policies and their compliance with applicable accounting and reporting standards • Compared a sample of transactions comprising various revenue streams during the year with underlying documentation including contracts with customers, sales invoices and where relevant, underlying time sheets and other supporting documents to assess whether the revenue was recorded in accordance with the Company's revenue recognition policy and applicable financial reporting framework • Performed substantive analytical procedures by developing an expectation of project revenue for the year based on contracts entered to date and analyzing the amounts recognized against the cost incurred and time elapsed respectively • Performed cut-off procedures on sales to ensure revenue has been recorded in the correct period • Considered adequacy of the related disclosures and assessed whether these are in accordance with the applicable accounting and reporting standards
2. Valuation of Trade Debts and Contract Assets	
Refer to note 4.4, 10 and 11 to the unconsolidated financial statements. The Company's gross trade debts and contract assets as at December 31, 2024 are Rs. 2,998.318 million and Rs. 599.641 million respectively against which allowances for expected credit losses of Rs. 392.193 million and Rs 18.913 million have been recognized. The loss allowance for expected credit losses (ECL model) on trade debts and contract assets has been recognized in the unconsolidated financial statements using the guidance included in IFRS 9 'Financial Instruments'. Determination of ECL provision for trade debts and contract	Our key audit procedures included: • Considered management's process of application of ECL model to calculate impairment loss against trade debts and contract assets • Evaluated key assumptions made by the Company's management with respect to estimates and judgements in relation to application of the ECL model • Evaluated the ECL model for appropriateness of the methodology applied and checked arithmetical accuracy of the model

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Key Audit Matters	How the Matter was Addressed in Our Audit
assets requires significant judgment and assumptions including consideration of factors such as historical credit loss experience and forward-looking macroeconomic information. We have considered this area as a key audit matter due to their volume and management judgement involved in their valuation.	• Circularized balance confirmation request for trade debts on sample basis and evaluated responses received • Checked subsequent clearance of balances due as of December 31, 2024 on sample basis • Assessed financial impacts and appropriateness of disclosures made in the unconsolidated financial statements to determine whether these are in accordance with the accounting and reporting standards as applicable in Pakistan
3. Related Party Transactions and Balances	
Refer to note 36 to the unconsolidated financial statements – the Company has numerous related parties as explained in the relevant notes to the unconsolidated financial statements. Nature of transactions with related parties includes sale of services, agency commission, management fee, back-office support, fee for technical services and dividend (as disclosed in note 36 to the accompanying unconsolidated financial statements) leading to material transactions and balances. The inter-company transactions and balances require significant auditors' attention as the amounts are material to the unconsolidated financial statements as a whole and are hence considered as Key Audit Matter.	Our key audit procedures included: • Obtained an understanding of the Company's policies and procedures for determining and recording related party transactions / balances, in accordance with the accounting and reporting standards as applicable in Pakistan • Obtained a list of related parties and transactions entered into with them during the year from the management • Performed substantive procedures on related party transactions and balances including review of purchase orders, underlying invoices, balance confirmations and assessment of recoverability of receivable balances • Reviewed the approval process for related party transactions including approval by those charged with governance • Obtained an understanding of the Company's policies and procedures for calculating and recording Expected Credit Losses (ECL) on related party balances and performed audit procedures to verify the ECL calculations across group entities • Assessed whether appropriate disclosures have been made in the unconsolidated financial statements regarding related party transactions and balances in accordance with approved accounting and reporting standards as applicable in Pakistan

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Information Other than the Unconsolidated Financial Statements and Auditor's Report 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 financial statements and our auditor's report 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 the 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 is 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 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.

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- 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 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.

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Other Matter

The unconsolidated financial statements of the Company for the year ended December 31, 2023, were audited by another auditor who expressed an unmodified opinion on those financial statements on April 27, 2024.

The engagement partner on the audit resulting in this independent auditor's report is Amin Ali.

Lahore
Dated: April 03, 2025
UDIN: AR202410051ncqY26aKf

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
ASSETS			
Non Current Assets			
Property and equipment	6	758,086	668,857
Long term investments	7	5,563,873	5,653,595
Long term deposits and loans	8	5,505	5,652
		6,327,464	6,328,104
Current Assets			
Stock in trade	9	100,907	85,282
Trade debts	10	2,606,195	2,605,931
Contract assets	11	580,728	674,306
Advances, deposits, prepayments and other receivables	12	1,302,084	772,474
Cash and bank balances	13	19,351	84,586
		4,609,265	4,222,579
		10,936,729	10,550,683
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital: 500,000,000 (2023: 500,000,000) ordinary shares of Rs. 10 each		5,000,000	5,000,000
Issued, subscribed and paid up share capital	14	4,150,228	3,762,978
Share premium	15	508,910	451,420
Revenue reserves - unappropriated profits		2,523,297	3,113,645
Employees' share compensation reserve	16	370,740	168,683
Surplus on revaluation of property	17	328,199	330,636
		7,881,374	7,827,362
Non Current Liabilities			
Long term diminishing musharaka	18	99,573	123,841
Deferred taxation	19	-	-
		99,573	123,841
Current Liabilities			
Creditors, accrued and other liabilities	20	2,016,392	1,621,056
Contract liabilities	21	119,369	249,434
Current portion of long term diminishing musharaka	18	53,748	60,997
Short term borrowings	22	532,486	294,466
Unpaid dividend	23	149,239	152,835
Provision for taxation - net	24	84,548	220,692
		2,955,782	2,599,480
Contingencies and Commitments	25	-	-
		10,936,729	10,550,683

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

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

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
Revenue from contracts with customers	26	3,102,844	2,857,594
Cost of revenue	27	(2,095,921)	(1,930,567)
Gross Profit		1,006,923	927,027
Administrative and selling expense	28	(569,582)	(375,284)
Other operating expense	29	(259,632)	(476,915)
Other operating income	30	584,295	1,875,323
		(244,919)	1,023,124
Operating Profit		762,004	1,950,151
Finance cost	31	(188,759)	(212,851)
Profit before Levy and Taxation		573,245	1,737,300
Levy / final taxation (2023: Restated)	32	(34,149)	(112,218)
Profit before Taxation		539,096	1,625,082
Taxation (2023: Restated)	33	-	-
Net Profit for the year		539,096	1,625,082
Earnings per share - Basic (Rupees) (2023: Restated)	34	1.37	3.93
Earnings per share - Diluted (Rupees) (2023: Restated)	34	1.34	3.87

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

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

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
	--- Rupees in Thousands ---	
Net Profit for the Year	539,096	1,625,082
Other Comprehensive Income		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	-	-
Total Comprehensive Income for the Year	539,096	1,625,082

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

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

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

Particulars	Issued, Subscribed and Paid up Share Capital	Capital Reserves	Revenue Reserve	Employees' Share Compensation Reserve	Surplus on Revaluation of Property	Total
		Share Premium	Unappropriated Profits			
	--- Rupees in Thousands ---					
Balance as at December 31, 2022	3,247,006	314,512	1,977,814	155,662	332,208	6,027,202
Net profit for the year	-	-	1,625,082	-	-	1,625,082
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	1,625,082	-	-	1,625,082
Transfer from revaluation surplus on account of incremental depreciation	-	-	1,572	-	(1,572)	-
Transaction with Owners						
Bonus share @ 15%	490,823	-	(490,823)	-	-	-
Employee share option reserve	-	-	-	137,094	-	137,094
Issuance of shares against employee share option scheme	25,149	136,908	-	(124,073)	-	37,984
Balance as at December 31, 2023	3,762,978	451,420	3,113,645	168,683	330,636	7,827,362
Net profit for the year	-	-	539,096	-	-	539,096
Other comprehensive income	-	-	-	-	-	-
Total comprehensive profit for the year	-	-	539,096	-	-	539,096
Transfer from revaluation surplus on account of incremental depreciation	-	-	2,437	-	(2,437)	-
Transaction with Owners						
Bonus share for the year ended December 31, 2023 @ 10%	377,294	-	(377,294)	-	-	-
20% Cash dividend for the year ended December 31, 2023	-	-	(754,587)	-	-	(754,587)
Employee share option reserve	-	-	-	259,432	-	259,432
Issuance of shares against employee share option scheme	9,956	57,490	-	(57,375)	-	10,071
Balance as at December 31, 2024	4,150,228	508,910	2,523,297	370,740	328,199	7,881,374

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

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

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
Profit before levy and taxation		573,245	1,737,300
Adjustments for:			
Depreciation on property and equipment	6.3	107,924	92,434
Employees' share option expense	28 & 29	184,796	83,218
Trade debts written off - specific		49,921	2,470
Allowance for expected credit losses - trade debts	29	56,652	19,202
Allowance for expected credit losses - contract assets	29	-	18,202
Allowance for expected credit losses - related parties	29	44,315	430,463
Fair value loss on short-term investments		-	20
Exchange loss / (gain)	29	98,625	(1,664,823)
Gain on disposal of property and equipment	30	(7,925)	(9,313)
Finance cost	31	188,759	212,851
Profit on bank deposits	30	(3,013)	(1,551)
Markup income on intercompany current account	30	(3,669)	(36,670)
Dividend income	30	(565,565)	(155,320)
		150,820	(1,008,817)
Operating profit before working capital changes		724,065	728,483
(Increase) / decrease in current assets			
Stock in trade	9	(15,625)	(47,705)
Trade debts	10	(149,325)	345,010
Contract assets	11	93,578	(464,092)
Advances, deposits, prepayments and other receivables	12	100,080	(322,685)
Increase / (decrease) in current liabilities			
Creditors, accrued and other liabilities	20	364,260	408,090
Contract liabilities	21	(130,065)	32,037
Increase in long term deposits and loans	8	347	3,045
		263,250	(46,300)
Cash Generated from Operations		987,315	682,183
Finance cost paid		(154,433)	(210,735)
Income tax paid		(170,293)	(120,400)
Net Cash Generated from Operating Activities		662,589	351,048
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	6	(203,794)	(138,708)
Proceeds from disposal of property and equipment	6	14,566	20,205
Profit on bank deposits	30	3,013	1,551
Purchase of short-term investment		-	(148)
Net Cash Used in Investing Activities		(186,215)	(117,100)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(758,183)	(23,448)
Issuance of shares	14	9,956	25,149
Short term borrowings - net	22	238,020	(315,531)
Premium on issuance of shares		115	136,908
Long term diminishing musharaka - net		(31,517)	(54,909)
Net Cash Used in Financing Activities	35	(541,609)	(231,831)
Net (Decrease) / Increase in Cash and Cash Equivalents		(65,235)	2,117
Cash and cash equivalents at the beginning of the year	13	84,586	82,469
Cash and Cash Equivalents at the End of the Year		19,351	84,586

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

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

AVANCEON LIMITED

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1
Legal Status and Nature of Business

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

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

BUSINESS UNIT	LOCATION
Head office	The Avanceon Building, 19 KM, Multan Road, Lahore 54500.
REGIONAL OFFICES	
Karachi	The Hive 1st Floor, MA Tabba Foundation Building, Girzi Road, Block 9 Clifton, Karachi.
Islamabad	The Hive 6th Floor, ISE Towers Jinnah Avenue, Blue Area Islamabad.

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

Note 2
Basis of Prepration

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These unconsolidated financial statements have been prepared in Pak Rupees, which is the functional and presentational currency of the Company. Figures have been rounded off to the nearest rupees in thousand unless stated otherwise.

2.4 Key judgements and estimates

The preparation of the unconsolidated financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the year in which such revisions are made. Significant management estimates in these financial statements relate primarily to:

- Useful lives, residual values, fair value and depreciation method of property, plant and equipment – Note 4.1 & 6
- Provision for obsolescence of inventories - Note 5.1 and 9
- Provision for impairemnt and expected credit losses – Note 4.10, 10, 11 and 12

Note 2, Basis of Preparation - Continued...

- Estimation of provisions - Note 4.8
- Estimation of contingent liabilities - Note 4.9 & 25
- Revenue from contract with customers - Note 4.11 & 26
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses and credits) - Note 4.6, 19, 23, 32
- Employee share option scheme - Note 4.12

'However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

Note 3

Changes in Accounting Standards, Interpretations and Pronouncements

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

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

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

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

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

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

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

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

Note 3, Changes in Accounting Standards, Interpretations and Pronouncements - Continued...

3.4 IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes

During the year, 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). In accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under 'IAS 37 Provisions, Contingent Liabilities and Contingent Assets' which were previously being recognised as 'Income tax'.

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

	Had there been no change in acounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	--- Rupees in Thousands ---		
Effect on statement of profit or loss			
For the year ended December 31, 2024			
Levy	-	(34,149)	(34,149)
Profit before taxation	573,245	34,149	539,096
Taxation	(34,149)	(34,149)	-
Profit after tax	539,096	-	539,096
For the year ended December 31, 2023			
Levy	-	(112,218)	(112,218)
Profit before taxation	1,737,300	112,218	1,625,082
Taxation	(112,218)	(112,218)	-
Profit after tax	1,625,082	-	1,625,082

The related changes to the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earning per share, basic and diluted.

Note 4

Material Accounting Policy Information

The material accounting policies adopted in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all years presented.

4.1 Property and equipment

Property and equipment except freehold land and building on freehold land are stated at cost less accumulated depreciation and identified impairment losses, if any. Freehold land is stated at revalued amount less identified impairment loss, if any and building on freehold land is stated at revalued amount less accumulated depreciation and impairment loss, if any.

Any revaluation increase arising on the revaluation of land and buildings on freehold land is recognised in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of property", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the profit or loss, in which case the increase is credited to the profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land and building on freehold land is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation of property relating to a previous revaluation of that asset.

Each year, the incremental depreciation and its related deferred taxation, the difference between depreciation based on revalued carrying amount of the asset and depreciation based on the asset's original cost, is transferred from surplus on revaluation of property to retained earnings. All transfers from surplus on revaluation of property are net of applicable deferred taxation. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation is charged to the profit or loss using straight line method so as to write off the historical cost of an asset over its estimated useful life at the rates specified in Note 6 without taking into account any residual value which is considered insignificant. Depreciation on assets is charged from the month of additions (i.e., the month when the asset is ready for use) up till the month of disposal.

Note 4, Material Accounting Policy Information - Continued...

The Company reviews the useful life and residual value of property and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on depreciation charge.

Subsequent cost is included in the carrying amount of an asset or recognized as a 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. Day to day maintenance and normal repairs are charged to the profit or loss as and when incurred. Gains or losses on disposal of property and equipment are included in the current year's profit or loss.☐

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the period in which it is incurred.

Depreciation method, residual value and useful lives of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

4.2 Capital-work- in progress

Capital work-in-progress is stated at cost less identified impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost may also include applicable borrowing costs. These are transferred to specific assets as and when these are available for use. All other repairs and maintenance are charged to proft or loss during the period in which these are incurred.

4.3 Investments

4.3.1 Investments in equity instruments of subsidiaries

Investments in equity instruments of subsidiaries are measured at cost in the Company's unconsolidated financial statements. Cost in relation to investments made in foreign currency is determined by translating the consideration paid in foreign currency into rupees at exchange rates prevailing on the date of transactions.

The Company 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 'Consolidated and separate financial statements'.

4.3.2 Other investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such assets designation on a regular basis.

4.4 Balances from contract with customers

Contract assets

A contract asset is the right to consideration in exchange for goods transferred or services rendered to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods to a customer or services are rendered before the customer pays consideration or before payment is due.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Contract liabilities

A contract liability is the obligation to transfer goods or render services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or render services to the customer.

4.5 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of statement of cash flows, cash and cash equivalents comprises cash in hand and cash at banks in current and savings accounts.

Note 4, Material Accounting Policy Information - Continued...

4.6 Taxation

Income tax expense for the year comprises current and deferred tax and is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

Current

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the year end of the reporting date. The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. Super tax applicable on the Company is also as per the applicable rates as per the Income Tax Ordinance, 2001. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. 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 after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments. Current tax for current and prior periods, to the extent unpaid is recognized as a liability. If the amount already paid irrespective of current and prior period exceeds the amount due to those periods the excess recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

When minimum tax is higher than tax calculated on taxable profits, excess amount is recognized as levy under IFRIC 21. Further, the Company shall also charged tax expense under levy when tax is calculated under final tax regime.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences unused tax losses and tax credits can be utilized.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences unused tax losses and tax credits can be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which temporary differences are expected to reverse.

4.7 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Note 4, Material Accounting Policy Information - Continued...

4.8 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

4.9 Contingent liability

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits would be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.10.1 Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortized cost. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

Initial recognition and measurement

All financial assets are initially measured at cost plus transaction costs that are directly attributable to its acquisition except for trade receivables. Trade receivables are initially measured at the transaction price, if these do not contain significant financing component as per IFRS - 15.

Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognized in profit or loss.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company's financial assets at amortized cost includes long-term loans and deposits, trade debts, due from related parties, and other receivables.

Note 4, Material Accounting Policy Information - Continued...

4.10.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

Subsequent measurement

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss when the liabilities are derecognized.

4.10.3 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the unconsolidated financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.11 Revenue recognition

The Company is in the business of automation and engineering solutions. The products and services are sold on their own in separately identified contracts with customers and products together with services are sold in projects as one performance obligation. Revenue is recognized when the performance obligation is satisfied by applying the following five steps of revenue recognition:

a) Identify the contract with a customer
b) Identify the performance obligation in the contract
c) Determine the transaction price of the contract
d) Allocate the transaction price to each of the separate performance obligations in the contract
e) Recognize the revenue as the Company satisfies a performance obligation

Sale of goods

Revenue from sale of goods is recognized at a point in time when control of the goods is transferred to the customers, generally on delivery of products to customers. Payment is generally due within 90-120 days from delivery

Rendering of services

Maintenance and service income comprises of revenue earned from service level agreements, where the customer enters into a contract with the Company for a fixed period of time and fee amount, both pre-defined in the contract, for various technical and engineering services. Revenue is recognized on the basis of percentage of rendering of services, i.e. on the number of days of services performed out of the total contracted days for service level agreements. The revenue from rendering of services is recognized over point of time. Payment is generally due within 90-120 days of the end of term period. In some contracts, short-term advances are required before the technical and engineering services are provided.

Project revenue

These comprise of projects such as Hardware and Software Automation, Efficiency solution, Scada Upgradation, etc. Revenue from these projects is accounted for using cost to complete method, according to which the Company's progress towards satisfaction of performance obligations is determined by dividing actual cost incurred on the project to date by total forecasted cost, which is calculated by a team of engineers on the inception of the project. The project revenue is recognized at a point over time. Payment is generally due within 90-120 days from reaching a milestone as per contract and acceptance of the customer. In some contracts, short-term advances are required before the services are provided under the contract. Contract assets and liabilities mainly arise from the projects as the Company recognizes revenue using cost to complete method while the respective customers are billed when a milestone is achieved as agreed in the contract.

Commission Income

Commission income is earned when the Company charges its partners for the sale of items to third parties without the Company's involvement. Additionally, commission income is charged to related parties if the Company secures an order on their behalf. This income is recognized at a point in time when the company becomes entitled to the commission, which occurs at the time of invoicing.

Fee for Technical Services

The fee for technical services is charged at a predetermine rate for the hours of engineers subcontracted to related parties for various projects. This fee is recognized as and when the services are rendered.

Note 4, Material Accounting Policy Information - Continued...

Back Office Support Revenue

Back Office Support revenue represents income generated from the administrative, operational, and support services provided by the Company to its subsidiaries. This revenue includes services related to management operations, IT and IT-enabled services, engineering, finance, accounting, bookkeeping, human resources, marketing, value creation, administrative support, procurement, logistics, corporate functions, and other office support activities. Revenue from these services is recognized over time as the services are provided.

4.12 Share based payment transactions

The Company operates an equity settled share based Employee Stock Option Scheme. The 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 fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at excercise price determined on the date of grant of options.

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.

4.13 Earnings per share - basic and diluted

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. 'Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

4.14 Foreign currency transactions and translations

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the statement of financial position date. Foreign exchange gains and losses on translation are recognized in the profit or loss. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

Note 5
Other Accounting Policy Information

Other accounting policies adopted in the preparation of these financial statements is set out below. These policies have been consistently applied to all the periods presented.

5.1 Stock-in-trade

Stock in trade, except for those in transit, are valued principally at the lower of weighted average cost and net realizable value. Cost of finished goods comprises cost of direct materials, labour and appropriate overheads.

Materials in transit are stated at cost comprising invoice value plus other charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make a sale.

5.2 Staff retirement benefits

The Company operates a defined contribution provident fund for its employees. Equal monthly contributions are made both by the Company and the employees to the fund at the rate of 10% (2023:10%) of the basic salary.

5.3 Compensated absences

The Company also provide benefit to employees to accumulate earned leave and carries a provision for its liability in respect of accumulated leave. Employees are granted 14 days' leave each year. No leaves are carried forward to next year however if employee leaves during the year then they will get encashment on pro rata basis

Note 5, Other Accounting Policies - Continued...

5.4 Borrowings

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the statement profit or loss in the period in which they are incurred.

5.5 Dividend income

Dividend income and entitlement of bonus shares are recognized when right to receive such dividend and bonus shares is established.

5.6 Impairment of non-financial assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

Note 6
Property and Equipment

	Note	2024	2023
		--- Rupees in Thousands ---	
Property and equipment	6.1	668,446	668,857
Advance for purchase of land	6.11	89,640	-
		758,086	668,857

6.1 Property and equipment

Year Ended December 31, 2024

Description	Freehold Land	Buildings on Freehold Land	Tools and Equipment	Furniture and Fixture	Office Equipment and Appliances	Computers	Vehicles Owned	Total
	--- Rupees in Thousands ---							
Cost / Revalued Amount								
Balance as at January 01, 2024	290,550	116,296	4,791	19,752	38,492	107,218	397,598	974,697
Additions	-	11,229	-	5,181	7,003	37,154	53,587	114,154
Disposals / adjustments during the year	-	-	-	(333)	(662)	-	(93,015)	(94,010)
Balance as at December 31, 2024	290,550	127,525	4,791	24,600	44,833	144,372	358,170	994,841
Accumulated depreciation								
Balance as at January 01, 2024	-	6,154	4,129	15,158	33,725	65,646	181,028	305,840
Charge for the year	-	4,791	522	1,166	2,315	31,040	68,090	107,924
Disposals / adjustments during the year	-	-	-	(333)	(662)	-	(86,374)	(87,369)
Balance as at December 31, 2024	-	10,945	4,651	15,991	35,378	96,686	162,744	326,395
Balance as at December 31, 2024	290,550	116,580	140	8,609	9,455	47,686	195,426	668,446
Depreciation Rates	-	2% - 5%	20%	20%	20%	33.33%	20%	

Note 6, Property and Equipment - Continued...

Year Ended December 31, 2023

Description	Freehold Land	Buildings on Freehold Land	Tools and Equipment	Furniture and Fixture	Office Equipment and Appliances	Computers	Vehicles Owned	Total
				--- Rupees in Thousands ---				
Cost / Revalued Amount								
Balance as at Janurary 01, 2023	290,550	110,236	4,791	16,794	37,232	82,136	328,114	869,853
Additions	-	6,060	-	2,958	1,260	25,082	103,348	138,708
Disposals during the year	-	-	-	-	-	-	(33,864)	(33,864)
Balance as at December 31, 2023	290,550	116,296	4,791	19,752	38,492	107,218	397,598	974,697
Accumulated depreciation								
Balance as at Janurary 01, 2023	-	2,252	3,171	14,172	31,473	42,287	143,023	236,378
Charge for the year	-	3,902	958	986	2,252	23,359	60,977	92,434
Disposals during the year	-	-	-	-	-	-	(22,972)	(22,972)
Balance as at December 31, 2023	-	6,154	4,129	15,158	33,725	65,646	181,028	305,840
Balance as at December 31, 2023	290,550	110,142	662	4,594	4,767	41,572	216,570	668,857
Depreciation Rates	-	2% - 5%	20%	20%	20%	33.33%	20%	

6.2 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Description	Location	Total Area (Sq. ft.)
Head Office	The Avanceon Building, 19 km, Multan Road, Lahore.	40,558

Note 6, Property and Equipment - Continued...

	Note	2024	2023
		--- Rupees in Thousands ---	
6.3 The depreciation charge for the year has been allocated as follows:			
Cost of revenue	27	53,962	46,217
Administrative expenses	28	53,962	46,217
		107,924	92,434

6.4 Fair value of land and building as at December 31, 2022 was determined by 'Harvester Services (Private) Limited', an independent valuer who has valuation experience for similar assets. The management estimates that the fair value of revalued assets as at December 31, 2024 is not materially different from last years. The valuation for the year ended December 31, 2022 was performed based on proprietary databases of prices of transactions for assets of similar nature, location and condition.

6.5 Had there been no revaluation the net book values of revalued assets would have been as follows:

Freehold land	8,647	8,647
Buildings on freehold land	51,667	41,812
	60,314	50,459

6.6 The property and equipment include fully depreciated assets which are still in use of the Company, as outlined below:

Computers	48,410	30,078
Furniture	13,912	13,769
Office equipment	28,807	27,774
Tools and equipment	3,722	-
Vehicles	34,918	33,994
	129,769	105,615

6.7 All assets are in the name of the Company and in the Company's possession and control except for those obtained through Diminishing Musharakah from First Habib Modaraba and MCB Islamic Bank Limited having net book value amounting to Rs. 190.2 million (2023: Rs. 215.44 million).

6.8 Detail of disposals of property & equipment

The details of property and equipment disposed off during the year having individual book values exceeding Rs. 500,000 or more as follow:

Asset Particular	Cost	Carrying Value	Sale Price	Gain / (Loss) on Disposal	Particulars of Buyer	Mode of Disposal	Relationship with the Purchaser
	--- Rupees in Thousands ---						
Suzuki Alto	1,595	1,033	1,265	232	Mr. Umer Aslam	Buy Back	Employee
Suzuki Alto	1,789	1,275	2,550	1,275	Ms. Sana Ghulam Nabi	Buy Back	Employee
Kia Stonic	4,891	4,239	3,820	(419)	Mr. Waleed Ahmed	Buy Back	Employee
Total - 2024	8,275	6,547	7,635	1,088			
Total -	33,864	10,892	20,205	9,313			

6.9 Borrowings of the Company are secured against specific charge over commercial property of the Company amounting to Rs. 300 million (Note 22).

Note 6, Property and Equipment - Continued...

6.10 The following methods and assumptions were used to estimate the fair values:

The significant inputs used in the fair value measurements categorized within Level 2 of the fair value hierarchy, together with a quantitative sensitivity analysis are as shown below:

Description	Valuation Technique	Significant Observable Inputs	Quantitative Date / Range (weighted average)
Land and building	Sales value comparison approach	Market enquiries and survey as per Kanal/Marla for land rates and per square foot rates for building	Nil

There is no movement between level 1, level 2 and level 3 assets.

6.11 Advance for Purchase of Land

This represents advance payment for purchase of 7.07 kanal land situated at NSIT, Silicon IT District, Lahore. The amount will be transferred to Freehold Land once the acquisition is complete. The total purchase price of the land is Rs. 848 million, payable in 13 installments, with an average annual installment of Rs. 58.7 million each and paid a down payment of 84.8 million, to be settled latest by 2031.

Note 7

Long Term Investments

	Note	2024	2023
		--- Rupees in Thousands ---	
Investment in subsidiaries - at cost			
Avanceon FZE Dubai (AVFZE)			
- 37 (2023: 37) fully paid ordinary shares of AED 1 million each	7.1	1,331,043	1,331,043
Equity % held 100% (2023: 100%)			
- Long term interest free receivables	7.6	2,824,833	2,881,326
		4,155,876	4,212,369
Avanceon Automation and Control W.L.L, Qatar (AVAC)			
- 98 (2023: 98) fully paid ordinary shares of QAR 1,000 each	7.2	8,446	8,446
Equity % held 49% (2023: 49%)			
- Long term interest free receivables	7.6	1,387,245	1,420,474
		1,395,691	1,428,920
Octopus Digital Limited (Octopus)			
- 116,877,484 (2023: 116,877,484) fully paid ordinary shares of Rs. 10 each	7.3	10,000	10,000
Equity % held 74% (2023: 74%)			
Avanceon Saudi For Energy Company, KSA (AVSEC)			
- 10 (2023: 10) fully paid ordinary shares of SAR 10,000 each	7.4	754	754
Equity % held 100% (2023: 100%)			
Avanceon QFZ LLC Qatar (AVQFZ)			
- 20 (2023: 20) fully paid ordinary shares of QAR 20,000 each	7.5	1,552	1,552
Equity % held 100% (2023: 100%)			
		5,563,873	5,653,595

7.1 Avanceon FZE is a Free Zone Establishment with limited liability formed pursuant to Law No. 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued thereunder by the Jebel Ali Free Zone Authority and was registered with the Jebel Ali Free Zone Authority under Registration No. 816 on February 28, 2004. Its registered office is situated in the Jebel Ali Free Zone, Dubai, United Arab Emirates. The principal activities of the Establishment are to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. The Establishment is wholly owned subsidiary of the Company.

7.2 Avanceon Automation and Control W.L.L (AVAC) is an Establishment with limited liability registered under the Ministry of Commerce and Industry, state of Qatar on May 22, 2017 with Registration No. 99027. Its registered office is situated in Al Jaber Engg. HO Building, PO Box: 15976, Fox Hills, Lusail, Doha - Qatar. The principal activities of the Company are to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. The Company owns 49% equity shares of AVAC. However, based on an agreement signed between the Company and other shareholders, the Company has control over its financials and operating decision making of AVAC

Note 7, Long Term Investments - Continued..

7.3 Octopus Digital Limited (Octopus) was incorporated in Pakistan on December 29, 2017 as a private limited company under the Companies Act, 2017, which was converted into a public Company on November 11, 2020. Octopus is a subsidiary of the Company and is listed on Pakistan Stock Exchange Limited. The prime business of Octopus is to carry out Information Technology enabled services which include but are not limited to online data/information storage, online monitoring and review of employees efficiency, online monitoring of cost and production efficiency, online monitoring and maintenance of plant and machinery, sale and trade of related softwares and equipment etc.

7.4 This represents the Company's investment in 100 percent shares in AVSEC amounting to Rs. 0.754 million made in 2023 AVSEC is a Single Person Mixed Limited Liability Company registered in Kingdom of Saudi Arabia and operating under Commercial Registration No. 1010676690 dated 12/05/1442 hijra, corresponding to 27/12/2021. AVSEC is engaged in repairs and maintenance of power and control stations, installation of control equipment for industrial operation, design and programming of special projects, registering for providing cloud services and management of energy efficiency projects. The registered office of AVSEC is in Riyadh, Saudi Arabia.

7.5 Avanceon QFZ L.L.C. (AVQFZ), is a Limited Liability Company registered with the Qatar Free Zone Authority under FZA License No. FZA 194 obtained on November 05, 2020. The registered office of AVQFZ is in Zone No. PA-WH-04, Area-Ras Bufontas Free Zone, Street No. PO Box: 45976, Doha-Qatar. The primary objective of AVQFZ is the manufacturing of measuring, testing, navigating and control equipment.

7.6 Long-term interest free receivables

	2024	2023
	--- Rupees in Thousands ---	
Avanceon FZE - AED 43,054,315 (2023: AED 43,054,315)	3,269,080	3,310,698
Less: Allowance for expected credit losses (ECL)	(444,247)	(429,372)
	2,824,833	2,881,326
Avanceon Automation and Control W.L.L - QAR 20,956,388 (2023: QAR 20,956,388)	1,605,409	1,625,847
Less: Allowance for ECL	(218,164)	(205,373)
	1,387,245	1,420,474
	4,212,078	4,301,800

7.7 The Company on passing special resolution dated January 05, 2022 in the extraordinary general meeting of Avanceon Limited resolved that the amounts due from Avanceon FZE and Avanceon Automation and Control W.L.L amounting to Rs. 1,785.679 million and 475.526 million respectively be classified as long term interest free receivables, to be converted to equity as fully paid ordinary shares in the respective subsidiaries with applicable regulatory approvals with effect from December 31, 2021. The Company also intends to make further equity investments in these subsidiaries, subject to obtaining the necessary regulatory approvals, which would enable the subsidiaries to convert these amounts into equity.

Note 8
Long Term Deposits and Loans

	Note	2024	2023
		--- Rupees in Thousands ---	
Security deposits	8.1	5,305	4,813
Loan to employees	8.2	400	1,239
		5,705	6,052
Less: Current portion of loan to employees		(200)	(400)
		5,505	5,652

8.1 These include deposits paid to Pakistan State Oil and Pakistan Petroleum Limited amounting to Rs. 2.04 million (2023: Rs. 1.68 million) and Rs. 0.50 million (2023: Nil) respectively, in the normal course of business.

8.2 Reconciliation of carrying amount of loans to employees:

Opening balance	1,239	4,311
Add: Disbursements during the year	-	-
Less: Repayments during the year	(200)	(3,072)
Less: Transfer to other receivable	(639)	-
	400	1,239

8.3 These represent interest-free loans provided to executives for purchase of vehicles, in line with the policy and terms of their employment. These loans are secured against staff provident fund and are recoverable in equal monthly installments. The fair value adjustment required under IFRS 9 (Financial Instruments: Recognition and Measurement) is considered immaterial and thus not recognized in these unconsolidated financial statements.

Note 9
Stock in Trade

	Note	2024	2023
		--- Rupees in Thousands ---	
Local stock		2,356	1,482
Imported stock		98,551	83,800
	9.1	100,907	85,282

9.1 As mentioned in Note 22, short term borrowings of the Company are secured by way of first pari pasu and ranking charge on present and future current assets of the Company (including stock in trade).

Note 10
Trade Debts

	Note	2024	2023
		--- Rupees in Thousands ---	
Due from related parties	10.1	2,039,076	2,226,010
Less: Allowance for expected credit loss	10.3	(371,084)	(315,206)
		1,667,992	1,910,804
Due from others	10.4	959,242	715,392
Less: Allowance for expected credit loss	10.5	(21,039)	(20,265)
		938,203	695,127
		2,606,195	2,605,931

10.1 Due from related parties

	Note		
Avanceon FZE		481,710	649,796
Avanceon Automation & Control WLL		479,896	1,131,999
Octopus Digital Limited		41,073	8,524
Avanceon Saudi Energy Company		569,716	372,012
Avanceon QFZE		403,002	-
Empiric AI (Private) Limited		63,679	63,679
	10.2	2,039,076	2,226,010

10.1.1 The amounts due from related parties are interest free and repayable in normal course of business.

10.2 Aging of outstanding balances of related parties as at December 31, 2024, is as under:

	2024						
	Avanceon FZE	Avanceon Automation and Control WLL	Octopus Digital Limited	Avanceon Saudi Energy Company	Avanceon QFZE	Empiric AI (Private) Limited	Total
	--- Rupees in Thousands ---						
Past due less than 30 days	182,449	147,511	41,073	26,489	116,008	-	513,530
Past due less than 90 days	16,227	64,832	-	37,150	-	-	118,209
Past due less than 180 days	34,918	5,232	-	45,426	121,219	-	206,795
Past due less than 360 days	82,641	171	-	113,966	165,775	-	362,553
Past due over 360 days & above	165,475	262,150	-	346,685	-	63,679	837,989
Total	481,710	479,896	41,073	569,716	403,002	63,679	2,039,076

	2023						
	Avanceon FZE	Avanceon Automation and Control WLL	Octopus Digital Limited	Avanceon Saudi Energy Company	Avanceon QFZE	Empiric AI (Private) Limited	Total
	--- Rupees in Thousands ---						
Past due less than 30 days	132,955	69,844	8,476	129,060	-	63,679	404,014
Past due less than 90 days	4,758	41,536	3	25,571	-	-	71,868
Past due less than 180 days	50,595	317,072	45	75,144	-	-	442,856
Past due less than 360 days	461,488	703,547	-	142,237	-	-	1,307,272
Past due over 360 days & above	-	-	-	-	-	-	-
Total	649,796	1,131,999	8,524	372,012	-	63,679	2,226,010

Note 10 , Trade Debts - Continued...

10.2.1 The maximum amount outstanding at any time during the year calculated by reference to the month end balance is as follows:

	Note	2024	2023
		--- Rupees in Thousands ---	
Avanceon FZE		701,901	649,796
Avanceon Automation and Control WLL		1,203,076	372,012
Octopus Digital Limited		41,073	8,524
Avanceon Saudi Energy Company		666,831	1,131,999
Avanceon QFZE		407,444	-
Empiric AI (Private) Limited		63,679	63,679

10.3 Allowance for ECL - Related parties

Balance as at January 01,		315,206	146,508
Add: Allowance for the year		55,878	168,698
Less: Reversal for the year		-	-
Balance as at December 31,	10.3.1	371,084	315,206

10.3.1 This represents the Expected Credit Loss (ECL) on account of time value of money, based on the duly approved management plan for the recovery of these balances within twelve months from the reporting date. No credit loss is expected in respect of these balances, as all counterparties are controlled by the Company. The assessment has been made in accordance with IFRS 9, considering the short-term nature of the balances and the Company's expectation of full recovery.

10.4 Ageing of due from others

	2024	2023
	--- Rupees in Thousands ---	
Past due less than 30 days	388,668	264,000
Past due less than 90 days	234,764	314,000
Past due less than 180 days	133,494	65,000
Past due less than 360 days	106,948	26,000
Past due over 360 days & above	95,368	46,392
Total	959,242	715,392

10.5 Allowance for ECL - Others

Balance as at January 01	20,265	1,063
Add: Allowance during the year	774	19,202
Less: Reversal during the year	-	-
Balance as at December 31,	21,039	20,265

Note 11
Contract Assets

	Note	2024	2023
		--- Rupees in Thousands ---	
Contract asset	11.1	599,641	693,219
Less: Allowance for ECL	11.2	(18,913)	(18,913)
		580,728	674,306

11.1 Contract assets represent the Company's right to consideration in exchange for goods or services that have been transferred to customers but not yet billed. These include contract asset related to Time and material projects and export sales, amounting to Rs. 101.22 million (2023: Rs. 68.51 million) and Rs. 3.56 million (2023: Rs. 3.56 million) respectively. Contract asset arises from performance obligations that are partially satisfied but not yet billed, in accordance with IFRS 15 – Revenue from Contracts with Customers.

11.2 Allowance for ECL

Balance as at January 01,	18,913	711
Add: Allowance for the year	-	18,202
Less: Reversal during the year	-	-
Balance as at December 31,	18,913	18,913

Note 12
Advances, Deposits, Prepayments and Other Receivables

	Note	2024	2023
		--- Rupees in Thousands ---	
Advances - considered good			
- To employees against expenses	12.1	28,667	36,292
- To suppliers		80,012	119,803
		108,679	156,095
Prepayments		11,783	10,081
Margin paid against bank guarantees / letters of credit		39,566	25,777
Tax refunds due from government - considered good - Sales tax		61,811	47,042
Earnest money - considered good		-	300
Retention money		2,486	1,257
Due from subsidiaries - (unsecured - considered good)			
- Dividend receivable	12.1	979,130	425,044
- Others	12.2	53,781	62,073
		1,032,911	487,117
Markup receivable on intercompany current account		40,338	36,670
Other receivables - considered good		4,510	8,135
		1,302,084	772,474

12.1 This represents dividend receivable from Avanceon FZE and Avanceon Automation and Control WLL, wholly owned subsidiaries.

Avanceon FZE - AED 124,136 (2023: AED 124,136)		306,866	9,546
Avanceon Automation and Control WLL - QAR 6,284,643 (2023: QAR 6,284,643)		754,174	492,237
Total dividend receivable		1,061,040	501,783
Less: Allowance for expected credit losses	12.1.2	(81,910)	(76,739)
		979,130	425,044

12.1.1 The maximum amount outstanding in dividend receivable at any time during the year calculated by reference to month end balances is as follows:

Avanceon FZE	306,866	9,546
Avanceon Automation and Control WLL	754,174	492,237

12.1.2 Allowance for Expected Credit Loss

Balance as at January 01,	76,739	136,659
Add: Allowance for the year	5,171	(59,920)
Less: Reversal for the year	-	-
Balance as at December 31,	81,910	76,739

12.2 This represents amount due from following related parties in respect of expenses incurred by the Company on their behalf:

Avanceon Saudi Energy Company		15,973	19,624
Avanceon Arabia Infotech (AAIT)		2,846	760
Avanceon FZE		3,373	41,866
Avanceon Automation and Control W.L.L.		43,067	11,301
Less: Allowance for expected credit losses	12.2.2	(11,478)	(11,478)
		53,781	62,073

12.2.1 The maximum amount outstanding in current account at any time during the year calculated by reference to month end balances is as follows:

Avanceon Saudi for Energy Company	20,792	19,624
Avanceon Arabi for infotech (AAIT)	2,846	760
Empiric AI (Private) Limited	119	-
Avanceon FZE	49,813	41,866
Avanceon Automation and Control WLL	240,134	11,301

12.2.2 Allowance for Expected Credit Loss

Balance as at January 01,	11,478	-
Add: Allowance for the year	-	11,478
Less: Reversal for the year	-	-
Balance as at December 31,	11,478	11,478

Note 13
Cash and Bank Balances

	Note	2024	2023
		--- Rupees in Thousands ---	
Cash in hand		167	71
Bank balances:			
Local currency			
- Current Accounts - conventional banks		11,920	84,073
- Current Accounts - shariah compliant banks		1	30
- Mark - up based deposits and saving accounts - conventional banks	13.1	7,089	236
		19,010	84,339
Foreign currency - current accounts		174	176
		19,351	84,586

13.1 Saving accounts yield interest / profit at floating rates based on daily bank deposit rates ranging from 13.5% to 20.5% (2023: 13.9% to 20.5%) per annum.

13.2 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.

Note 14
Issued, Subscribed and Paid up Share Capital

2024	2023		2024	2023
Number of Shares			--- Rupees in Thousands ---	
57,166,850	57,166,850	Ordinary shares of Rs. 10 each fully paid in cash	571,669	571,669
343,257,775	305,528,427	Ordinary shares of Rs. 10 each fully paid bonus shares	3,432,578	3,055,284
4,675,629	4,675,629	Issued against employee's Share Option Scheme - I	46,756	46,756
1,750,820	1,750,820	Issued against Employees' Shares Options Scheme - II	17,508	17,508
5,808,221	5,755,096	Issued against Employees' Shares Options Scheme - III	58,082	57,551
1,421,028	1,421,028	Issued against Employees' Shares Options Scheme - IV	14,210	14,210
942,508	-	Issued against Employees' Shares Options Scheme - V	9,425	-
415,022,831	376,297,850		4,150,228	3,762,978

	Note	2024	2023
		---Number of Shares---	
14.1 Movement in number of shares issued during the year is as follows:			
Opening balance		376,297,850	324,700,631
Shares issued under Employees' Share Options Schemes during the year		995,633	2,514,891
Bonus shares issued during the year	14.3	37,729,348	49,082,328
Closing balance		415,022,831	376,297,850

14.2 All ordinary shares rank equally with regard to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting and other rights are in proportion to the shareholding.

14.3 The Company issued bonus shares @ 10% as a final dividend for the year ended December 31, 2023 (2023: 15% for the year ended December 31, 2022).

Note 15
Share Premium

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening balance		451,420	353,273
Employees Share Option Scheme		57,490	136,908
		508,910	490,181
Less: Costs incurred on Initial Public Offering		-	(38,761)
	15.1	508,910	451,420

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

Note 16
Employees' Share Compensation Reserve

	Note	2024	2023
		--- Rupees in Thousands ---	
Share options scheme III	16.1	-	3,729
Share options scheme V	16.2	370,740	164,954
		370,740	168,683

16.1 Share options scheme III

Employee Share Option Scheme, 2018 was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 23, 2018 which comprises an entitlement pool of 1.75 million shares. Under the scheme, share options of the Company are granted to employees of level MT-1 and 2 (with minimum seven years regular service) and MT-3 and above. The share options are exercised within one year after the one year vesting period and therefore, the contractual term of each option granted is two years. The exercise price of the share options is Rs. 10 for options issued in 2018 ; Rs. 10.5 in 2019 ; Rs. 11.03 in 2020 ; Rs. 11.58 in 2021 and Rs. 12.15 in 2022

Movement in the amount of options granted is as follows:

Balance as at January 01,	3,729	4,483
Employee compensation expense	-	1,467
Transfer to share capital on issuance of shares during the period	(3,729)	(2,221)
Balance as at December 31,	-	3,729

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

	2024		2023	
	Number	WAEP Rupees	Number	WAEP Rupees
Outstanding as at January 01,	53,125	12.15	78,437	12.15
Forfeited during the year	-		6,250	12.15
Exercised during the year	(53,125)	12.15	(31,562)	12.15
Outstanding as at December 31,	-		53,125	
Exercisable as at December 31,	-		53,125	

The weighted average share price at the date of exercise of these options was Rs. 58.80 (2023: Rs. 83.54).

The weighted average remaining contractual life for the share options outstanding as at December 31, 2024 was Nil years (2023: 0.8 years).

The range of exercise price for options outstanding at the end of the year was Rs. Nil (2023: Rs. 10 to Rs. 12.5).

Note 16, Employees' Share Compensation Reserve - Continued...

16.2 Share options scheme V

Employee Share Option Scheme, 2022 was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 05, 2022 which comprises an entitlement pool of 10% of the paid-up capital of the Company as increased from time to time. Under the scheme, share options of the Company will be granted to permanent employees of all cadres based on the performance ranking process of the Company. The share options can be exercised within a period of maximum six months from the expiry of the minimum vesting period. The minimum vesting period is 12 months from the date of grant of options. Exercise price of an option shall be determined from time to time by the Board of Directors of the Company at the time of grant of option(s), which shall be calculated as the weighted average of the closing quoted market price of the share of the Company for last 90 consecutive calendar days immediately preceding the date of entitlement of option(s). Provided further that options can be issued at a maximum discount of 90% of the weighted average of the closing market price of the share of the Company for last 90 consecutive calendar days immediately preceding the date of entitlement of option(s) as determined by the Board. The exercise price shall not be in any case less than face value of Rs. 10 per share.

Movement in the amount of options granted is as follows:

	2024	2023
	--- Rupees in Thousands ---	
Balance as at January 01,	164,954	29,332
Employee compensation expense	259,432	135,622
Transfer to share capital on issuance of shares during the period	(53,646)	-
Balance as at December 31,	370,740	164,954

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

	2024		2023	
	Number	WAEP Rupees	Number	WAEP Rupees
Outstanding as at January 01,	5,724,392	10	2,425,013	10
Granted during the year	7,849,608	10	3,299,379	10
Forfeited during the year	(1,553,571)	10	-	10
Exercised during the year	(942,508)	10	-	10
Outstanding as at December 31,	11,077,921		5,724,392	10
Exercisable as at December 31,	11,077,921		5,724,392	

The fair value of options granted during the year was Rs. 44.25 (2023: Rs. 55.13).

The weighted average share price as at the date of exercise of these options was Rs. 55.67 (2023: Rs. 54.25).

The weighted average remaining contractual life for the share options outstanding as at December 31, 2024 was 1.7 years (2023: 2.4 years).

The range of exercise price for options outstanding as at the reporting date was Rs. 10 (2023: Rs. 10).

The following tables present the key inputs used in the valuation models for the plans for the years ended December 31, 2024 and 2023, respectively:

	2024	2023
Expected volatility (%)	45%	41%
Risk-free interest rate (%)	13%	9%
Expected life of share options (years)	1.7	2.4
Weighted average share price (Rupees)	55.67	54.25
Model used	Black Scholes	

16.3 The Company introduced five Employee Stock Option Schemes (ESOS), all approved by the Securities and Exchange Commission of Pakistan (SECP). Out of these, four schemes— ESOS-I (2013), ESOS-II (2016), and ESOS-III (2018), ESOS IV(2019), —have been closed and fully concluded.

ESOS-I and ESOS-II each had an entitlement pool of 5 million shares, a five-year vesting period, and a one-year exercise window, with ESOS-II allowing a maximum 60% discount on the exercise price.

ESOS-III had 1.75 million shares, a one-year vesting period, and a one-year exercise window, with exercise prices ranging from Rs. 10 in 2018 to Rs. 12.15 in 2022.

The ESOS-IV (2019), approved by SECP on November 19, 2019, allocated 5 million shares to eligible employees with a two-year contractual term per option grant. As the scheme has expired, it is no longer relevant for the current period.

Note 17
Surplus on Revaluation of Property

	Note	2024	2023
		--- Rupees in Thousands ---	
Freehold land		281,903	281,903
Buildings on freehold land		48,733	50,305
		330,636	332,208
Transferred to retained earnings in respect of net incremental depreciation - net of deferred tax		(2,437)	(1,572)
Closing balance - net of tax	17.1	328,199	330,636

17.1 This represents the surplus over book values resulting from revaluation of land and building adjusted by incremental depreciation arising out of revaluation of building. Freehold land and buildings are revalued every 3 years by an independent valuer based on fair market value. The revaluation surplus is net of applicable deferred income taxes. Incremental depreciation represents the difference between the actual depreciation on buildings and the equivalent depreciation based on the historical cost of buildings.

17.2 The surplus on revaluation of property is not available for distribution to shareholders in accordance with section 241 of the Companies Act, 2017.

17.3 Latest revaluation was carried out on December 31, 2022 by an independent valuer, using the depreciated current replacement value method resulting in net revaluation surplus of Rs. 76.7 million.

Note 18
Long Term Diminishing Musharaka Finance

	2024	2023
	--- Rupees in Thousands ---	
First Habib Modaraba	64,015	93,343
MCB Islamic Bank Limited	89,306	91,495
	153,321	184,838
Less: Current portion	(53,748)	(60,997)
Closing balance	99,573	123,841

18.1 The Company acquired certain vehicles under the diminishing musharaka financing arrangements from First Habib Modaraba and MCB Islamic Bank Limited, for a period upto 60 months. The financing is secured against specific charge on this asset to the extent of outstanding balance of diminishing musharaka . The effective rate is three to six months KIBOR plus spread upto 2.25% with floor rate of 5% (2023: 5%).

Note 19
Deferred Taxation

	2024	2023
	--- Rupees in Thousands ---	
Taxable temporary differences		
Accelerated tax depreciation	59,588	15,981
Deductible temporary differences		
Provisions and others	(205,131)	(163,174)
Business losses	(117,945)	(65,008)
Unabsorbed depreciation and amortization	(13,254)	(12,779)
Deferred tax asset	(276,742)	(224,980)
Unrecognized deferred tax asset / (liability)	276,742	224,980
	-	-

19.1 Being prudent the Company decided not to book deferred tax asset on provisions and tax losses amounting to Rs. 276.743 million (2023: 224.980 million). Business tax losses available against which deferred tax asset has not been recognized, will expire as follows:

Tax Year	Business Losses	Tax Year in Which Loss Will Expire
	Rupees in thousands	
2022	167,453	2028
2023	185,605	2029
2024	208,586	2030
	561,644	

19.2 Deferred tax assets / liabilities on temporary differences are measured at effective rate of 21% (2023: 20.25%).

Note 20

Creditors, Accrued and Other Liabilities

	Note	2024	2023
		--- Rupees in Thousands ---	(Re-arranged)
Trade creditors		451,336	439,654
Accrued expenses		152,271	165,301
Payable to provident fund		53,946	57,066
Employee share portion - vehicle		104,021	81,283
Workers welfare fund		51	44
Withholding tax		285,967	244,403
Accrued markup		19,131	26,335
Markup payable on intercompany current account		88,760	47,230
Payable to related parties	20.1 & 20.2	836,053	535,661
Other payable		24,856	24,079
		2,016,392	1,621,056

20.1 This includes amount of Rs. Nil. (2023: Rs. 43.238 million) payable to related parties, Octopus Digital Limited, on account of expenses incurred on behalf of the Company. This amount is interest bearing and interest has been charged at one month KIBOR plus 2% prevailing on the start of each month.

20.2 The balance payable to related parties and maximum amount outstanding at any time during the year calculated by reference to month end balances is as follows:

	2024	2023	Maximum Outstanding
	--- Rupees in Thousands ---		
Innovative Travels (Private) Limited	1,320	1,320	1,320
Current Account - Avanceon FZE	717,851	-	717,851
Current Account - Octopus Digital Limited	92,549	512,252	334,707
Current Account - Empiric AI (Private) Limited	24,333	22,089	28,469
	836,053	535,661	

Note 21

Contract Liabilities

	Note	2024	2023
		--- Rupees in Thousands ---	
Advances from customers		69,331	155,679
Billings in excess of earnings		50,038	93,755
		119,369	249,434

21.1 Movement of contract liabilities is as follows:

As at January 01,		249,434	217,397
Addition during the year		695,549	522,463
Recognized as revenue during the year		(825,614)	(490,426)
As at December 31,	21.2	119,369	249,434

21.2 The maximum amount outstanding at any time during the year calculated by reference to the month end balances is as follows:

Contract liabilities	368,803	249,434

21.3 The advance from customer represents the obligation to transfer goods to a customer for which the Company has received consideration in advance. The billings in excess of earnings represents project solutions and services fee invoiced in advance. This amount pertaining to project solutions and services is transferred to revenue over time.

Note 22
Short Term Borrowings

	Note	2024	2023
		--- Rupees in Thousands ---	
Banking companies (Secured) - markup bearing	22.1		
JS Bank Limited		44,302	44,972
Standard Chartered Bank Limited		152,546	150,000
Habib Metro Politin Bank		145,773	-
Islamic mode of financing (secured)			
MCB Islamic Bank Limited		99,865	99,494
Director's loan	22.2	90,000	-
		532,486	294,466

22.1 Terms and conditions of borrowings

Purpose

The Company has obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 1,600 million (2023: Rs. 1,295 million) including running finance facilities amounting to Rs. 1,030 million (2023: Rs. 775 million), to meet the working capital requirements, export invoice finance, retirement of local and foreign LCs, discounting local bills / receivables and loan against trust receipts etc.

Markup

Mark-up on these facilities is charged using 3 to 6 months KIBOR+ spread of 2% to 2.25% (2023: 3 to 6 months KIBOR+ spread of 2% to 2.25%) per annum, payable on quarterly basis in arrears.

Securities

These facilities are secured by way of joint pari passu charge and ranking hypothecation charge over present and future current assets of the Company, lien over the title of imported goods, mortgage over the CEO's residential property and personal guarantees of sponsor directors, covering total security amounting to Rs. 1,454 million (2023: Rs. 1,375 million).

22.2 This represents unsecured loan obtained from director of the Company amounting to Rs. 90 million (2023: Nil) for acquisition of land. This loan is interest free and is repayable on demand.

22.3 The Credit Facilities Available to the Company - Banking Companies

	2024			2023		
	Available limit	Utilised credit	Un availed credit	Available limit	Utilised credit	Un availed credit
	--- Rupees in thousand ---			--- Rupees in thousand ---		
Funded facilities						
Short term borrowings						
Conventional mode	680,000	442,386	237,614	425,000	194,972	230,028
of finance	100,000	99,865	135	100,000	99,494	506
Islamic financing	780,000	542,251	237,749	525,000	294,466	230,534
Unfunded facilities						
Letters of credits	445,000	66,710	378,290	465,000	339,130	125,870
Letter of guarantees	375,000	352,174	22,826	305,000	107,855	197,145
	820,000	418,884	401,116	770,000	446,985	323,015

Note 23
Unpaid Dividend

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening balance		152,835	176,283
Dividend declared during the year		754,587	-
Dividend paid during the year		(758,183)	(23,448)
Closing balance	23.1	149,239	152,835

23.1 This includes dividend payable to the Chief Executive, Mr. Bakhtiar Hameed Wain amounting to Rs. 149.80 million (2023: Rs. 132.61 million)

Note 24
Provision for taxation - net

	Note	2024	2023
		Rupees	Rupees
Opening balance		220,692	191,456
Add: Charge for the year		77,678	112,218
Add: Prioer period adjustment		(43,529)	-
		254,841	303,674
Less: Payment / advance tax		(170,293)	(82,982)
	24.1	84,548	220,692

24.1 The Company is carrying excess tax provisioning amounting to Rs. 116.893 million (2023: Rs. 108.4 million) as at the reporting date. These tax provisions will be adjusted in upcoming years upon lapsing of respective deemed assessed tax years.

Note 25
Contingencies and Commitments

Contingencies:

25.1 Enforcement Officer Punjab Revenue Authority (PRA) issued notice dated May 31, 2023 regarding the withholding tax amounting to Rs. 1,039,778 not deducted by the Company for tax period 2016, 2017 and 2018, resulting in a default by the Company. As per provisions of the Punjab Sales Tax on Services (Withholding) Rules, 2015, the Company was required to deposit the tax deducted on services received. Based on the advisors opinion as a consequence of non-payment for above said periods, default surcharge of Rs. 859,744 and penalty of Rs. 51,989 are also likely to be paid by the Company.

25.2 Additional Commissioner, Enforcement, PRA has issued order dated January 25, 2021 u/s 24(2) of the Punjab Sales Tax on Services Act, 2012 for tax period 2019-20 and raised a demand of Rs. 43.480 million. The Company has appealed to Commissioner Inland Revenue (CIR - A) PRA. The proceedings are pending as of the reporting date and no recovery notice has been received so far and therefore no provision in this regard has been recorded. Based on the advisor's opinion the Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these unconsolidated financial statements.

25.3 The Company received a notice u/s 28 of the Sindh Sales Tax on Services Act, 2011 in which the Company was selected for tax audit. The taxpayer made due compliance by submitting reply along with the CPRs for the paid amount on account of sales tax on services, default surcharge and penalty for the above mentioned period totalling to Rs. 2,682,652. However, no order has been received by the Company and based on the advisor's opinion the Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these unconsolidated financial statements.

25.4 Notice under rule 44(4) dated January 21, 2020 for the tax year 2019, has been issued by Assistant Commissioner Inland Revenue for reconciliation of total payments made and tax withheld by tax payer amounting to Rs. 102.604 million. Satisfactory reply has been submitted. Notice u/s 161(1A) has been issued by the department dated February 13, 2020. The Company has given satisfactory reply in this regard and expects a favourable outcome based on advisor's opinion. The order is still pending.

25.5 Notice regarding difference in sales as per unconsolidated financial statements and SRB's Returns Declaration amounting to Rs. 51.392 million for the Financial Year 2019, 2020 and 2021 was issued. Reply with reconciliation filed vide letter No.886 dated January 25, 2023. No order is passed till date. The Company expects a favorable outcome of the proceedings and no provision in this regard has been recorded.

25.6 The Assistant Commissioner Inland Revenue issued a notice under section 4C on March 29, 2024 for the year 2023. The taxpayer duly responded; however , the commissioner passed an order on April 30, 2024 ,raising a demand of Rs.20,052,336/-.Being aggreived ,the taxpayer filed an appeal before the Appellate Tribunal Inland Revenue (ATIR). Based on the advisor's opinion the Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these unconsolidated financial statements.

Note 25, Contingencies and Commitments - Continued...

25.7 The Additional Commissioner issued a notice under section 122(9) on April 17, 2024. This notice pertains for the period 2018. The taxpayer duly responded along with complete documentary evidence , butt the Additional Commissioner Inland Revenue passed an order dated June 30 , 2024 , raising a demand of Rs. 90,443,623. Being aggreived ,the taxpayer filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Based on the advisor's opinion the Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these unconsolidated financial statements.

Commitments

25.8 Bank guarantees have been issued amounting to Rs. 352.173 million (2023: Rs. 197.145 million) against the performance of various contracts.

25.9 Letters of credit outstanding at year end amount to Rs. 121.588 million (2023: Rs. 125.870 million) which relates to import acceptance bills.

Note 26
Revenue from Contracts with Customers

	Note	2024	2023
		--- Rupees in Thousands ---	
			(Re-arranged)
Local Sales			
Sale of goods		1,700,462	1,785,615
Services rendered		805,149	750,298
Export Sales			
Agency commission		58,184	143,488
Project revenue - export		665,210	384,346
IT enabled back office support		243,751	237,756
		3,472,756	3,301,503
Less: Sales tax			
Sale of goods		(258,857)	(321,411)
Services rendered		(111,055)	(122,498)
		(369,912)	(443,909)
		3,102,844	2,857,594

26.1 Country wise breakup of export revenue are:

Qatar	439,158	246,064
United Arab Emirates	240,878	321,016
Kingdom of Saudi Arabia	287,109	198,510
	967,145	765,590

26.2 Contract balances

Trade receivables	2,606,195	2,605,931
Contract assets	580,728	674,306
Contract liabilities	119,369	249,434

26.3 This represents the revenue earned from shariah compliant activities.

Note 27
Cost of Revenue

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening stock		85,282	37,577
Purchases and direct expenses		2,111,546	1,978,272
Closing stock		(100,907)	(85,282)
	27.1	2,095,921	1,930,567

27.1 Cost of revenue

Materials consumed		914,952	1,047,874
Salaries, wages, allowances and other benefits	27.1.1	507,834	327,543
Employees' share option expense		73,906	33,287
Telephone, postage and telex		18,634	12,321
Utilities		6,744	6,054
Travelling and conveyance relating to engineering services		96,550	71,023
Installation charges		336,648	311,924
Entertainment relating to engineering services		18,317	10,584
Repairs and maintenance		4,003	2,751
Printing and stationery		1,563	1,886
Import cost		35,655	35,708
Insurance		4,165	2,405
Rent, rates and taxes		11,619	6,848
Training		835	185
Fee & subscription		3,172	6,940
Depreciation on property and equipment	6.1	53,962	46,217
Other expense		7,362	7,017
		2,095,921	1,930,567

27.1.1 Salaries, wages and benefits include Rs. 22.46 million (2023: Rs. 15.151 million) and Rs. 1.606 million (2023: Rs. 1.873 million) representing provident fund contribution by the Company and accumulating compensated absences respectively. This includes amount Rs. 230.56 million (2023: Rs. 186.175 million) which relates to project services revenue.

Note 28
Administrative and Selling Expense

	Note	2024	2023
		--- Rupees in Thousands ---	
Salaries, wages, allowances and other benefits	28.1 & 28.4	188,731	147,735
Employees' share option expense		110,890	49,931
Telephone, postage and telex		15,788	11,550
Utilities		6,743	6,054
Entertainment		10,617	5,677
Repairs and maintenance		12,009	7,910
Sales promotion expense		1,879	943
Printing, stationery and periodicals		1,256	1,377
Vehicle running and maintenance		3,094	5,132
Travelling and conveyance		27,012	20,325
Rent, rates and taxes		11,619	6,848
Training		335	24
Insurance		4,165	2,288
Legal and professional charges		6,243	11,508
Auditors' remuneration	28.2	4,050	4,089
Fee and subscription		99,616	35,813
Corporate expense		2,495	3,949
Late delivery charges		10	36
Depreciation on property and equipment	6.1	53,962	46,217
Other expenses		9,068	7,878
		569,582	375,284

Note 28, Administrative and Selling Expense - Continued...

28.1 Salaries, wages and benefits include Rs. 8.46 million (2023: Rs. 5.955 million) and Rs. 1.557 million (2023: Rs. 0.736 million) representing provident fund contribution by the Company and accumulating compensated absences respectively.

	2024	2023
	--- Rupees in Thousands ---	
28.2 Auditors' remuneration		
Statutory audit	2,700	2,608
Half yearly review fee	850	810
Review of Code of Corporate governance	150	138
Other charges and out of pocket expenses	350	533
	4,050	4,089

Note 29
Other Operating Expense

	Note	2024	2023
		--- Rupees in Thousands ---	
Donations	29.1	9,522	6,558
Exchange loss		98,625	-
Bad debts write-off		49,921	2,470
Allowance for expected credit losses - trade debts		56,652	19,202
Allowance for expected credit losses - contract assets		-	18,202
Allowance for expected credit losses - related parties		44,315	430,463
Penalty		597	-
Fair value loss on short term investment		-	20
		259,632	476,915

29.1 The details of the donation to a single party exceeding 10% of Company's total amount of donation is as follows:

Aziz Jehan Begum Trust	2,073	-

Note 30
Other Operating Income

	Note	2024	2023
		--- Rupees in Thousands ---	
Profit on bank deposits		3,013	1,551
Markup income on intercompany current accounts		3,669	36,670
Exchange gain		-	1,664,823
Gain on disposal of property and equipment	6	7,925	9,313
Dividend income from subsidiaries		565,565	155,320
Others		4,123	7,646
		584,295	1,875,323

Note 31
Finance Cost

	2024	2023
	--- Rupees in Thousands ---	
Mark-up / interest on:		
Short term borrowings	68,966	114,316
Current account markup	41,392	47,230
Diminishing musharaka	45,365	41,185
Provident fund	-	940
	155,723	203,671
Bank charges	13,016	7,901
Guarantee commission	20,020	1,279
	188,759	212,851

Note 32
Levy / Final Taxation

	2024	2023
	--- Rupees in Thousands ---	
Levy - final tax	77,678	112,218
Prior period adjustment	(43,529)	-
	34,149	112,218

32.1 This represents portion of minimum tax paid which is over and above the normal tax liability under different provisions of Income Tax Ordinance, 2001, further it includes final tax liability under the different provisions of Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21 / IAS 37.

Note 33
Taxation

	2024	2023
	--- Rupees in Thousands ---	
Current	-	-
Prior year adjustment	-	-
	-	-

33.1 Reconciliation between accounting profit and tax expense for the current year is not presented as the provision for current income tax for the year is based on minimum tax under section 153 of Income tax Ordinance 2001.

33.2 Reconciliation of Levy and Income tax under IAS-12

Current tax liability as per applicable tax laws	34,149	112,218
Portion of current tax liability representing income tax as per IAS -12	-	-
Portion of current tax liability representing levy as per IFRIC 21 / IAS 37	(34,149)	(112,218)
Difference	-	-

Note 34
Earning per share- Basic and Diluted

		Note	2024	2023
			--- Rupees in Thousands ---	
34.1	**Basic earnings per share**			(Restated)
	Net profit for the year	Rupees in thousand	539,096	1,625,082
	Weighted average number of ordinary shares	Numbers in thousand	392,835	414,027
	Earnings per share		1.37	3.93

34.2 Diluted earnings per share

Diluted earnings per share is calculated by adjusting weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has granted share options to employees as explained in Note 16.

	2024	2023
	--- Rupees in Thousand ---	
Net profit for the year	539,096	1,625,082

	2024	2023
	--- Numbers in Thousand ---	
Weighted average number of ordinary shares	392,835	414,027
Adjustment for share options	8,862	5,778
Weighted average number of ordinary shares for diluted earnings per share	401,697	419,805
Diluted earnings per share (Rupees)	1.34	3.87

34.2.1 Share options issued by the Company have a dilutive effect on the earnings per share since the fair value of the ordinary shares during the year exceeds the exercise price of the options.

34.2.2 The weighted average number of ordinary shares of 2023 has been restated in accordance with the requirements of IAS 33 due to issuance of 37,729,348 bonus shares and 995,633 shares under employee share scheme in 2024.

Note 35
Changes in Liabilities Arising from Financing Activities

	Note	As at December 31, 2023	Non - cash changes	Cashflows (Net)	As at December 31, 2024
		--- Rupees in Thousands ---			
Share Capital issued	14	3,762,978	377,294	9,956	4,150,228
Share Premium	15	451,420	57,375	115	508,910
Diminishing musharaka	18	184,838	-	(31,517)	153,321
Short term borrowings	22	294,466	-	238,020	532,486
Unpaid dividend	23	152,835	754,587	(758,183)	149,239
		4,846,537	1,189,256	(541,609)	5,494,184

	Note	As at December 31, 2022	Non - cash changes	Cashflows (Net)	As at December 31, 2023
		--- Rupees in Thousands ---			
Share Capital issued	14	3,247,006	490,823	25,149	3,762,978
Share Premium	15	353,273	(38,761)	136,908	451,420
Diminishing musharaka	18	153,471	86,276	(54,909)	184,838
Short term borrowings	22	609,997	-	(315,531)	294,466
Unclaimed dividend	23	176,283	-	(23,448)	152,835
		4,540,030	538,338	(231,831)	4,846,537

35.1 The Company classifies the finance cost paid as cashflow from operating activities.

Note 36
Transactions and Balances with Related Parties

Related parties comprise the holding company, associated companies due to common directorship, staff retirement funds, directors and key management personnel. The Company in the normal course of business carries out transactions with various relatcd parties. The Company enters into transactions with related parties on the basis of mutually agreed terms. Outstanding balances as at the reporting date are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party's receivable or payable balances. Significant balances and transactions with related parties are as follows:

Transactions during the year

Name of related party	Relationship	Nature of transaction	2024	2023
			--- Rupees in Thousands ---	
Avanceon FZE- UAE	Subsidiary	Agency commission charged	58,184	143,317
		Back office support income	57,521	69,047
		Revenue recognised on the projects based on the stage completion	125,173	108,369
		Collection / adjustment from AVFZE	105,930	156,115
		Payment to suppliers by AFZE on behalf of the Company	441,167	621,664
		Payment during the year		
		Payment to employees by AVL on behalf of the Company	27,460	30,273
		Payments to employees by AVFZE	15,037	15,366
		Employee share option expense charged	4,823	5,322
		Payment to suppliers by AVL on behalf of AVFZE	34,773	6,493
		Fee for technical services	-	724
		Purchased investment in AVSEC	-	754

Note 36, 'Transactions and Balances with Related Parties - Continued...

			2024	2023
			--- Rupees in Thousands ---	
Avanceon Automation and Control - AVAC	49%	Income against engineering / support services		38,265
		Back office support income	44,469	59,327
		Revenue recognised on the projects based	303,473	148,067
		Dividend income	-	155,320
		Payment to suppliers by AVAC on behalf of the Company	6,426	96,909
		Payment to employees by AVN on behalf of AVAC	2,277	55,040
		Payments to employees by AVAC	3,777	22,758
		Payment to suppliers by AVN on behalf of AVAC	3,674	2,228
		Employee share option expense charged	8,639	11,299
		Cash received from AVAC	4,920	49,407
		Investment in QFZE	-	1,552
Avanceon Saudi Energy Company- KSA	100% Subsidiary	Payment to suppliers by AVN on behalf of the AVSEC	602	8,250
		Reimbursement of expenses	22,195	
		Revenue recognised on the projects	215,863	118,471
		Back office support charged	71,246	70,600
		Payment to employees of AVSEC by AVN	4,347	22,553
		Payment to the Company's employees by AVSEC	3,559	8,252
Octopus Digital Limited- Octopus	74% Subsidiary	Reimbursement of expenses	5,959	1,152
		Salaries payment to employees by AVN	93,598	223,240
		Back office support income	10,000	54,896
		Installation charges incurred	84,605	103,634
		Subcontracting charges incurred	45,021	38,244
		Payments received or made to suppliers by Octopus on behalf of AVN	28,533	57,106
		Repayment of advances to Octopus	85,482	126,450
		Adavnces received from Octopus	218,160	271,403
		Markup accrued on loan	-	91,622
		Markup on current Account - AVN	619	34,488
		Purchase of Empiric AI from AVN	-	440,023
		Acquisition of Empiric AI	-	111,266
		Payment to suppliers by Octopus	8,647	29,557
		Receipt/Adjustment of loan from AVN	-	300,000
		Building rent charged	-	360
Empiric AI (Private) Limited - EAI	74% Subsidiary	Payment to employee by AVN	12,625	37,381
		Payments to supplier by AVN	131	1,538
		Funds tranferred from EAI	15,000	69,900
		Payments to employees by EAI	-	10
		Back office support charged	-	54,896
Avanceon Arabia Infotech	60% Joint venture	Payment made by AVN on behalf of AVSEC	680	760
		Payment to Employees by AVN	1,422	-
Avanceon QFZ LLC Qatar	100% Subsidiary	Back office support	70,515	-
Bakhtiar Hameed Wain	Key management	Loan received	90,000	-

Note 36, 'Transactions and Balances with Related Parties - Continued...

			2024	2023
			--- Rupees in Thousands ---	
Contribution to staff provident fund	Provident fund	Expense charged in respect of retirements benefit plans.	-	21,106

Outstanding balance as at the year end

Name of related party	Relationship	Nature of transaction		
Avanceon FZE- UAE	Subsidiary	Trade debts	481,710	649,796
		Long-term interest free receivables	2,824,833	2,881,326
		Accounts receivable	310,239	87,905
		Creditors, accrued and other liabilities	452,069	-
Avanceon Automation and Control - AVAC	49%	Trade debts	479,896	1,131,999
		Long-term interest free receivables	1,387,245	1,420,474
		Accounts receivable	797,241	503,536
		Creditors, accrued and other liabilities	-	9,267
Avanceon Saudi Energy Company- KSA	100% Subsidiary	Trade debts	569,716	372,012
		Accounts receivable	17,593	19,785
Octopus Digital Limited- Octopus	74% Subsidiary	Trade debts	41,073	8,524
		Creditors, accrued and other liabilities	338,609	546,740
Empiric AI (Private) Limited - EAI	74% Subsidiary	Trade debts	63,679	63,679
		Creditors, accrued and other liabilities	243,331	25,563
Avanceon Arabia Infotech	60% Joint venture	Accounts receivable	160	776
Inovative Travels (Private) Limited		Creditors, accrued and other liabilities	1,320	1,320

36.1 There were no transactions with key management personnel other than those undertaken as per terms of their employment.

36.2 Following are the related parties with whom the Company has entered into transactions or have arrangements / agreements in place:

Sr. No.	Name	Basis or association	Aggregate % of Shareholding
1	Avanceon FZE (UAE)	Subsidiary	100%
2	Octopus Digital Limited	Subsidiary	74%
3	Avanceon Saudi Energy Company	Subsidiary	100%
4	Avanceon Automation and Control WLL	Subsidiary	49%
5	Octopus Digital Inc. USA	Sub Subsidiary	100%
6	Avanceon Arabia For Infotech	Sub Subsidiary	60%
7	Avanceon QFZ LLC Qatar	Sub Subsidiary	100%
8	Inovative Travels	Common Directorship	
9	Bakhtiar Hameed Wain	Chief Executive Officer	

Note 37

Operating Segment Information

Operating segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Maker. The Chief Executive Officer (CEO) of the Company has been identified as the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. The CEO is responsible for the management of the Company's entire business which is considered as a single operating segment. The Company's assets allocation decisions are based on a single integrated investment strategy and the Company's performance is evaluated on an overall basis.

The internal reporting provided to the CEO for the Company's assets, liabilities and performance is prepared on a basis consistent with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.

- *Information about major customers*

  No sale has been made to any customer representing 10% or more of total sales for the year. (2023: Nil).

- *Information about geographical areas*

  All non-current assets of the Company except for long term investments are located in Pakistan as at the reporting date.

The sales percentage by geographic region is as follows:

	2024	2023
	%	%
Pakistan	69%	73%
Qatar	14%	9%
United Arab Emirates	8%	11%
Kingdom of Saudi Arabia	9%	7%
	100%	100%

Note 38
Provident Fund

	2024	2023
	--- Rupees in Thousands ---	
	(Un-audited)	
Size of the fund / trust	327,631	221,178
Cost of investment made	170,212	199,100
Fair value of investment	192,413	183,091
	- - - - - (Percentage) - - - - -	
Percentage of investment made	59%	83%

Break up of investments - based upon fair value

	2024	2023
	---%age of size of fund---	
Government Securities	100,114	113,249
Scheduled Banks	20,039	1,889
Other Mutual Funds	8,122	24,559
Listed Securities	64,138	43,394
	192,413	183,091

Break up of investment

Government Securities	52%	62%
Scheduled Banks	11%	1%
Other Mutual Funds	4%	13%
Listed Securities	33%	24%

38.1 All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

38.2 These figures are presented in the financial statements on the basis of unaudited financial statements of the Fund.

Note 39
Financial Risk Management

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks; the Company's objectives; policies and processes for measuring and managing risk.

The Company's risk management policies are established to identify and analyze the risks faced by it, 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 Company's activities.

39.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Note 39, Financial Risk Management - Contd...

(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 where receivables and payables exist due to transactions entered into foreign currencies. The Company is exposed to foreign currency risk on trade debts, payables and revenues which are entered in a currency other than Pak Rupees. As at the reporting date, the Company's exposure to currency risk was as follows:

	Note	2024	2023
		--- Rupees in Thousands ---	
Trade debts	10	1,934,324	2,153,807
Dividend receivable	12	1,061,040	501,783
Other receivable	12	65,259	73,551
Bank balances	13	174	176
Payable to related parties		(717,851)	(535,661)
Letter of Commitments		(121,588)	(125,870)
		2,221,358	2,067,786

The following significant exchange rates were applied during the year.

December 31, 2024	**USD**	**EUR**	**AED**	**SAR**	**QAR**
Average rate	280.38	301.13	76.79	74.67	76.92
Reporting date rate	278.35	289.14	76.15	74.02	76.23

December 31, 2023	**USD**	**EUR**	**AED**	**SAR**	**QAR**
Average rate	254.65	277.72	69.83	67.86	69.97
Reporting date rate	282.40	313.11	77.43	75.31	77.60

Sensitivity analysis

If the functional currency, as at the reporting date, had weakened / strengthened by 1% against the foreign currencies with all other variables held constant, the impact on profit before taxation for the year would have been Rs. 22.214 million (2023: Rs. 20.678 million) respectively lower / higher, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not entirely reflect the exposure during the year.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from bank borrowings, deposits in profit and loss / saving accounts. The Company mitigates its interest rate risk by investing available cash in bank deposits where applicable, generating more return compared to the finance cost.

As at the reporting date the interest rate profile of the Company's interest bearing financial instruments was as under:

	2024	2023
	--- Rupees in Thousands ---	
Floating rate instruments		
Financial Assets		
Other Receivable from related parties	53,781	62,073
Mark-up based deposits and saving accounts -Conventional Banks	7,089	236
	60,870	62,309
Financial liabilities		
Payable to Related Parties	836,053	535,661
Long term diminishing musharaka	153,321	184,838
Short term borrowings	532,486	294,466
	1,521,860	1,014,965

Cash flow sensitivity analysis for variable rate instruments

As at December 31, 2024, if interest rates had been 1% higher / lower with all other variables held constant, profit before tax for the year would have been higher / lower by Rs. 14.610 million (2023: Rs. 9.527 million), mainly as a result of interest exposure on variable rate instruments.

Note 39, Financial Risk Management - Contd...

(c) 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. The Company is not exposed to this risk.

39.2 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

Contractual maturities of financial liabilities as at December 31, 2024:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	---------- Rupees in Thousands ----------					
Diminishing musharaka	153,321	187,052	53,748	69,872	63,432	-
Creditors, accrued and other liabilities	1,572,407	1,572,407	1,572,407	-	-	-
Short term borrowings	532,486	660,283	660,283	-	-	-
Unpaid Dividend	149,239	149,239	149,239	-	-	-
	2,407,453	2,568,981	2,435,677	69,872	69,872	-

Contractual maturities of financial liabilities as at December 31, 2023:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	---------- Rupees in Thousands ----------					
Diminishing musharaka	184,838	219,957	60,997	79,296	79,664	-
Creditors, accrued and other liabilities	1,238,260	1,238,260	1,238,260	-	-	-
Short term borrowings	294,466	356,304	356,304	-	-	-
Unpaid Dividend	152,835	152,835	152,835	-	-	-
	1,870,399	1,967,356	1,808,396	79,296	79,296	-

39.3 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk of the Company arises from trade debts, loans and advances, trade deposits, other receivables and deposits with banks. To reduce exposure to credit risk, the Company has developed a formal approval process. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors and makes provision against those balances (if required). The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any. As at December 31, 2024, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:

Note 39, Financial Risk Management - Contd...

	Note	2024	2023
		--- Rupees in Thousands ---	
Long - term investments	7	5,563,873	5,653,595
Long - term deposits and loans	8	5,705	6,052
Trade debts	10	2,606,195	2,605,931
Advances, deposits and other receivables	12	1,148,478	595,548
Bank balances	13	19,184	84,515
		9,343,435	8,945,641

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

	Rating				
	Short term	Long term	Rating Agency	2024	2023
				--- Rupees in Thousands ---	
Habib Bank Limited	A1+	AAA	VIS	1,357	260
National Bank of Pakistan Limited	A1+	AAA	VIS	70	70
JS Bank Limited	A1+	AA	PACRA	7,219	24,976
Standard chartered Bank Limited	A1+	AAA	PACRA	924	9,705
Faysal Bank Limited	A1+	AA	PACRA	8,929	10,215
United Bank Limited	A1+	AAA	VIS	684	684
Dubai Islamic bank Limited	A-1+	AA	VIS	1	30
MCB Islamic Limited	A1	A+	PACRA	-	38,575
				19,184	84,515

After giving consideration to the strong financial standing, the management does not expect any non-performance by the counterparty on it's obligations to the Company. Accordingly, the credit risk is minimal.

39.4 Financial instruments by categories

Financial assets as at December 31, 2024

	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		--- Rupees in Thousands ---		
Long term investments	-	5,563,873	-	5,563,873
Trade debts	-	2,606,195	-	2,606,195
Long - term deposits and loans	-	5,705	-	5,705
Advances, deposits and other receivables	-	1,148,478	-	1,148,478
Bank balances	-	19,184	-	19,184
	-	9,343,435	-	9,343,435

Financial assets as at December 31, 2023

	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		--- Rupees in Thousands ---		
Long term investments	-	5,653,595	-	5,653,595
Trade debts	-	2,605,931	-	2,605,931
Long - term deposits and loans	-	6,052	-	6,052
Advances, deposits and other receivables	-	595,548	-	595,548
Bank balances	-	84,515	-	84,515
	-	8,945,641	-	8,945,641

Financial liabilities as at Dec 31,

At amortized cost

	2024	2023
	--- Rupees in Thousands ---	
Diminishing musharaka	153,321	184,838
Creditors, accrued and other liabilities	1,572,407	1,238,260
Unclaimed dividend	149,239	152,835
Short term borrowings	532,486	294,466
	2,407,453	1,870,399

Note 39, Financial Risk Management - Contd...

39.5 Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates. As at December 31, 2024 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

The fair values of all financial assets and liabilities are not considered to be significantly different from their carrying values. The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques (market observable)
Level 3	Valuation techniques (non market observable)

There is no financial instrument which is remeasured at fair value.

Note 40

Remuneration of Chief Executive Officer, Directors and Executives

The aggregate amounts charged in these financial statements for remuneration, allowances including all benefits to the Chief Executive Officer, Directors and Executives of the Company are as follows:

	2024			
	Chief Executive Officer	**Executive Directors**	**Non Executive Directors**	**Executive**
	--- Rupees in Thousands ---			
Managerial remuneration and	-	5,867	-	180,177
House rent	-	587	-	18,018
Utilities	-	587	-	46,426
Meeting fee	-	800	-	-
Contribution to provident fund	-	587	-	18,018
Others	-	14	-	2,347
	-	8,442	-	264,986
Number of persons	1	3	3	63

	2023			
	Chief Executive Officer	**Executive Directors**	**Non Executive Directors**	**Executive**
	--- Rupees in Thousands ---			
Managerial remuneration and	-	-	-	136,384
House rent	-	-	-	99,911
Utilities	-	-	-	13,054
Meeting fee	-	1,200	-	-
Contribution to provident fund	-	-	-	13,462
Others	-	-	-	3,803
	-	1,200	-	266,614
Number of persons	1	3	3	55

40.1 The company also provides the director and certain executives with company maintained cars. No remuneration has been paid to non-executive directors of company

40.2 An Executive is defined as an employee, other than the Chief Executive Officer and Directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

Note 41

Capital Management

While managing capital, the objectives of the Company are to ensure that it continues to meet the going concern assumption, enhances shareholders' wealth and meets stakeholders' expectations. The Company ensures its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising the option of issuing right shares or repurchasing shares, if possible, selling surplus assets without affecting the optimal operating level and regulating its dividend payout thus maintaining smooth capital management.

In line with the industry norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including current and non current) less cash and cash equivalents. Total capital employed is calculated as equity, as shown in the statement of financial position, plus net debt.

As at the reporting date, the gearing ratio of the Company was worked out as under:

	2024	2023
	--- Rupees in Thousands ---	
Total borrowings	685,807	479,304
Cash and bank balances	(19,351)	(84,586)
Net debt	666,456	394,718
Equity	7,881,374	7,827,362
Total capital employed	8,547,830	8,222,080
Gearing ratio	7.80%	4.80%

Note 42

Number of Employees

	2024	2023
	Numbers	Numbers
Number of employees as at December 31,	301	266
Average number of employees during the year	284	256

Note 43

Shariah Screening Disclosures

	Note	2024	2023
		--- Rupees in Thousands ---	
Loans / advances obtained as per Islamic mode	22	99,865	99,494
Interest or mark up accrued on any conventional loan or advances	20	19,131	26,335
Shariah compliant bank deposits / bank balances	13	1	30
Profit earned from shariah compliant bank deposits / bank balances		-	-
Revenue earned from a shariah compliant business segment	26	3,102,844	2,857,594
Gain / loss or dividend earned from shariah compliant investments		-	-
Gain earned from Shariah compliant investments		-	-
Exchange (loss) / gain earned from actual currency	29 & 30	(98,625)	1,664,823
Mark up paid on Islamic mode of financing		67,282	42,510
Interest paid on any conventional loan or advance		87,151	168,225

Note 43, Shariah Screening Disclosures- Contd...

Relationship with shariah compliant banks

The Company has relationships with following shariah compliant banks during the year along with transactions with them:

Bank	Nature of transaction	2024	2023
		--- Rupees in Thousands ---	
Dubai Islamic Bank Limited	Bank balance closing	1	30
	Loan obtained balance	-	-
	Profit earned on bank deposits	-	-
	Markup / bank charges paid on islamic mode of financing	-	-
MCB Islamic Bank Limited	Bank balance closing	-	-
	Loan obtained balance	127,676	125,731
	Loan paid balance	130,715	30,067
	profit earned on bank deposits	-	-
	Markup / bank charges paid on islamic mode of financing	67,282	42,510

Note 44

Authorization of Financial Statements

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on March 27, 2025 .

Note 45

General

Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. The following immaterial rearrangements / reclassifications have been made in these financial statements for better presentation:

Nature	From	To	Amount
			---- Rupees in Thousands ----
Taxation (2023: Restate	Taxation (Note 33)	Levy / final taxation (Face of Income Statement)	112,218
Trade creditors	Trade creditors (Note 20)	Accrued expenses (Note 20)	24,171
Trade creditors	Trade creditors (Note 20)	Provision for taxation (Face of balance sheet)	220,692
Revenue from Contracts with Customers	IT enabled engineering (Note 26)	IT enabled back office support (Note 26)	60
Expected Credit Loss	Administrative and selling expense (Note 28)	Other operating expenses (Note 29)	19,202
Expected Credit Loss	Administrative and selling expense (Note 28)	Other operating expenses (Note 29)	18,202
Expected Credit Loss	Administrative and selling expense (Note 28)	Other operating expenses (Note 29)	430,463
Balance written off	Administrative and selling expense (Note 28)	Other operating expenses (Note 29)	2,470

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

AVANCEON
Tomorrow's solutions, today.

CONSOLIDATED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Crowe

AVANCEON
Tomorrow's solutions, today.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVANCEON LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **AVANCEON 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 Matters

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.

Following are the key audit matters:

Key Audit Matters	How the Matter was Addressed in our Report
1. Revenue	
Refer to Notes 4.12 and 32 to the consolidated financial statements. The Group has earned revenue of Rs. 16,156.098 million for the year ended December 31, 2024. The Group's revenue is derived from multiple revenue streams, as referred to in Note 32 to the	Our key audit procedures included: • Obtained an understanding of the Group's processes and related internal controls for revenue recognition and on a sample basis, tested the operating effectiveness of those controls

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Key Audit Matters	How the Matter was Addressed in our Report
accompanying consolidated financial statements, including product sale, rendering of services and provision of project solutions. Each stream has its own revenue recognition policy based on the nature of revenue and underlying contractual arrangements as referred to in Note 4.12. Certain contracts with customers require significant management judgment to determine the appropriate timing and method of revenue recognition. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Group with multiple revenue streams and inherent risk of material misstatement.	• Assessed the appropriateness of the Group's revenue recognition policies and their compliance with applicable accounting and reporting standards • Compared a sample of transactions comprising various revenue streams during the year with underlying documentation including contracts with customers, sales invoices and where relevant, underlying time sheets and other supporting documents to assess whether the revenue was recorded in accordance with the Group's revenue recognition policy and applicable financial reporting framework • Performed substantive analytical procedures by developing an expectation of project revenue for the year based on contracts entered to date and analyzing the amounts recognized against the cost incurred and time elapsed respectively • Performed cut-off procedures on sales to ensure revenue has been recorded in the correct period • Considered adequacy of the related disclosures and assessed whether these are in accordance with the applicable accounting and reporting standards

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

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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.

Crowe

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 accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Crowe

- 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.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2023, were audited by another auditor who expressed an unmodified opinion on those financial statements on April 27, 2024.

The engagement partner on the audit resulting in this independent auditor's report is Amin Ali.

Lahore
Dated: April 03, 2025
UDIN: AR202410051 6kuL95yHh

CROWE HUSSAIN CHAUDHURY & CO
Chartered Accountants

AVANCEON LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
ASSETS			
Non Current Assets			
Property and equipment	6	1,274,588	1,199,042
Intangible assets	7	5,465,222	5,265,807
Long term investments	8	379,669	113,084
Long term deposits and loans	9	82,205	77,521
Deferred tax asset	10	32,697	33,929
		7,234,381	6,689,383
Current Assets			
Stock in trade	11	173,619	130,269
Trade debts	12	7,131,935	9,236,787
Contract assets	13	9,319,803	5,652,592
Advances, deposits, prepayments and other receivables	14	3,445,266	3,013,657
Short term investments	15	100,772	104,108
Cash and bank balances	16	756,748	1,131,258
		20,928,143	19,268,671
		28,162,524	25,958,054
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital: 500,000,000 (2023: 500,000,000) ordinary shares of Rs. 10 each		5,000,000	5,000,000
Issued, subscribed and paid up share capital	17	4,150,228	3,762,978
Share premium	18	508,405	450,915
Gain on dilution of interest		631,367	631,367
Employees' share compensation reserve	19	408,223	177,949
Statutory reserve	20	3,227	3,227
Exchange revaluation reserve		2,639,098	2,671,849
Revenue reserves - unappropriated profits		5,306,198	4,440,188
Surplus on revaluation of property	21	328,199	330,636
		13,974,945	12,469,109
Non controlling interest	22	686,608	620,608
		14,661,553	13,089,717
Non Current Liabilities			
Long term diminishing musharaka	23	112,382	134,943
Lease liability	24	115,274	148,602
Provision for gratuity	25	333,149	294,906
Long term loan	26	96,241	108,650
		657,046	687,101
Current Liabilities			
Creditors, accrued and other liabilities	27	8,439,613	7,139,252
Contract liabilities	28	2,156,718	2,256,775
Current portion of long term diminishing musharaka	23	58,209	63,585
Current portion of lease liability	24	48,586	22,019
Current portion of long term loan	26	25,106	39,992
Short term borrowings	29	1,503,297	1,219,616
Provision against taxation - net		449,098	1,272,079
Unpaid dividend	30	163,298	167,918
		12,843,925	12,181,236
Contingencies and Commitments	31	-	-
		28,162,524	25,958,054

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

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

AVANCEON LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
Revenue from contracts with customers - net	32	16,156,098	17,767,312
Cost of revenue	33	(11,895,851)	(12,161,760)
Gross Profit		4,260,247	5,605,552
Administrative and selling expense	34	(2,489,329)	(2,492,307)
Other operating expense	35	(203,049)	(3,474,748)
Other operating income	36	194,168	4,380,205
		(2,498,210)	(1,586,850)
Operating Profit		1,762,037	4,018,702
Finance cost	37	(447,892)	(408,630)
Share of profit from joint venture	8	179,514	110,367
Profit before Levy and Taxation		1,493,659	3,720,439
Levy / final taxation (2023: Restated)	38	(35,607)	(113,867)
Profit before Taxation		1,458,052	3,606,572
Taxation (2023: Restated)	39	603,402	(995,834)
Net Profit after Taxation		2,061,454	2,610,738
Attributable to			
- Equity holders of parent		2,008,811	2,515,390
- Non controlling interest		52,643	95,348
		2,061,454	2,610,738
Earnings per share (2023: Restated)			
Earnings per share - Basic (Rupees)	40	5.11	6.08
Earnings per share - Diluted (Rupees)	40	5.00	5.99

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

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

AVANCEON LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
Net Profit for the Year		2,061,454	2,610,738
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of subsidiaries		(32,751)	1,206,705
Other comprehensive (loss) / income for the year		(32,751)	1,206,705
Total Comprehensive Income for the Year		2,028,703	3,817,443
Attributable to			
- Equity holders of parent		1,976,060	3,722,095
- Non controlling interest		52,643	95,348
		2,028,703	3,817,443

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

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

AVANCEON LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

Particulars	Issued, Subscribed and Paid up Share Capital	Capital Reserves					Revenue Reserve	Surplus on Revaluation of Property	Non Controlling Interest	Total
		Share Premium	Gain on Dilution of Interest	Employees Share Compensation Reserve	Statutory Reserve	Exchange Revaluation Reserve	Unappropriated Profits			
	--- Rupees in Thousands ---									
Balance as at December 31, 2022	3,247,006	314,007	631,367	155,663	3,001	1,465,144	2,414,049	332,208	525,260	9,087,705
Net profit for the year	-	-	-	-	-	-	2,515,390	-	95,348	2,610,738
Other comprehensive income	-	-	-	-	-	1,206,705	-	-	-	1,206,705
Total comprehensive income for the year	-	-	-	-	-	1,206,705	2,515,390	-	95,348	3,817,443
Transfer from revaluation surplus on account of incremental depreciation	-	-	-	-	-	-	1,572	(1,572)	-	-
Statutory reserve adjustment	-	-	-	-	226	-	-	-	-	226
Transaction with Owners										
Bonus share @ 15%	490,823	-	-	-	-	-	(490,823)	-	-	-
Employee share option reserve	-	-	-	146,358	-	-	-	-	-	146,358
Issuance of shares against employee share option scheme	25,149	136,908	-	(124,072)	-	-	-	-	-	37,985
Balance as at December 31, 2023	3,762,978	450,915	631,367	177,949	3,227	2,671,849	4,440,188	330,636	620,608	13,089,717
Net profit for the year	-	-	-	-	-	-	2,008,811	-	52,643	2,061,454
Other comprehensive loss	-	-	-	-	-	(32,751)	-	-	-	(32,751)
Total comprehensive income for the year	-	-	-	-	-	(32,751)	2,008,811	-	52,643	2,028,703
Transfer from revaluation surplus on account of incremental depreciation	-	-	-	-	-	-	2,437	(2,437)	-	-
Transaction with Owners										
Adjustment of NCI	-	-	-	-	-	-	(13,357)	-	13,357	-
Bonus share @ 10% for the year ended December 31, 2023	377,294	-	-	-	-	-	(377,294)	-	-	-
20% Cash dividend for the period ended December 31, 2023	-	-	-	-	-	-	(754,587)	-	-	(754,587)
Employee share option reserve	-	-	-	287,649	-	-	-	-	-	287,649
Issuance of shares against employee share option scheme	9,956	57,490	-	(57,375)	-	-	-	-	-	10,071
Balance as at December 31, 2024	4,150,228	508,405	631,367	408,223	3,227	2,639,098	5,306,198	328,199	686,608	14,661,553

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

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

AVANCEON LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	2023
		--- Rupees in Thousands ---	
			(Rearranged)
Profit before Levy and tax		1,493,659	3,720,439
Adjustments for:			
Depreciation on property and equipment	33	194,070	192,403
Amortization of intangible assets	34	42,588	70,926
Contract assets written off	35	56,964	3,325,248
Provision for gratuity	25	57,192	73,567
Employees' share option expense	33	287,648	146,358
Allowance for expected credit losses - trade debts	35	(77,095)	112,533
Allowance for expected credit losses - contract assets	35	27,325	30,155
Exchange loss / (gain)	35	103,564	(28,758)
Fair value gain on short-term investments	35	-	(20)
Exchange translation reserve		(30,125)	1,174,861
Gain on disposal of property and equipment	36	(8,220)	(8,572)
Finance cost	37	447,892	408,630
Profit on bank deposits	36	(9,751)	(13,702)
Share of Profit from Joint Venture	8	(179,514)	(110,367)
Income on recognition of trade mark	36	-	(4,329,173)
		912,538	1,044,089
Operating profit before working capital changes		2,406,197	4,764,528
(Increase) / decrease in current assets			
Stock in trade	11	(43,350)	(63,160)
Trade debts	12	2,078,383	(3,191,438)
Contract assets	13	(3,751,500)	(2,369,272)
Advances, deposits, prepayments and other receivables	14	(431,609)	(803,028)
Increase / (decrease) in current liabilities			
Creditors, accrued and other liabilities	27	1,307,427	1,297,631
Contract liabilities	28	(100,057)	517,584
		(940,706)	(4,611,683)
Long-term deposits and loans - net	9	(4,684)	(19,445)
Cash Generated from Operations		1,460,807	133,400
Finance cost paid		(440,915)	(364,827)
Gratuity paid	25	(14,532)	(11,673)
Income tax paid		(253,954)	(151,841)
Net Cash Generated from / (Used in) Operating Activities		751,406	(394,941)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	6.1	(283,706)	(338,345)
Proceeds from sale of property and equipment		14,869	20,809
Long term investments made		(89,232)	-
Purchase of intangibles	7	(242,003)	(142,379)
Profit on bank deposits		9,751	13,702
Short-term investment encashed / (purchased)	15	3,336	(29,250)
Net Cash Used in Investing Activities		(586,985)	(475,463)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid	12	(759,207)	(47,707)
Issuance of shares		10,071	37,985
Short term borrowings - net		283,681	603,208
Long term loans - net		(27,295)	55,105
Repayment of long term lease		(18,244)	(39,257)
Long term diminishing musharaka - net		(27,937)	45,047
Net Cash (Used in) / Generated from Financing Activities	41	(538,931)	654,381
Net Decrease in Cash and Cash Equivalents		(374,510)	(216,023)
Cash and cash equivalents at the beginning of the year	16	1,131,258	1,347,281
Cash and Cash Equivalents at the End of the Year		756,748	1,131,258

The annexed notes from 1 to 51 form an integral part of these consolidated financial statements.

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

AVANCEON LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1
Legal Status and Nature of Business

1.1 Legal status and operations

The Group comprises:

	Note	Status within the Group
- Avanceon Limited (AVN)	1.2	Holding Company
- Avanceon Free Zone Establishment, UAE (AFZE)	1.3	Subsidiary of AVN
- Avanceon Automation and Control W.L.L (AVAC)	1.4	Subsidiary of AVN
- Avanceon Saudi Energy Company (AVSEC)	1.5	Subsidiary of AVN
- Octopus Digital limited (Octopus)	1.6	Subsidiary of AVN
- Avanceon QFZ LLC (AVQFZ)	1.7	Subsidiary of AVN
- Empiric AI (Private) Limited (EAL)	1.8	Subsidiary of Octopus
- Octopus Digital FZ (ODFZ)	1.9	Subsidiary of Octopus

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

BUSINESS UNIT	LOCATION
Head office	The Avanceon Building, 19 km, Multan Road, Lahore 54500.
REGIONAL OFFICES	
Karachi	The Hive 1st Floor, MA Tabba Foundation Building, Girzi Road, Block 9 Clifton, Karachi.
Islamabad	The Hive 6th Floor, ISE Towers Jinnah Avenue, Blue Area Islamabad.

1.3 AFZE is a Free Zone Establishment with limited liability formed pursuant to Law No. 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued thereunder by the Jebel Ali Free Zone Authority and was registered with the Jebel Ali Free Zone Authority under Registration No. 816 on February 28, 2004. Its registered office is situated in the Jebel Ali Free Zone, Dubai, United Arab Emirates. The principal activities of AFZE are to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. The Establishment is wholly owned subsidiary of the Group.

1.4 AVAC is an Establishment with limited liability registered under the Ministry of Commerce and Industry, state of Qatar on May 22, 2017 with Registration No. 99027. Its registered office is situated in Al Jaber Engg. HO Building, PO Box: 15976, Fox Hills, Lusail, Doha - Qatar. The principal activities of AVAC are to provide industrial automation, process control and systems integration solutions, to trade in products of automation and control equipment and provide related technical services. The Group owns 49% equity shares of AVAC. However, based on an agreement signed between the holding Company and other shareholders, the Group has control over its financials and operating decision making of AVAC.

1.5 AVSEC is a Single Person Mixed Limited Liability Company registered in Kingdom of Saudi Arabia and operating under Commercial Registration No. 1010676690 dated 12/05/1442 hijra, corresponding to 27/12/2021. AVSEC is engaged in repairs and maintenance of power and control stations, installation of control equipment for industrial operation, design and programming of special projects, registering for providing cloud services and management of energy efficiency projects.The registered office of AVSEC is in Riyadh, Saudi Arabia. AVSEC is the wholly owned subsidiary of the Group.

1.6 Octopus was incorporated in Pakistan on December 29, 2017 as a private limited company under the Companies Act, 2017, which was converted into a public Company on November 11, 2020. Octopus is a subsidiary of the Group and is listed on Pakistan Stock Exchange Limited. The prime business of Octopus is to carry out Information Technology enabled services which include but are not limited to online data / information storage, online monitoring and review of employees efficiency, online monitoring of cost and production efficiency, online monitoring and maintenance of plant and machinery, sale and trade of related softwares and equipment etc. The Group owns 74.32% equity shares of Octopus.

1.7 AQFZ is incorporated as a limited liability Company under the Companies regulations of Qatar Free Zone Authority under FZA License No. FZA 194 obtained on November 05, 2020. The registered office of the Company is at Zone No. PA-WH-04, Area-Ras Bufontas Free Zone, Street No. PO Box: 45976, Doha-Qatar. The primary objective is to manufacturing of measuring, testing, navigating and control equipment. AVQFZ is the wholly owned subsidiary of the Group.

Avanceon Limited
Notes to and Forming Part of the consolidated financial statements

Note 1, Legal Status and Nature of Business - Continued...

1.8 EAI is incorporated as a private limited company under the Companies Act, 2017 of Pakistan on May 19, 2020. The registered office of the Company is located in Pakistan. The primary objective of the Company is to analyze potential opportunities and to provide digital and technology services and products both within Pakistan and internationally. EAI is the wholly owned subsidiary of Octopus. The Group owns 74.32% equity shares of Octopus.

1.9 ODFZ is a Limited Liability Company incorporated pursuant to the regulations of the Dubai Development Authority, Government of Dubai, United Arab Emirates, and was issued Commercial License No. 103074 on June 16, 2023. Its registered office is located at DMC-BLD05-VD-G00-792, Ground Floor, DMC5 Building, Dubai Media City, Dubai, United Arab Emirates. The principal activities of the Entity are to provide software consultancy, software customer service, software development, software solutions, and software support services. The management of the Entity is vested with its Director, Mr. Bakhtiar Hameed Wain, a Pakistani national. ODFZ is the wholly owned subsidiary of Octopus. The Group owns 74.32% equity shares of Octopus.

Note 2
Basis of Preparation

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except to the extent of the following:

Certain property and equipment	Note 6	(Stated at Revalued amount)
Short term investments	Note 15	(Stated at Fair value)
Employees' share compensation reserve	Note 19	(Stated at Fair value)

2.3 Functional and presentation currency

These consolidated financial statements have been prepared in Pak Rupees, which is the functional and presentational currency of the Company. Figures have been rounded off to the nearest rupees in thousand unless stated otherwise.

2.4 Basis of consolidation

2.4.1 Subsidiaries

Subsidiaries are such entities over which the Holding Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. These consolidated financial statements include separate financial statements of Holding Company and its subsidiaries companies in which Holding Company directly or indirectly controls, beneficially owns more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The existing voting rights that are currently exercisable are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date the control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to acquisition. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Inter-company transactions, balances and unrealized gains on transactions amongst Group companies are eliminated. Accounting policies of subsidiaries are amended, where necessary, to ensure consistency with the policies adopted by the Group.

When the Group ceases to consolidate an investment in a subsidiary because of loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to the profit or loss.

Note 2, Basis of Preparation - Continued...

2.4.2 Investments in joint venture

Joint ventures are all entities over which the Group has joint control, as defined in IFRS 11 – Joint Arrangements. Joint control exists when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint ventures are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in a joint venture equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the investee company.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4.3 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses, if any. Excess of Group's share of the net identifiable asset over cost is recognized in consolidated statement of profit or loss as a bargain purchase gain.

2.4.4 Non-controlling interest

The Group treats transactions with non-controlling interest as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in consolidated statement of profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in consolidated other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. This may mean that amounts previously recognized in consolidated other comprehensive income are re-classified to consolidated statement of profit or loss. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in consolidated other comprehensive income is re-classified to consolidated statement of profit or loss where appropriate.

2.5 Key judgements and estimates

The preparation of the consolidated financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the year in which such revisions are made. Significant management estimates in these financial statements relate primarily to:

- Useful lives, residual values, depreciation method of property, plant and equipment – Note 4.1 & 6
- Provision for obsolescence of inventories - Note 5.1 & 11
- Provision for expected credit losses – Note 4.10 & 12
- Estimation of contingent liabilities - Note 4.9 & 28
- Obligation of Staff retirement benefits - Note 5.2 & 25
- Estimation of provisions - Note 4.8
- Revenue from contract with customers - Note 4.12 & 32
- Impairment loss of non-financial assets other than inventories – Note 4.15
- Current income tax expense and provision for current tax - Note 4.6

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

Note 3
Changes in Accounting Standards, Interpretations and Pronouncements

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

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

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

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

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

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

3.3

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

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

3.4 IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes

During the year, 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). In accordance with the Guidance, the Group has changed its accounting policy to recognize minimum and final taxes as 'Levy' under 'IAS 37 Provisions, Contingent Liabilities and Contingent Assets' which were previously being recognized as 'Income tax'.

The Group has accounted for the effects of these changes in accounting policy retrospectively under 'IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors' and the corresponding figures have been restated in these financial statements. The effects of restatements are as follows:

Note 3, Changes in Accounting Standards, Interpretations and Pronouncements - Continued...

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	--- Rupees in Thousands ---		
Effect on statement of profit or loss			
For the year ended December 31, 2024			
Levy	-	(35,607)	(35,607)
Profit before taxation	1,493,659	35,607	1,458,052
Taxation	567,795	(35,607)	603,402
Profit after tax	2,061,454	-	2,061,454
For the year ended December 31, 2023			
Levy	-	(113,867)	(113,867)
Profit before taxation	3,720,439	113,867	3,606,572
Taxation	(1,109,701)	(113,867)	(995,834)
Profit after tax	2,610,738	-	2,610,738

The related changes to the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earning per share, basic and diluted.

Note 4

Material Accounting Policy Information

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented unless stated otherwise.

4.1 Property and equipment

Property and equipment except freehold land and building on freehold land are stated at cost less accumulated depreciation and identified impairment losses, if any. Freehold land is stated at revalued amount less identified impairment loss, if any and building on freehold land is stated at revalued amount less accumulated depreciation and impairment loss, if any.

Any revaluation increase arising on the revaluation of land and buildings on freehold land is recognised in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of property", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the profit or loss, in which case the increase is credited to the profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land and building on freehold land is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation of property relating to a previous revaluation of that asset.

Each year, the incremental depreciation and its related deferred taxation, the difference between depreciation based on revalued carrying amount of the asset and depreciation based on the asset's original cost, is transferred from surplus on revaluation of property to retained earnings. All transfers from surplus on revaluation of property are net of applicable deferred taxation. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation is charged to the profit or loss using straight line method so as to write off the historical cost of an asset over its estimated useful life at the rates specified in Note 6 without taking into account any residual value which is considered insignificant. Depreciation on assets is charged from the month of additions (i.e., the month when the asset is ready for use) up till the month of disposal.

The Group reviews the useful life and residual value of property and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on depreciation charge.

Subsequent cost is included in the carrying amount of an asset or recognized as a 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. Day to day maintenance and normal repairs are charged to the profit or loss as and when incurred. Gains or losses on disposal of property and equipment are included in the current year's profit or loss.□

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the period in which it is incurred.

Depreciation method, residual value and useful lives of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Note 4, Material Accounting Policy Information - Continued...

4.2 Capital-work- in progress

Capital work-in-progress is stated at cost less identified impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost may also include applicable borrowing costs. These are transferred to specific assets as and when these are available for use. All other repairs and maintenance are charged to profit or loss during the period in which these are incurred.

4.3 Intangible assets

Research and software products development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, it is probable that future economic benefits will flow to the Group, the Group has an intention and ability to complete and use or sell the software and cost can be measured reliably.

There are two components of intangible assets:
a. In-house developed intangible assets
b. Intangible assets acquired from market

(a) In-house developed intangible assets

The Group may capitalize certain computer software development costs in accordance with IAS-38 "Intangible Assets". Costs incurred internally to create a computer software product or to develop an enhancement to an existing product are charged to expense when incurred as research and development expense until technological feasibility for the respective product is established. Thereafter, all software development costs may be capitalized and reported at the lower of unamortized cost or recoverable amount. Capitalization will cease when the product or enhancement is available for general release to customers.

Amortization is charged on straight line basis over the useful life of the intangible assets. All intangible assets with an indefinite useful life are tested for impairment at each reporting date.

(b) Intangible assets acquired from market

Intangible assets acquired from market are stated at cost less accumulated amortization and identified impairment losses, if any.

Subsequent costs are included in the asset's carrying amounts or recognized as a 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 expenses are charged to profit or loss when they occur.

Amortization is charged by applying straight line method to write off the cost over the remaining useful life of the intangible assets unless such lives are indefinite. All intangible assets with an indefinite useful life are tested for impairment at each reporting date. Amortization is charged from the date the asset is acquired or capitalized uptil the date the asset is disposed for impairment. Rate of amortization is stated in note 7.3.1.

4.4 Balances from contract with customers

Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. The Group recognizes a contract asset for the earned consideration that is conditional if The Group performs by transferring goods to a customer before the customer pays consideration or before payment is due.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Group transfers goods to the customer.

4.5 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of statement of cash flows, cash and cash equivalents comprises cash in hand and cash at banks in current and savings accounts.

Note 4, Material Accounting Policy Information - Continued...

4.6 Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of profit or loss except to the extent that relates to items recognized directly in equity, in which case it is recognized in equity.

Current

The charge for current tax is based on taxable income for the year determined in accordance with the prevailing law in territories of respective group companies for taxation of income.

Deferred

Deferred tax is recognized using the reporting date liability method on all temporary differences between the carrying amount of assets and liabilities and their tax bases. Deferred tax liabilities are recognized for all major taxable temporary differences. Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized and income is taxable in respective territories of group companies.

4.7 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.8 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses.

4.9 Contingent liability

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent liability is also disclosed when there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits would be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.10.1 Financial assets

All financial assets are recognized at the time when the Group becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Group classifies its financial assets at amortized cost. This classification is based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

Initial recognition and measurement

All financial assets are initially measured at cost plus transaction costs that are directly attributable to its acquisition except for trade receivables and short term investments. Trade receivables are initially measured at the transaction price, if these do not contain significant financing component as per IFRS - 15.

Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

Note 4, Material Accounting Policy Information - Continued...

Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognized in profit or loss.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group's financial assets at amortized cost includes long-term loans and deposits, trade debts, due from related parties, and other receivables.

4.10.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

Subsequent measurement

The Group measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss when the liabilities are derecognized.

4.10.3 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated financial statements only when there is a legally enforceable right to set off the recognized amount and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.11 Foreign currency transactions and translations

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the statement of financial position date. Foreign exchange gains and losses on translation are recognized in the profit or loss. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.12 Revenue recognition

The Group is in the business of automation and engineering solutions. The products and services are sold on their own in separately identified contracts with customers and products together with services are sold in projects as one performance obligation. Revenue is recognized when the performance obligation is satisfied by applying the following five steps of revenue recognition:

a) Identify the contract with a customer
b) Identify the performance obligation in the contract
c) Determine the transaction price of the contract
d) Allocate the transaction price to each of the separate performance obligations in the contract
e) Recognize the revenue as the Company satisfies a performance obligation

Sale of goods

Revenue from sale of goods is recognized at a point in time when control of the goods is transferred to the customers, generally on delivery of products to customers. Payment is generally due within 90-120 days from delivery.

Note 4, Material Accounting Policy Information - Continued...

Rendering of services

Maintenance and service income comprises of revenue earned from service level agreements, where the customer enters into a contract with the Group for a fixed period of time and fee amount, both pre-defined in the contract, for various technical and engineering services. Revenue is recognized on the basis of percentage of rendering of services, i.e. on the number of days of services performed out of the total contracted days for service level agreements. The revenue from rendering of services is recognized over point of time. Payment is generally due within 90-120 days of the end of term period. In some contracts, short-term advances are required before the technical and engineering services are provided.

Project revenue

These comprise of projects such as Hardware and Software Automation, Efficiency solution, Scada Upgradation, etc. Revenue from these projects is accounted for using cost to complete method, according to which the Group's progress towards satisfaction of performance obligations is determined by dividing actual cost incurred on the project to date by total forecasted cost, which is calculated by a team of engineers on the inception of the project. The project revenue is recognized over the period of time. Payment is generally due within 90-120 days from reaching a milestone as per contract and acceptance of the customer. In some contracts, short-term advances are required before the services are provided under the contract. Contract assets and liabilities mainly arise from the projects as the Group recognizes revenue using cost to complete method while the respective customers are billed when a milestone is achieved as agreed in the contract.

Commission Income

Commission income is earned when the Group charges its partners for the sale of items to third parties without the Group's involvement. Additionally, commission income is charged to related parties if the Group secures an order on their behalf. This income is recognized at a point in time when the Group becomes entitled to the commission, which occurs at the time of invoicing.

Fee for Technical Services

The fee for technical services is charged at a predetermine rate for the hours of engineers subcontracted to related parties for various projects. This fee is recognized as and when the services are rendered.

Back Office Support Revenue

Back Office Support revenue represents income generated from the administrative, operational, and support services provided by the Group to its subsidiaries. This revenue includes services related to management operations, IT and IT-enabled services, engineering, finance, accounting, bookkeeping, human resources, marketing, value creation, administrative support, procurement, logistics, corporate functions, and other office support activities. Revenue from these services is recognized over time as the services are provided.

4.13 Share based payment transactions

The Group operates an equity settled share based Employee Stock Option Scheme. The compensation committee of the Board of Directors of The Group 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 fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Group shares at excercise price determined on the date of grant of options.

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.

4.14 Earnings per share - basic and diluted

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. 'Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Group that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

Note 4, Material Accounting Policy Information - Continued...

4.15 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

Note 5
Other Accounting Policy Information

Other accounting policies applied in the preparation of these consolidated financial statements are set out below. These polices have been applied consistently for all periods presented, unless otherwise stated.

5.1 Stock-in-trade

Stock in trade, except for those in transit are valued principally at the lower of weighted average cost and net realizable value. Cost of finished goods comprises cost of direct materials, labour and appropriate overheads.

Materials in transit are stated at cost comprising invoice value plus other charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make a sale.

5.2 Staff retirement benefits

The Group operates a defined contribution provident fund for its employees. Equal monthly contributions are made both by the Group and the employees to the fund at the rate of 10% (2023:10%) of the basic salary.

Provision for staff benefits - Gratuity is made in accordance with the Labor law applicable in territories of subsidiaries and is determined as liability that would arise if the employment of all staff was terminated at the reporting date. Therefore, the valuation of this liability has not been undertaken.

5.3 Compensated absences

The Group also provide benefit to employees to accumulate earned leave and carries a provision for its liability in respect of accumulated leave. Employees are granted 14 days' leave each year. No leaves are carried forward to next year however if employee leaves during the year then they will get encashment on pro rata basis

5.4 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

5.5 Dividend income

Dividend income and entitlement of bonus shares are recognized when right to receive such dividend and bonus shares is established.

5.6 Leases

For contracts entered into, or modified, on or after January 1, 2019, the Group assesses whether a contract contains a lease or not at the inception of a contract. The Group reassesses whether a contract is, or contains, a lease further when the terms and conditions of the contract are modified.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain to not to exercise that option.

The Group reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Note 5, Other Accounting Policy Information - Continued...

5.7 *Group as a lessee*

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value. The Group recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

5.8 *Initial measurement*

Lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the Group incremental borrowing rate if the implicit rate is not readily available. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Right-of-use asset

The Group initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, initial direct costs and estimated terminal costs (i.e. dismantling or other site restoration costs required by the terms and conditions of the lease contract).

5.9 *Subsequent measurement*

Lease liability

After the commencement date, the Group re-measures the lease liability to reflect the affect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in the statement of profit or loss account, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

Right-of-use asset

After the commencement date, the Group measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Group depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

5.10 Long term investments

In these consolidated financial statements of the Group, investments are measured under equity method and change in value is charged to consolidated statement of profit or loss and consolidated statement of comprehensive income.

Note 6
Property and Equipment

	Note	2024	2023
		--- Rupees in Thousands ---	
Operating fixed assets	6.1	795,230	780,884
Advance for purchase of land	6.9	89,640	-
Right of use of assets	6.11	375,798	418,158
Capital Work in progress		13,920	-
		1,274,588	1,199,042

6.1 Operating fixed assets

Year Ended December 31, 2024

Description	Freehold Land	Buildings on Freehold Land	Tools and Equipment	Furniture and Fixture	Office Equipment and Appliances	Computers	Vehicles	Total
	--- Rupees in Thousands ---							
Cost / Revalued Amount								
Balance as at January 01, 2024	290,550	116,296	21,485	126,392	70,232	182,592	364,758	1,172,305
Additions	-	11,229	58	32,174	28,650	47,161	60,874	180,146
Disposals / adjustments	-	-	-	(3,624)	(1,310)	-	(93,015)	(97,949)
Exchange adjustment	-	-	(167)	(1,682)	(466)	(614)	(71)	(3,000)
Balance as at December 31, 2024	290,550	127,525	21,376	153,260	97,106	229,139	332,546	1,251,502
Accumulated depreciation								
Balance as at January 01, 2024	-	6,154	18,256	56,871	57,460	120,955	131,725	391,421
Charge for the year	-	4,791	1,642	25,444	9,859	43,931	72,227	157,894
Disposals / adjustments	-	-	-	(3,616)	(1,310)	-	(86,374)	(91,300)
Exchange adjustment	-	-	(166)	(666)	(356)	(484)	(71)	(1,743)
Balance as at December 31, 2024	-	10,945	19,732	78,033	65,653	164,402	117,507	456,272
Balance as at December 31, 2024	**290,550**	**116,580**	**1,644**	**75,227**	**31,453**	**64,737**	**215,039**	**795,230**
Depreciation rates	-	2% - 5%	20%	20%	20%	33%	20%	

Note 6, Property and Equipment - Continued...

Year Ended December 31, 2023

Description	Freehold Land	Buildings on Freehold Land	Tools and Equipment	Furniture and Fixture	Office Equipment and Appliances	Computers	Vehicles	Total
				--- Rupees in Thousands ---				
Cost / Revalued Amount								
Balance as at January 01, 2023	290,550	110,235	18,148	64,768	62,019	133,219	20,757	699,696
Additions	-	6,061	1,109	52,278	3,123	43,130	-	105,701
Transfer from right of use	-	-	-	-	-	-	375,898	375,898
Disposals during the year	-	-	-	(1,777)	(781)	(235)	(32,991)	(35,784)
Exchange adjustment	-	-	2,228	11,123	5,871	6,478	1,094	26,794
Balance as at December 31, 2023	290,550	116,296	21,485	126,392	70,232	182,592	364,758	1,172,305
Accumulated depreciation								
Balance as at January 01, 2023	-	2,252	14,017	37,956	48,177	82,357	20,685	205,444
Charge for the year	-	3,902	2,033	14,064	5,808	33,392	39	59,238
Transfer from right of use	-	-	-	-	-	-	132,149	132,149
Disposals / adjustments	-	-	-	(815)	(542)	(93)	(22,100)	(23,550)
Exchange adjustment	-	-	2,206	5,666	4,017	5,299	952	18,140
Balance as at December 31, 2023	-	6,154	18,256	56,871	57,460	120,955	131,725	391,421
Balance as at December 31, 2023	**290,550**	**110,142**	**3,229**	**69,521**	**12,772**	**61,637**	**233,033**	**780,884**
Depreciation rates	-	2% - 5%	20%	20%	20%	33%	20%	

6.2 Particulars of immovable property (i.e. land and building) in the name of Group are as follows:

Description	Location	Total Area (Sq. ft.)
Head Office	The Avanceon Building, 19 km, Multan Road, Lahore.	40,558

Note 6, Property and Equipment - Continued...

	Note	2024	2023
		--- Rupees in Thousands ---	
6.3 The depreciation charge for the year has been allocated as follows:			
Cost of revenue	33	78,947	29,719
Administrative and selling expense	34	78,947	29,519
		157,894	59,238

6.4 Fair value of land and building as at December 31, 2022 was determined by 'Harvester Services (Private) Limited', an independent valuer who has valuation experience for similar assets. The management estimates that the fair value of revalued assets as at December 31, 2024 is not materially different from last years. The valuation for the year ended December 31, 2022 was performed based on proprietary databases of prices of transactions for assets of similar nature, location and condition.

6.5 Had there been no revaluation the net book values of revalued assets would have been as follows:

Freehold land	8,647	8,647
Buildings on freehold land	51,667	41,812
	60,314	50,459

6.6 The following methods and assumptions were used to estimate the fair values:

The significant inputs used in the fair value measurements categorized within Level 2 of the fair value hierarchy, together with a quantitative sensitivity analysis are as shown below:

Description	Valuation Technique	Significant Observable Inputs	Quantitative Date / Range (weighted
Land and building	Sales value comparison approach	Market enquiries and survey as per kanal/Marla for land rates and per square foot	Nil

There are no movement between level 1, level 2 and level 3 assets.

6.7 The property and equipment include fully depreciated assets which are still in use of the Group, as outlined below:

Computers	49,966	30,182
Furniture	13,912	13,769
Office equipment	28,862	27,774
Tools and equipment	3,722	-
Vehicles	34,918	33,994
	131,380	105,719

6.8 All assets are in the name of the Group and in the Group's possession and control except for those obtained through Diminishing Musharaka from First Habib Modaraba and MCB Islamic Bank Limited having net book value amounting to Rs. 214.9 million (2023: Rs. 233.03 million). These facilities are secured against specific charge over commercial property of the Group amounting to Rs. 300 million (Note 29).

6.9 This represents advance payment for purchase of 7.07 kanal land situated at NSIT, Silicon IT District, Lahore. The amount will be transferred to Freehold Land once the acquisition is complete. The total purchase price of the land is Rs. 848 million, payable in 13 installments, with an average annual installment of Rs. 58.7 million and a down payment of Rs. 84.8 million, to be settled latest by 2031.

Note 6. Property and Equipment - Continued...

6.10 Detail of disposals of property & equipment

The details of property and equipment disposed off during the year having individual book values exceeding Rs. 500,000 or more as follow:

Asset Particular	Cost	Carrying Value	Sale Price	Gain / (Loss) on Disposal	Particulars of Buyer	Mode of Disposal	Relationship with the Purchaser
	--- Rupees in Thousands ---						
Suzuki Alto	1,595	1,033	1,265	232	Mr. Umer Aslam	Buy Back	Employee
Suzuki Alto	1,789	1,275	2,550	1,275	Ms. Sana Ghulam Nabi	Buy Back	Employee
Kia Stonic	4,891	4,239	3,820	(419)	Mr. Waleed Ahmed	Buy Back	Employee
Total - 2024	8,275	6,547	7,635	1,088			
Total - 2023	35,544	11,996	20,570	8,574			

6.11 Right of Use Assets

	Leasehold Land		Vehicles		Total	
	2024	2023	2024	2023	2024	2023
	--- Rupees in Thousands ---					
Opening balance	418,158	273,041	-	186,141	418,158	459,182
Add: Additions during the year	-	163,092	-	120,835	-	283,927
Add: Exchange adjustment	(6,184)	51,697	-	266	(6,184)	51,963
Less: Depreciation charge for the year / adjustments	(36,176)	(69,672)	-	(63,493)	(36,176)	(133,165)
Less: transfer during the year	-	-	-	(243,749)	-	(243,749)
Closing balance	375,798	418,158	-	-	375,798	418,158

Apportionment of depreciation charge for the year:	Note	2024	2023
		--- Rupees in Thousands ---	
Cost of revenue	33	18,088	66,583
Administrative and selling expense	34	18,088	66,582
		36,176	133,165

6.11.1 The leasehold land includes an office located at Plot No. MO-0240, Street No. M403, Jebel Ali Free Zone (North), Dubai, UAE. The lease has a term of 20 years. The land is held under a lease arrangement and is classified as a right-of-use asset in accordance with the IFRS-16.

Note 7
Intangible Assets

	Note	2024	2023
		--- Rupees in Thousands ---	
Intellectual property	7.1	4,840,529	4,508,554
Software	7.2	254,566	273,379
Goodwill	7.3	221,810	221,810
Capital work in progress	7.4	148,317	262,064
		5,465,222	5,265,807

7.1 This includes trademark 'Avanceon' amounting to Rs. 4.442 billion (2023: Rs. 4.509 billion) acquired from Octopus Digital Inc. (ODI) through a purchase agreement for a consideration of AED 58.227 million. The consideration payable was settled against dividend receivable from the subsidiary amounting to AED 23.451 million approved on December 29, 2023, settlement of a loan receivable from the subsidiary amounting to AED 18.782 million (including the loan transferred from Avanceon Limited amounting AED 8.713 million) while the remaining balance amounting to AED 15.993 milllion being payable to the subsidiary was written off due to announcement of liquidation. ODI acquired the trademark as part of disposal of its partnership interest of 26% in Avanceon LLP, a Pennsylvania USA Limited Partnership on May 29, 2023. The trademark 'Avanceon' is owned by the establishment and can be used all over the world except the United States, Canada And Mexico (North America).

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Note 7, Intangible Assets - Continued...

The value assigned to the trademark is USD 15.9 million, determined through an independent valuation. The valuation utilized the income method, a commonly employed approach for brand valuation, specifically employing the relief from royalty method, widely acknowledged within the industry. Starting from 2024, royalty charges to other group entities will be incurred. The intangible asset, trademark, has an indefinite useful life and is tested for impairment annually. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined. If the recoverable amount of the intangible asset, trademark, is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognized as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

7.2 Software	Note	2024	2023
		--- Rupees in Thousands ---	
Net book value			
Opening balance		273,379	93,380
Additions during the year		23,775	250,925
Amortisation for the year	33 & 34	(42,588)	(70,926)
Net book value as at December 31,		254,566	273,379
Carrying value as at December 31,			
Cost		378,403	354,628
Accumulated amortisation		(123,837)	(81,249)
Net book value		254,566	273,379
Annual rate of amortisation (%)		20%	20%

7.2.1 Amortisation for the year has been allocated to Cost of Revenue (Note 33) and Administrative and Selling Expense respectively (Note 34).

7.3 Goodwill arising from the acquisition of Empiric AI (Private) Limited has been recognised as follows :

Consideration transferred	7.3.2	440,023	440,023
Fair value of identifiable net assets at the date of acquisition		(218,213)	(218,213)
Goodwill		221,810	221,810

7.3.1 The goodwill is attributable to the skills and technical talent of Empiric AI (Private) Limited's workforce and the synergies expected to be achieved from integrating the Group into its existing Standard Artificial Intelligence business. None of the goodwill recognised is expected to be deductible for tax purposes.

7.3.2 This goodwill also includes Rs. 250.925 million (2023: Rs. 250.925 million) fair value adjustment on intangible acquired at the time of acquisition of Empiric AI (Private) Limited.

7.4 This relates to the development of software for providing digital services.

Note 8
Long Term Investments

	2024	2023
	--- Rupees in Thousands ---	
At equity method		
Avanceon Arabia for Information-Tech Company		
Saudi Riyal 1,501,808 (2023: Saudi Riyal 1,501,808)		
Equity held 60% (2023: 60%)		
- Opening balance	113,084	-
- Share of profit from joint venture	179,514	110,367
- Seed capital payment	89,232	-
- Exchange adjustment	(2,161)	2,717
	379,669	113,084

8.1 This represents the investment in Avanceon Arabia for Information Technology Company ("the AAITC") a mixed limited liability company registered on 04/19/1444 AH (corresponding to November 13, 2022G) under Commercial Registration Number 2051244629. AAITC is engaged in repairs and maintenance of relays and industrial controls, installation of industrial process control equipment, analysis of systems, designing and programming special software, providing management and control service of communication and information networks, registration to provide cloud computing services, and project management activities related to energy efficiency.

8.2 This is a joint venture between Avanceon Saudi Energy Company and Zamil Operations and Maintainance Copmany in ratio of 60% and 40% respectively.

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Note 9
Long Term Deposits and Loans

	Note	2024	2023
		--- Rupees in Thousands ---	
Security deposits	9.1	82,205	76,682
Loan to employees	9.2 & 9.3	400	1,239
		82,605	77,921
Less: Current portion of loan to employees		(400)	(400)
		82,205	77,521

9.1 These are interest free deposits against utilities, tender monies and lease facilities, in the normal course of business.

9.2 Reconciliation of carrying amount of loan to employees:

	2024	2023
	--- Rupees in Thousands ---	
Opening balance	1,239	4,310
Add: Disbursements during the year	-	-
Less: Repayments during the year	(200)	(3,071)
Less: Transfer to other receivable	(639)	-
	400	1,239

9.3 These represent interest-free loans provided to executives for the purchase of vehicles, in line with the policy and terms of their employment. These loans are secured against the staff provident fund, and are recoverable in equal monthly installments. The fair value adjustment required under IFRS 9 (Financial Instruments: Recognition and Measurement) is considered immaterial and thus not recognized in these consolidated financial statements

Note 10
Deferred Tax Assets

	2024	2023
	--- Rupees in Thousands ---	
Deductible temporary differences		
Expected credit loss allowance	233,647	176,761
Business losses	117,945	65,008
Unabsorbed depreciation and amortisation	13,254	12,779
Others	4,544	20,671
Taxable temporary difference		
Accelerated tax depreciation / amortization	(59,951)	(16,310)
Deferred tax asset	309,439	258,909
Un recognized deferred tax assets	(276,742)	(224,980)
Net deferred tax asset / (liability)	32,697	33,929

10.1 Reconciliation of deferred tax liability / (asset) net

Opening balance	33,929	15,400
Tax (expense) / income recognized in profit and loss	(1,232)	17,327
Tax income recognized in other comprehensive income	-	-
Exchange difference during the year	-	1,202
Closing balance	32,697	33,929

10.2 Being prudent the Group decided not to book deferred tax asset on provisions and tax losses amounting to Rs. 276.742 million (2023: Rs. 224.980 million). Business tax losses available against which deferred tax asset has not been recognized, will expire as follows:

Tax Year	Business Losses	Tax Year in Which Loss Will Expire
	--- Rupees in Thousands ---	
2022	167,453	2028
2023	185,605	2029
2024	208,586	2030
	561,644	

10.3 Deferred tax assets / liabilities on temporary differences are measured at different effective rates due to the local laws of the Group companies.

Note 11
Stock In Trade

	2024	2023
	--- Rupees in Thousands ---	
Local	69,502	28,569
Imported	104,117	101,700
	173,619	130,269

Note 12
Trade Debts

	2024	2023
	--- Rupees in Thousands ---	
Trade Debts	7,410,682	9,612,589
Less: Allowance for expected credit loss allowance	(278,747)	(375,802)
	7,131,935	9,236,787

12.1 Allowance for expected credit loss

Opening balance	375,802	455,572
Add: Provision for the year	-	112,533
Less: Reversal for the year	(77,095)	-
Written off during the year	-	(304)
Foreign exchange movement	(19,960)	(191,999)
Closing Balance	278,747	375,802

12.2 Ageing of trade debts

Less than one year	4,965,157	6,423,584
One to two years	2,371,418	3,077,912
Two to three years	74,107	111,093
	7,410,682	9,612,589

Note 13
Contract Assets

	Note	2024	2023
		--- Rupees in Thousands ---	
Contract Assets		9,565,166	5,890,835
Less: Allowance for ECL	13.1	(245,363)	(238,243)
		9,319,803	5,652,592

13.1 Provision for expected credit loss

Opening balance	238,243	103,455
Add: Provision for the year	27,325	30,155
Foreign exchange movement	(20,205)	104,633
Closing balance	245,363	238,243

Note 14
Advances, Deposits, Prepayments And Other Receivables

	2024	2023
	--- Rupees in Thousands ---	
Advances - considered good		
- To employees	189,484	249,945
- To suppliers	844,621	906,567
	1,034,105	1,156,512
Prepayments	82,825	59,579
Margin paid against bank guarantees / letters of credit	830,461	666,077
Tax refunds due from government - considered good - Sales tax	101,760	89,585
Retention money	1,381,609	1,026,031
Earnest money	-	300
Other receivables - considered good	14,506	15,573
	3,445,266	3,013,657

Note 15
Short term Investment

	Note	2024	2023
		--- Rupees in Thousands ---	
At amortized cost			
Term deposit receipt - National Bank of Fujairah	15.1	100,233	93,987
At fair value through profit or loss			
Investment in MCB Fund	15.2	539	10,121
		100,772	104,108

15.1 These represent term deposits receipts of National Bank of Fujairah having maturity of 12 months (2023: 12 months) carrying mark-up @ 3.93% (2023: 3.93%) per annum. This investment is pledged against the trust receipts obtained from National Bank of Fujairah to the extent of AED 1,313,842 (2023: AED 1,213,834).

15.2 This represents an investment in MCB Fund, comprising 5,145 units (2023: 100,492 units) @ Rs. 104.76 per unit (2023: Rs. 100.76 per unit).

Note 16
Cash and Bank Balances

	Note	2024	2023
		--- Rupees in Thousands ---	
Cash in hand		454	2,191
Cash with Banks:			
Current accounts:			
- Local- conventional banks		17,125	754,799
- Local - shariah compliant banks		3,391	29,331
- Foreign - current accounts		728,689	331,145
		749,205	1,115,275
Saving accounts:	16.1		
- Local - conventional banks		7,089	236
- Foreign - conventional banks		-	13,556
		7,089	13,792
		756,748	1,131,258

16.1 Saving accounts yield interest / profit at floating rates based on daily bank deposit rates ranging from 13.5% to 20.5% (2023: 13.9% to 20.5%) per annum.

16.2 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.

Note 17
Issued, Subscribed and Paid up Share Capital

2024	2023		Note	2024	2023
Number of Shares				--- Rupees in Thousands ---	
57,166,850	57,166,850	Ordinary shares of Rs. 10 each fully paid in cash		571,669	571,669
343,257,775	305,528,427	Ordinary shares of Rs. 10 each fully paid as bonus shares		3,432,578	3,055,284
4,675,629	4,675,629	Issued against Employee's Share Option Scheme - I		46,756	46,756
1,750,820	1,750,820	Issued against Employees' Shares Options Scheme - II		17,508	17,508
5,808,221	5,755,096	Issued against Employees' Shares Options Scheme - III		58,082	57,551
1,421,028	1,421,028	Issued against Employees' Shares Options Scheme - IV		14,210	14,210
942,508	-	Issued against Employees' Shares Options Scheme - V		9,425	-
415,022,831	376,297,850			4,150,228	3,762,978

17.1 Movement in number of shares during the year :

		2024	2023
		Number	Number
Opening balance		376,297,850	324,700,631
Shares issued under Employees' Share Options Schemes during the year		995,633	2,514,891
Bonus shares issued during the year	17.3	37,729,348	49,082,328
Closing balance		415,022,831	376,297,850

17.2 All ordinary shares rank equally with regard to residual assets of the Holding Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Holding Company. Voting and other rights are in proportion to the shareholding.

17.3 The Holding Company issued bonus shares @ 10% as a final dividend for the year ended December 31, 2023 (2023: 15% for the year ended December 31, 2022).

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Share Premium

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening balance		450,915	352,768
Employees Share option scheme		57,490	136,908
		508,405	489,676
Less: Costs incurred on initial public offering		-	(38,761)
	18.1	508,405	450,915

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

Note 19
Employees' Share Compensation Reserve

	Note	2024	2023
		--- Rupees in Thousands ---	
Share options scheme III	19.1	-	3,729
Share options scheme V	19.2	370,740	164,954
Employees' share compensation reserve - Octopus Digital Limited	19.4	37,484	9,266
		408,224	177,949

19.1 Share options scheme III

Employee Share Option Scheme, 2018 was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 23, 2018 which comprises an entitlement pool of 1.75 million shares. Under the scheme, share options of the Holding Company are granted to employees of level MT-1 and 2 (with minimum seven years regular service) and MT-3 and above. The share options are exercised within one year after the one year vesting period and therefore, the contractual term of each option granted is two years. The exercise price of the share options is Rs. 10 for options issued in 2018; Rs. 10.5 in 2019; Rs. 11.03 in 2020; Rs. 11.58 in 2021 and Rs. 12.15 in 2022

Movement in the amount of options granted is as follows:

Balance as at January 01,	3,729	4,483
Employee compensation expense	-	1,467
Transfer to share capital on issuance of shares during the period	(3,729)	(2,221)
Balance as at December 31,	-	3,729

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

	2024		2023	
	Number	WAEP Rupees	Number	WAEP Rupees
Outstanding as at January 01,	53,125	12.15	78,437	12.15
Forfeited during the year	-		6,250	12.15
Exercised during the year	(53,125)	12.15	(31,562)	12.15
Outstanding as at December 31,	-		53,125	
Exercisable as at December 31,	-		53,125	

The weighted average share price at the date of exercise of these options was Rs. 58.80 (2023: Rs. 83.54).

The weighted average remaining contractual life for the share options outstanding as at December 31, 2024 was Nil years (2023: 0.8 years).

The range of exercise price for options outstanding at the end of the year was Rs. Nil (2023: Rs. 10 to Rs. 12.5).

19.2 Share options scheme V

The Holding Company's Employee Share Option Scheme, 2022, was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 05, 2022, which comprises an entitlement pool of 10% of the paid-up capital of the Holding Company as increased from time to time. Under the scheme, share options of the Holding Company will be granted to permanent employees of all cadres based on the performance ranking process of the Holding Company. The share options can be exercised within a period of a maximum of six months from the expiry of the minimum vesting period. The minimum vesting period is 12 months from the date of grant of options.

The exercise price of an option shall be determined from time to time by the Board of Directors of the Holding Company at the time of grant of option(s), which shall be calculated as the weighted average of the closing quoted market price of the share of the Holding Company for the last 90 consecutive calendar days immediately preceding the date of entitlement of option(s). Provided further that options can be issued at a maximum discount of 90% of the weighted average of the closing market price of the share of the Holding Company for the last 90 consecutive calendar days immediately preceding the date of entitlement of option(s) as determined by the Board. The exercise price shall not be in any case less than the face value of Rs. 10 per share.

Note 19, Employees' Share Compensation Reserve - Continued...

Movement in the amount of options granted is as follows:

	2024	2023
	--- Rupees in Thousands ---	
Balance as at January 01,	174,218	29,332
Employee compensation expense	287,652	144,886
Transfer to share capital on issuance of shares during the period	(53,646)	-
Balance as at December 31,	408,224	174,218

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

	2024		2023	
	Number	WAEP Rupees	Number	WAEP Rupees
Outstanding as at January 01,	5,724,392	10	2,425,013	10
Granted during the year	7,849,608	10	3,299,379	10
Forfeited during the year	(1,553,571)	10	-	10
Exercised during the year	(942,508)	10	-	10
Outstanding as at December 31,	11,077,921		5,724,392	10
Exercisable as at December 31,	11,077,921		5,724,392	

The fair value of options granted during the year was Rs. 44.25 (2023: Rs. 55.13).

The weighted average share price as at the date of exercise of these options was Rs. 55.67 (2023: Rs. 54.25).

The weighted average remaining contractual life for the share options outstanding as at December 31, 2024 was 1.7 years (2023: 2.4 years).

The range of exercise price for options outstanding as at the reporting date was Rs. 10 (2023: Rs. 10).

The following tables present the key inputs used in the valuation models for the plans for the years ended December 31, 2024 and 2023, respectively:

	2024	2023
Expected volatility (%)	45%	41%
Risk-free interest rate (%)	13%	9%
Expected life of share options (years)	1.7	2.4
Weighted average share price (Rupees)	55.67	54.25
Model used	Black Scholes	

19.3 The Holding Company introduced five Employee Share Option Schemes (ESOS), all approved by the Securities and Exchange Commission of Pakistan (SECP). Out of these, four schemes— ESOS-I (2013), ESOS-II (2016), ESOS-III (2018), ESOS IV(2019), —have been closed and fully concluded.

ESOS-I and ESOS-II each had an entitlement pool of 5 million shares, a five-year vesting period, and a one-year exercise window, with ESOS-II allowing a maximum 60% discount on the exercise price.

ESOS-III had 1.75 million shares, a one-year vesting period, and a one-year exercise window, with exercise prices ranging from Rs. 10 in 2018 to Rs. 12.15 in 2022.

ESOS-IV (2019), approved by SECP on November 19, 2019, allocated 5 million shares to eligible employees with a two-year contractual term per option grant. As the scheme has expired, it is no longer relevant for the current period.

19.4 Employees' Share Compensation Reserve - Octopus Digital Limited

Employee Share Option Scheme, 2022 was approved by Securities and Exchange Commission of Pakistan (SECP) on March 04, 2022 which comprises an entitlement pool of 10% of the paid-up capital of Octopus Digital Limited (Octopus) as increased from time to time. As of December 31, 2021, the pool consisted of 13.675 million shares. Under the scheme, share options of the Octopus will be granted to permanent employees of all cadres based on the performance ranking process of Octopus. The share options can be exercised within a period of maximum six months from the expiry of the minimum vesting period. The minimum vesting period is 12 months from the date of grant of options. Exercise price of an option shall be determined from time to time by the Board of Directors of Octopus at the time of grant of option(s), which shall be calculated as the weighted average of the closing quoted market price of the share of Octopus for last 90 consecutive calendar days immediately preceding the date of entitlement of option(s). Provided further that options can be issued at a maximum discount of 90% of the weighted average of the closing market price of the share of Octopus for last 90 consecutive calendar days immediately preceding the date of entitlement of option(s) as determined by the Board. The exercise price shall not be in any case less than face value of Rs. 10/- per share.

Avanceon Limited
Notes to and Forming Part of the Consolidated Financial Statements

Note 19, Employees' Share Compensation Reserve - Continued...

Measurement of fair value

The Holding Company and its subsidiary use "Black Scholes Pricing Model" to determine the fair value of options at the grant date. Fair value at grant date of the equity settled share based arrangement was calculated using the following assumptions:

	2024	2023
Total number of options granted	2,591,656	1,444,877
Per option fair value at the grant date	62.66	32.96
Exercise price per option	10	10
Annual rate of quarterly dividends	0%	0%
Discount rate - bond equivalent yield	10%	14%
Annual volatility	111%	35%

Out of the total 2.593 million options granted, the directors and executives are entitled to 0.68 million (2023: 0.33 million) and 1.912 million (2023: 1.115 million) options respectively.

Note 20
Statutory Reserve

	Note	2024	2023
		--- Rupees in Thousands ---	
Statutory Reserve	20.1	3,227	3,227

20.1 The statutory reserve is established in accordance with the Saudi Commercial Companies Law, which requires that entities in Saudi Arabia allocate 10% of their annual net income to statutory reserves until it reaches 30% of the share capital. This reserve is not distributable. Accordingly, the Group has established reserves for its entities operating within the Kingdom of Saudi Arabia in compliance with this law.

Note 21
Surplus on Revaluation of Property

	Note	2024	2023
		--- Rupees in Thousands ---	
Freehold land		281,903	281,903
Buildings on freehold land		48,733	50,305
		330,636	332,208
Transferred to retained earnings in respect of net incremental depreciation - net of deferred tax		(2,437)	(1,572)
Closing balance - net of tax	21.1	328,199	330,636

21.1 This represents the surplus over book values resulting from revaluation of land and building, adjusted by incremental depreciation arising out of revaluation of building. Freehold land and buildings are revalued every 3 years by an independent valuer based on fair market value. The revaluation surplus is net of applicable deferred income taxes. Incremental depreciation represents the difference between the actual depreciation on buildings and the equivalent depreciation based on the historical cost of buildings.

21.2 The surplus on revaluation of property is not available for distribution to shareholders in accordance with section 241 of the Companies Act, 2017.

21.3 Latest revaluation was carried out on December 31, 2022 by an independent valuer, using the depreciated current replacement value method resulting in net revaluation surplus of Rs. 76.7 million.

Note 22
Non-Controlling Interest

	Note	2024	2023
		--- Rupees in Thousands ---	
Octopus Digital Limited (Octopus)	22.1	683,546	617,546
Avanceon Automation and Control W.L.L (AVAC)		3,062	3,062
		686,608	620,608

22.1 The following summarizes the information relating to Octopus before any intra-group eliminations:

Non-current assets	824,053	608,494
Current assets	2,212,365	2,135,146
Current liabilities	(324,320)	(270,717)
Non-Current liabilities	(12,810)	(11,102)
Net asset	2,699,288	2,461,821
Less: Employee share reserve	(37,479)	(9,263)
	2,661,809	2,452,558
Net asset attributable to NCI	683,546	617,546
Revenue	1,266,023	1,274,352
Total comprehensive income for the year	204,998	673,507
Total comprehensive income allocated to NCI	52,643	95,348

Avanceon Limited
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Note 22, Non Controlling Interest - Continued...

	2024	2023
	--- Rupees in Thousands ---	
Net cash generated from operating activities	241,355	144,200
Net cash used in investing activities	(261,810)	(181,586)
Net cash generated from financing activities	3,580	13,790
Net decrease in cash and cash equivalents	(16,875)	(23,596)

Note 23
Long Term Diminishing Musharaka

	Note	2024	2023
		--- Rupees in Thousands ---	
Diminishing Musharaka Finance - secured	23.1	170,591	198,528
Less: Current portion		(58,209)	(63,585)
Closing balance		112,382	134,943

23.1 The Holding Company acquired certain vehicles under diminishing musharaka financing arrangements from First Habib Modaraba and MCB Islamic Bank Limited for a period of up to 60 months. The financing is secured against a specific charge on the assets to the extent of the outstanding balance of diminishing musharaka. The effective rate is three to six-month KIBOR plus a spread of up to 2.25%, with a floor rate of 5% (2023: 5%).

Note 24
Lease Liability

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening balance		170,621	122,673
Add: Additions during the year		-	51,427
Add: finance cost		14,043	48,672
Less: payments made		(18,244)	(39,257)
Foreign exchange adjustment		(2,560)	(12,894)
Closing balance		163,860	170,621
Less: Current portion		(48,586)	(22,019)
		115,274	148,602

24.1 Maturity Analysis of Contractually undiscounted cash flows

	2024	2023
Up to one year	48,586	22,019
2-5 Years	115,274	63,318
More than 5 years	-	85,284
	163,860	170,621

24.2 Summary of accounts relating to lease charged in different line items of the financials statements is as follow:

	Included in		2024	2023
		Note	--- Rupees in Thousands ---	
Carrrying value of ROU assets	Statement of financial position	6.11	375,798	418,158
Depreciation charge	Cost of revenue	33	(18,088)	(66,583)
Depreciation charge	Administrative and selling expense	34	(18,088)	(66,583)
Interest expense	Finance cost	37	(14,043)	(48,672)
Payments	Statement of cash flows		(18,244)	(39,257)

Note 25
Provision for Gratuity

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening balance		294,906	187,203
Charge for the year		57,192	73,567
Payments during the year		(14,532)	(11,673)
Foreign exchange movement		(4,417)	45,809
Closing balance	25.1	333,149	294,906

25.1 Provision for gratuity is made in accordance with the Labour law of respective jurisdiction of foreign subsidiaries and is determined as liability that would arise if the employment of all staff was terminated as at the reporting date. Therefore, the valuation of this liability has not been undertaken.

Note 26
Long Term Loan

	Note	2024	2023
		--- Rupees in Thousands ---	
Long term loan	26.1	121,347	148,642
Less: current portion of long term loan		(25,106)	(39,992)
Closing balance		96,241	108,650

26.1 This represents loan of AED 2,220,808 (2023: AED 2,220,808) obtained from National Bank of Fujairah, UAE for purchase of land from M/s Bakers Circle Middle East Co. in JAFZA, UAE mentioned in the Bank offer Letter with the sanctioned Limit of AED 2,240,000 (2023: 2,220,808). It carries mark up rate of NBF prime rate less 1% per annum or minimum rate of 8%, whichever is higher. Loan is to be repaid in 84 equal monthly instalments commencing from October, 2022. This loan is secured against securities mentioned in Note 29.

Note 27
Creditors, Accrued and Other Liabilities

	Note	2024	2023
		--- Rupees in Thousands ---	
			(Re-arranged)
Trade creditors		6,201,294	5,310,372
Accrued expenses		471,355	632,497
Payable to provident fund		53,986	57,066
Employee share portion - vehicle		113,488	90,263
Withholding tax		536,578	638,158
Accrued markup		19,269	26,335
Payable to related parties	27.1	850,200	305,089
Other payable		193,443	79,472
		8,439,613	7,139,252

27.1 Payable to related parties

Arkan Integrated Development L.L.C - Commission payable	105,684	88,720
Innovative Travels (Private) Limited	1,320	1,320
Avanceon Arabia for Information-Tech Company	743,196	215,049
	850,200	305,089

Note 28
Contract Liabilities

	2024	2023
	--- Rupees in Thousands ---	
Advances from customers	306,326	308,941
Billings in excess of earnings	1,850,392	1,947,834
	2,156,718	2,256,775

28.1 Movement of contract liabilities is as follows:

Opening balance	1,947,834	1,570,300
Addition during the year	6,528,977	5,833,428
Recognized as revenue during the year	(6,960,352)	(6,027,554)
Foreign exchange movement	640,259	571,660
Closing balance	2,156,718	1,947,834

28.2 The advance from customer represents the obligation to transfer goods to a customer for which the Group has received consideration in advance. The billings in excess of earnings represent project solutions and services fee invoiced in advance. This amount pertaining to project solutions and services is transferred to revenue over time.

Note 29
Short Term Borrowings

	Note	2024	2023
		--- Rupees in Thousands ---	
Banking companies and other financial institutions (secured) - Local	29.1	342,621	219,130
Islamic mode of financing (secured) - Local		99,865	99,494
Banking companies and other financial institutions (secured) - Foreign	29.2	970,811	900,992
Director's loan	29.3	90,000	-
		1,503,297	1,219,616

Note 29 ,Short Term Borrowings - Continued...

29.1 Terms and conditions of borrowings

Purpose

The Holding Company has obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 1,600 million (2023: Rs. 1,295 million) including running finance facilities amounting to Rs. 1,030 million (2023: Rs. 775 million), to meet the working capital requirements, export Invoice finance, retirement of local and foreign LCs, discounting local bills / receivables and loan against trust receipts etc.

Markup

Mark-up on these facilities is charged using 3 to 6 months KIBOR+ spread of 2% to 2.25% (2023: 3 to 6 months KIBOR+ spread of 2% to 2.25%) per annum, payable on quarterly basis in arrears.

Securities

These facilities are secured by way of joint pari passu charge and ranking hypothecation charge over present and future current assets of the Company, lien over the title of imported goods, mortgage over the CEO's residential property, and personal guarantees of sponsor directors, covering total security amounting to Rs. 1,454 million (2023: Rs. 1,375 million).

29.2 Foreign Loan

Purpose

The Foreign Subsidiary Companies have obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 2,514 million (2023: Rs. 2,514 million) to meet the working capital requirements, export Invoice finance, retirement of local and foreign LCs, discounting local bills / receivables and loan against trust receipts etc.

Markup

Mark-up on these facilities is charged using 3 to 6 months EIBOR+ spread of 2% to 7% (2023: 3 to 6 months EIBOR+ spread of 2% to 7%) per annum, payable on quarterly basis in arrears.

Securities

The total facilities are secured through a combination of measures, including a pledge over certain fixed deposits, the assignment of receivables, a property all-risk insurance policy over fixed assets and hypothecation charges over stock-in-trade. Additional securities include the personal guarantee of a sponsor director, cross-corporate guarantees among Group entities duly supported by Board Resolutions, and the subordination of the director's loan and current account balances in favor of the financing institutions. The related agreements also impose financial covenants requiring the Group to maintain an adjusted leverage ratio within agreed thresholds including loan-to-value ratios not exceeding 90% of the registrable assets at any given time. Repayment terms are governed by the respective loan agreements and include periodic principal repayments subject to compliance with the covenants.

29.3 This represents unsecured loan obtained from director of the Company amounting to Rs. 90 million (2023: Nil) for acquisition of land. This loan is interest free and is repayable on demand.

Note 30
Unpaid Dividend

	Note	2024	2023
		--- Rupees in Thousands ---	
Opening balance		167,918	215,625
Declared during the year		754,587	-
Paid during the year		(759,207)	(47,707)
Closing Balance	30.1	163,298	167,918

30.1 This includes dividend payable to the Chief Executive, Mr. Bakhtiar Hameed Wain amounting to Rs. 149.80 million (2023: Rs. 132.61 million).

Note 31
Contingencies and Commitments

31.1 Holding Company

Contingencies:

(a) Enforcement Officer Punjab Revenue Authority (PRA) issued notice dated May 31, 2023 regarding the withholding tax amounting to Rs. 1,039,778 not deducted by the Holding Company for tax period 2016, 2017 and 2018, resulting in a default by the Holding Company. As per provisions of the Punjab Sales Tax on Services (Withholding) Rules, 2015, the Holding Company was required to deposit the tax deducted on services received. Based on the advisors opinion as a consequence of non-payment for above said periods, default surcharge of Rs. 859,744 and penalty of Rs. 51,989 are also likely to be paid by the Holding Company.

Note 31 , Contingencies and Commitments - Continued...

(b) Additional Commissioner, Enforcement, PRA has issued order dated January 25, 2021 u/s 24(2) of the Punjab Sales Tax on Services Act, 2012 for tax period 2019-20 and raised a demand of Rs. 43.480 million. The Holding Company has appealed to Commissioner Inland Revenue (CIR - A) PRA. The proceedings are pending as of the reporting date and no recovery notice has been received so far and therefore no provision in this regard has been recorded. Based on the advisor's opinion the Holding Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these consolidated financial statements.

(c) The Holding Company received a notice u/s 28 of the Sindh Sales Tax on Services Act, 2011 in which the Holding Company was selected for tax audit. The taxpayer made due compliance by submitting reply along with the CPRs for the paid amount on account of sales tax on services, default surcharge and penalty for the above mentioned period totaling to Rs. 2,682,652. However, no order has been received by the Holding Company and based on the advisor's opinion the Holding Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these consolidated financial statements.

(d) Notice under rule 44(4) dated January 21, 2020 for the tax year 2019, has been issued by Assistant Commissioner Inland Revenue for reconciliation of total payments made and tax withheld by tax payer amounting to Rs. 102.604 million. Satisfactory reply has been submitted. Notice u/s 161(1A) has been issued by the department dated February 13, 2020. The Holding Company has given satisfactory reply in this regard and expects a favorable outcome based on advisor's opinion. The order is still pending.

(e) Notice regarding difference in sales as per consolidated financial statements and SRB's Returns Declaration amounting to Rs. 51.392 million for the Financial Year 2019, 2020 and 2021 was issued. Reply with reconciliation filed vide letter No.886 dated January 25, 2023. No order is passed till date. The Holding Company expects a favorable outcome of the proceedings and no provision in this regard has been recorded.

(f) The Assistant Commissioner Inland Revenue issued a notice under section 4C on March 29, 2024 for the year 2023. The taxpayer duly responded; however , the commissioner passed an order on April 30, 2024 ,raising a demand of Rs.20,052,336/-.Being aggrieved ,the taxpayer filed an appeal before the Appellate Tribunal Inland Revenue (ATIR). Based on the advisor's opinion the Holding Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these consolidated financial statements.

(i) The Additional Commissioner issued a notice under section 122(9) on April 17, 2024. This notice pertains for the period 2018. The taxpayer duly responded along with complete documentary evidence , butt the Additional Commissioner Inland Revenue passed an order dated June 30 , 2024 , raising a demand of Rs. 90,443,623. Being aggrieved ,the taxpayer filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Based on the advisor's opinion the Holding Company expects a favorable outcome of the proceedings and no provisions in this regard has been recorded in these consolidated financial statements.

Commitments:

(a) Bank guarantees have been issued amounting to Rs. 352.173 million (2023: Rs. 197.145 million) against the performance of various contracts.

(b) Letters of credit outstanding at year end amount to Rs. 121.588 million (2023: Rs. 125.870 million) which relates to import acceptance bills.

31.2 Subsidiary Commitments:

This represents ongoing business obligations that fall within the normal course of operations. Except for the items listed below, there are no other known commitments in the financial statements of the subsidiary as of the reporting date:

Avanceon Automation and Control (AVAC)	**2024**	**2023**
	--- Rupees in Thousands ---	
Bank guarantees	1,698,959	1,293,727
Letter of credit	90,062	-
Post dated cheques	395,405	40,476
	2,184,426	1,334,203
Avanceon FZE		
Bank guarantees	554,119	787,886
Letter of credit	308,691	1,141,669
Post dated cheques	-	15,458
	862,810	1,945,013

Note 32
Revenue from Contracts with Customers

	2024	2023
	--- Rupees in Thousands ---	
Revenue from contracts with customers - net	16,156,098	17,767,312

32.1 Country wise breakup of revenue is:

Qatar	4,808,690	6,277,844
Pakistan	2,793,865	3,795,720
The Kingdom of Saudi Arabia	2,925,255	3,517,044
United Arab Emirates	5,628,288	4,176,704
	16,156,098	17,767,312

32.2 Nature

Services	15,190,849	14,791,884
Sale of goods	143,257	930,195
Project revenue	821,992	2,045,233
	16,156,098	17,767,312

32.3 Timing of revenue recognition

At point in time	143,257	930,195
Over the time	16,012,841	16,837,117
	16,156,098	17,767,312

32.4 Revenue from the sale of goods is recognized at a point in time upon the transfer of control to the customer. Revenue from services and project solutions is primarily recognized over time, based on the satisfaction of performance obligations.

32.5 Contract Balances

Trade receivables	7,131,935	9,236,787
Contract assets	9,319,803	5,652,592
Contract liabilities	2,156,718	2,256,775

Note 33
Cost of Revenue

	Note	2024	2023
		--- Rupees in Thousands ---	
Materials consumed		6,820,097	8,355,208
Salaries, wages, allowances and other benefits	33.1	990,177	803,201
Employees' share option expense		83,915	33,287
Telephone, postage and telex		46,699	29,123
Utilities		6,744	6,054
Travelling and conveyance relating to engineering services		450,427	366,782
Management fee		4,586	9,638
Installation charges		3,185,611	2,293,818
Entertainment relating to engineering services		19,997	13,232
Repairs and maintenance		12,097	6,091
Printing and stationery		1,563	2,119
Import cost		51,813	50,448
Insurance		18,001	7,299
Rent, rates and taxes		25,693	26,432
Training		859	251
Fees and subscription		29,623	19,953
Depreciation on property and equipment	6.3 & 6.12	97,035	96,302
Other expenses		29,620	21,028
Amortisation of intangibles assets	7.2	21,294	20,741
IT expense		-	753
		11,895,851	12,161,760

33.1 This includes Rs. 48.666 million (2023: Rs. 53.724 million) in respect of post employment benefits by the Group.

Note 34
Administrative and Selling Expense

	Note	2024	2023
		--- Rupees in Thousands ---	
Salaries, wages, allowances and other benefits	34.1	1,365,689	1,613,393
Director's remuneration		222,008	215,308
Employees' share option expense		203,733	113,071
Telephone, postage and telex		40,474	28,268
Utilities		6,744	6,054
Late delivery charges		10	36
Entertainment		11,137	6,938
Repairs and maintenance		20,133	17,494
Sales promotion expense		5,629	8,526
Printing, stationery and periodicals		1,646	1,610
Travelling and conveyance and maintenance		151,597	102,824
Rent, rates and taxes		30,220	17,134
Training		335	24
Insurance		48,678	17,600
Legal and professional charges		52,163	73,313
Auditors' remuneration	34.2	20,686	19,928
Fees and subscription		119,390	81,963
Corporate expense		2,805	4,316
Depreciation on property and equipment	6.3 & 6.12	97,035	96,101
Amortisation of intangible assets	7.2	21,294	50,185
Other expenses		67,923	18,221
		2,489,329	2,492,307

34.1 This includes Rs. 34.617 million (2023: Rs. 43.391 million) in respect of post employment benefits by the Group.

34.2 Auditors' remuneration

	2024	2023
Statutory audit	18,297	17,314
Half yearly review fee	1,333	1,293
Review of Code of Corporate governance	556	138
Other charges and out of pocket expenses	500	1,183
	20,686	19,928

Note 35
Other Operating Expenses

	Note	2024	2023
		--- Rupees in Thousands ---	
Donations	32.1	11,333	6,707
Allowance for expected credit losses - contract assets		27,325	30,155
Allowance for expected credit losses - trade debts		-	112,533
Exchange loss		103,564	-
Balances written off		56,964	3,325,248
Penalty		942	85
Fair value loss on short term investment		-	20
Other operating expenses		2,921	-
		203,049	3,474,748

35.1 The details of the donation to a single party exceeding 10% of the Group total amount of donation is as follows:

	2024	2023
Aziz Jehan Begum Trust	2,073	-

35.1.1 None of the director has any interest in the donees.

Note 36
Other Operating Income

	Note	2024	2023
		--- Rupees in Thousands ---	
Profit on bank deposits		9,751	13,702
Exchange gain		-	28,758
Reversal of expected credit loss		77,095	-
Gain on disposal of property and equipment	6	8,220	8,572
Income on recognition of trade mark / other income		99,102	4,329,173
		194,168	4,380,205

Avanceon Limited
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Note 37
Finance Cost

	2024	2023
	--- Rupees in Thousands ---	
Mark-up / interest on:		
Long term loan	11,796	12,704
Short term borrowings	123,739	167,474
Diminishing musharaka / lease liability	50,589	57,102
Others	245	940
	186,369	238,220
Bank charges	237,598	138,500
Guarantee commission	23,925	31,910
	447,892	408,630

Note 38
Levy

	2024	2023
	--- Rupees in Thousands ---	
Current	79,136	113,867
Prior year adjustment	(43,529)	-
	35,607	113,867

38.1 This represents portion of minimum tax paid which is over and above the normal tax liability under different provisions of Income Tax Ordinance, 2001, further it includes final tax liability under the different provisions of Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21 / IAS 37.

38.2 Reconciliation of Levy and Income Tax Under IAS-12

Current tax liability as per applicable tax laws	(219,246)	(1,127,028)
Portion of current tax liability representing income tax as per IAS -12	140,110	1,013,161
Portion of current tax liability representing levy as per IFRIC 21 / IAS 37	79,136	113,867
Difference	-	-

Note 39
Taxation

	Note	2024	2023
		--- Rupees in Thousands ---	
Current		140,110	1,013,161
Prior year adjustments	39.2	(744,744)	-
Deferred tax		1,232	(17,327)
		(603,402)	995,834

39.1 Reconciliation between accounting profit and tax expense for the current year is not presented as the provision for current income tax for the year is based on the local laws of the Group companies.

39.2 This includes the reversal of excess provision of tax amounting to Rs. 706 million related to Octopus Digital Inc (ODI). ODI has applied for voluntary winding up and has obtained clearance from Department of Revenue which certified that all taxes and charges owned to the common wealth of Pennsylvania, have been paid. Therefore, the Group has written back this excess provision recorded in previous year. Further, voluntary winding up of ODI was approved subsequent to reporting date.

Note 40
Earning per share- Basic and Diluted

		Note	2024	2023
			--- Rupees in Thousands ---	
				Restated
40.1	**Basic earnings per share**			
	Net profit for the year	Rupees in thousand	2,008,811	2,515,390
	Weighted average number of ordinary shares	Numbers in thousand	392,835	414,027
	Earnings per share		5.11	6.08

40.2 Diluted earnings per share

Diluted earnings per share is calculated by adjusting weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has granted share options to employees as explained in Note 19.

Note 40 , Earning per share- Basic and Diluted - Continued...

	2024	2023
	--- Rupees in Thousands ---	
Net profit for the year	2,008,811	2,515,390
	(Numbers in thousand)	
Weighted average number of ordinary shares	392,835	414,027
Adjustment for share options	8,862	5,778
Weighted average number of ordinary shares for diluted earnings per share	401,697	419,805
Diluted earnings per share (Rupees)	5.00	5.99

40.1.1 Share options issued by the Group have a dilutive effect on the earnings per share since the fair value of the ordinary shares during the year exceeds the exercise price of the options.

40.1.2 The weighted average number of ordinary shares of 2023 has been restated in accordance with the requirements of IAS 33 due to issuance of 37,729,348 bonus shares and 995,633 shares under employee share scheme in 2024.

Note 41
Changes in Liabilities Arising from Financing Activities

	Note	As at December 31, 2023	Non-cash changes	Cashflows (Net)	As at December 31, 2024
			--- Rupees in Thousands ---		
Long term diminishing musharaka	23	198,528	-	(27,937)	170,591
Issuance of shares		-	(10,071)	10,071	-
Long term loans	26	148,642	-	(27,295)	121,347
Long term lease	24	170,621	11,483	(18,244)	163,860
Unpaid dividend	30	167,918	754,587	(759,207)	163,298
Short term borrowings	29	1,219,616	-	283,681	1,503,297
		1,905,325	755,999	(538,931)	2,122,393

	Note	As at December 31, 2022	Non-cash changes	Cashflows (Net)	As at December 31, 2023
			--- Rupees in Thousands ---		
Long term diminishing musharaka	23	153,481	-	45,047	198,528
Issuance of shares		-	(37,985)	37,985	-
Long term loans	26	93,537	-	55,105	148,642
Long term lease	24	122,673	87,205	(39,257)	170,621
Unclaimed dividend	30	215,625	-	(47,707)	167,918
Short term borrowings	29	616,408	-	603,208	1,219,616
		1,201,724	49,220	654,381	1,905,325

Note 42
Transactions and Balances with Related Parties

Related parties comprise of the Holding Company, associated companies due to common directorship, staff retirement funds, directors and key management personnel. The Group in the normal course of business carries out transactions with various related parties. The Group enters into transactions with related parties on the basis of mutually agreed terms. Outstanding balances as at the reporting date are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party's receivable or payable balances. Significant balances and transactions with related parties are as follows:

Transactions during the year

Name of related party	Relationship	Nature of transaction	2024	2023
			--- Rupees in Thousands ---	
Arkan Integrated Development L.L.C	Associated Company	Commission expense	101,041	371,992
		Back office support	18,386	18,541
		Dividend	-	4,640
Avanceon Arabia Joint Venture for Information technology Company	Joint Venture	Payment made by AAIT on behalf of AVFZE	24,584	76,657
		Back office support	141,131	68,893
		Installation charges	108,589	10,501
		Fee for technical services	-	66,086

Note 42 , Transactions and Balances with Related Parties - Continued...

			2024	2023
			--- Rupees in Thousands ---	
		Payment to employee by AVSEC on behalf of AAIT	15,737	2,947
		Funds transfer by AAIT to AVSEC	86,418	1,858
		Funds transfer to AAIT by AVSEC	-	129,680
		Payment to supplier by AVSEC on behalf of AAIT	90,493	33,349
		Payment to employee by AAIT on behalf of AVSEC	7,207	5,352
		Investment by AVSEC	89,232	-
		Transfer of profit by AVSEC to AAIT	403,255	298,746
Contribution to staff Provident fund		Expense charged in respect of retirements benefit plans	35,480	21,106
Outstanding balance as at the year end				
Name of related party	**Relationship**	**Nature of transaction**		
Arkan Integrated Development L.L.C	Associated Company	Creditors, accrued and other liabilities	106,012	88,720
		Unclaimed Dividened	14,890	15,079
Avanceon Arabia Joint Venture for Information technology Company	Joint Venture	Creditors, accrued and other liabilities	337,675	215,049
Contribution to staff Provident fund		Creditors, accrued and other liabilities	53,946	57,066

42.1 There were no transactions with key management personnel other than those undertaken as per terms of their employment.

42.2 Following are the related parties with whom the Group has entered into transactions or have arrangements / agreements in place:

Sr. No.	Name	Basis or association	Aggregate % of Shareholding
1	Inovative Travels	Common Directorship	Nil
2	Bakhtiar Hameed Wain	Chief Executive Officer	0%
3	Arkan Integrated Development L.L.C	Associate	3%
4	Avanceon Arabia Joint Venture for Information Technology Company	Joint Venture	60%
5	Contribution to staff Provident fund		Nil

Note 43
Provident Fund

	2024	2023
	--- Rupees in Thousands ---	
	(Un-audited)	
Size of the fund / trust	327,631	221,178
Cost of investment made	170,212	199,100
Fair value of investment	192,413	183,091
	- - - - - (Percentage) - - - - -	
Percentage of investment made	59%	83%

Note 43 , Provident Fund - Continued...

Break up of investments - based upon fair value

	2024	2023
	---%age of size of fund---	
Government Securities	100,114	113,249
Scheduled Banks	20,039	1,889
Other Mutual Funds	8,122	24,559
Listed Securities	64,138	43,394
	192,413	183,091

Break up of investment

Government Securities	52%	62%
Scheduled Banks	10%	1%
Other Mutual Funds	4%	13%
Listed Securities	33%	24%

43.1 All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

43.2 These figures are presented in the financial statements on the basis of unaudited financial statements of the Fund.

Note 44

Operating Segments

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) i.e. the Chief Executive Officer of the Holding Company. Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit and reduction in operating costs. CODM considers the business from the perspective of nature of products and business segments. Systems, engineering and export segments are also viewed in the geographic perspective by segregation of sales made to Middle Eastern countries and USA.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. CODM assesses the performance of the operating segments based on a measure of gross profit and segment assets (stock in trade, trade debts and contract assets). Unallocated items comprise mainly of group corporate assets and liabilities. The Group management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic and business decisions.

44.1 Analysis of Revenue

	AMS	Core Business		Specialized Business	Engineering and back office	Middle east	Elimination	Total
		Core Business	Manufacturing and Assembling					
	--- Rupees in Thousands ---							
Segment Profit or Loss								
2024								
Revenue from external customers	2,388,036	1,260,789	1,083,190	1,416,686	967,145	12,055,207	(3,014,955)	16,156,098
Cost of revenue	(1,266,144)	(832,454)	(801,106)	(1,017,753)	(542,281)	(9,718,790)	2,282,677	(11,895,851)
Gross profit	1,121,892	428,335	282,084	398,933	424,864	2,336,417	(732,278)	4,260,247
Segment Assets								
Stock in trade	12,303	53,161	25,313	10,474	-	72,368	-	173,619
Trade debts	830,855	981,833	771,701	928,507	892,716	7,556,757	(4,830,434)	7,131,935
Contract assets	305,307	176,667	141,007	169,463	-	8,527,359	-	9,319,803
Segment total assets	1,148,065	1,211,961	938,021	1,108,444	892,716	16,156,484	(4,830,434)	16,625,357
Segment Profit And Loss Account								
2023								
Revenue from external customers	2,519,892	1,135,810	1,054,872	845,296	1,070,113	13,313,488	(2,172,159)	17,767,312
Cost of revenue	(1,129,179)	(867,311)	(744,797)	(596,824)	(690,557)	(10,050,038)	1,916,946	(12,161,760)
Gross profit	1,390,713	268,499	310,075	248,472	379,556	3,263,450	(255,213)	5,605,552
Segment Assets								
Stock in trade	16,463	7,421	6,892	5,523	6,990	86,980	-	130,269
Trade debts	1,345,797	786,896	730,822	585,626	741,381	9,268,130	(4,221,865)	9,236,787
Contract assets	644,358	411,988	357,407	314,631	-	3,924,208	-	5,652,592
Segment total assets	2,006,618	1,206,305	1,095,121	905,780	748,371	13,279,318	(4,221,865)	15,019,648

44.2 For management purposes the Chief Operating Decision Maker (Board of Directors), views the activities of the Group organized into business units based on the nature of products and expertise required by with four groups containing eight reportable operating segments.

Note 44, Operating Segments - Continued...

44.2.1 After Market Support (AMS)

AMS segment is the provision of services as technical supports and service level agreements (SLAs) and related spares.

Core Business

Application Based Solutions (ABS)

ABS sales include the supply of patented systems, power products, software, Variable Speed Drives (VSDs) and Variable Frequency Drives (VFDs) procured mainly from Honeywell Systems and Rockwell Automation. Avanceon Limited acts as a sole distributor of Honeywell Systems and Rockwell Automation in Pakistan.

Products

Products segment includes sales of motors, analyzers and other specialized products of OEMs. Major suppliers of products are Amatek Inc., Hyperwave solutions and Kobold Messrings.

44.2.2 Specialized Business

Systems

Systems sales are embedded solutions of multiple Original Equipment Manufacturers (OEM) equipment, comprising Honeywell, Kobold, Samson and Weg products, along with engineering services to implement them. These solution sales fall in the domain of System Integration (SI) as defined globally.

High End Solutions (HES)

High End Solutions focuses on specialized areas i.e. Manufacturing Execution Systems, Plant Information Management Systems, and Advanced Compressor Control.

44.2.3 Engineering services

Engineering services business includes revenues from:

man-hours charged to Avanceon FZE and Avanceon Automation and Control WLL for in-house engineering and development of Human Machine Interfaces (HMI), logic design, and development of engineering control mechanisms; and

secondment of Avanceon Limited's engineers to Avanceon FZE and Avanceon Automation and Control WLL project sites for installation, commissioning and post implementation support of systems.

44.2.4 Middle East

Middle East segment consists of core business, specialized business, and engineering services (as stated above) to UAE, Qatar, Pakistan and European Union countries.

44.3 Reconciliation of segment profit and loss

Reportable segments gross profit is reconciled to profit after tax as follows:

	Note	2024	2023
		--- Rupees in Thousands ---	
Gross profit for reportable segments		4,260,247	5,605,552
Administrative and selling expenses		(2,489,329)	(2,492,307)
Other operating expenses		(203,049)	(3,474,748)
Other operating income		194,168	4,380,205
		(2,498,210)	(1,586,850)
Finance costs		(447,892)	(408,630)
Share of profit from JV		179,514	110,367
Profit before levy and taxation		1,493,659	3,720,439
Levy and taxation		567,795	(1,109,701)
Profit for the year		2,061,454	2,610,738

Avanceon Limited
Notes to and Forming Part of the Consolidated Financial Statements

Note 44, Operating Segments - Continued...

44.4 Reconciliation of segment assets

Reportable segments assets are reconciled to total assets as follows:

Assets

	2024	2023
	--- Rupees in Thousands ---	
Segment assets for reportable segments	16,625,357	15,019,648
Tangible (Property and equipment) and intangible assets	6,739,810	6,464,849
Other assets	494,571	224,534
	23,859,738	21,709,031
Unallocated portion of current assets		
Advances, deposits, prepayments and other receivables	3,445,266	3,013,657
Short term investments	100,772	104,108
Cash and bank balances	756,748	1,131,258
	4,302,786	4,249,023
Total assets as per statement of financial position	28,162,524	25,958,054

Segment assets include the operating assets used by each segment and consist of stocks, trade debts and contract assets. All other assets and liabilities are not allocated to operating segments as such information is not presented separately for each segment for the purposes of management decision making.

All expenses and income other than revenue and cost of revenue are not allocated to segments, as this is driven by the central treasury function, which manages the cash position of the Group.

Note 45
Financial Risk Management

The Board of Directors have the overall responsibility for the establishment and oversight of the Group risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market

This note presents information about the Group's exposure to each of the above risks; the Group's objectives; policies and processes for measuring and managing risk.

The Group's risk management policies are established to identify and analyze the risks faced by it, 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 activities.

45.1 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk of the Group arises from trade debts, contract assets, loans, trade deposits, other receivables and deposits with banks. To reduce exposure to credit risk, the Group has developed a formal approval process. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors and makes provision against those balances (if required). The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

The Group monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any. As at reporting date, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:

	2024	2023
	--- Rupees in Thousands ---	
Long term investments	379,669	113,084
Long term deposits and loans	82,605	77,921
Trade debts	7,131,935	9,236,787
Contract assets	9,319,803	5,652,592
Deposits and other receivables	2,226,576	1,707,981
Short term investments	100,772	104,108
Bank balances	756,294	1,129,067
	19,997,654	18,021,540

Note 45, Financial Risk Management - Continued...

The credit quality of receivables can be assessed with reference to Group credit control policy and their historical performance with negligible default rate. The credit quality of Group's bank balances can be assessed with reference to external credit ratings as follows:

Rating Short	Rating Long Term	Rating Agency	Balances at banks	
			2024	2023
			--- Rupees in Thousands ---	
Faysal Bank limited	A1+	AA	PACRA	11,722	39,258
Habib Bank limited	A1+	AAA	VIS	1,569	7,902
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	542	198
National Bank of Pakistan	A1+	AAA	VIS	70	70
MCB Bank Limited	A1	A+	PACRA	174	38,762
United Bank Limited	A1+	AAA	VIS	34,495	75,120
JS Bank Limited	A1+	AA	PACRA	7,260	25,064
Standard Chartered Bank Limited	A1+	AAA	PACRA	6,264	9,705
Bank of Singapore Limited	F1+	AA-	Fitch	-	482
Habib Bank AG Zurich	A-1+	AA+	JCR-VIS	116,279	272,526
National Bank of Fujairah	A-2	BBB+	S&P	129,489	120,486
Qatar International Islamic Bank	A1	A+	Capital Intelligence	99,868	19,306
Doha Bank	F2	A-	Fitch	27,508	33,867
Mashreq Bank	P-2	Baa1	Moody's	729	150,504
Commercial Bank of Qatar	F1	A	Fitch	30,293	32,201
Qatar Islamic Bank	A1+	AA-	Capital Intelligence	146,836	225,807
Bank Alibad Limited	F2	A-	Fitch	143,196	76,567
Bank Al Habib Limited	A1+	AAA	PACRA	-	1,242
				756,294	1,129,067

Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Group. Accordingly, the credit risk faced by the Group is minimal.

45.2 Liquidity risk

Liquidity risk represents the risk that the Group will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. The Group's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

Contractual maturities of financial liabilities as at December 31, 2024:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
			---------- Rupees in Thousands ----------			
Diminishing musharaka	170,591	213,239	58,209	87,314	67,716	-
Lease liability	163,860	163,860	48,586	48,586	66,688	
Long term Loan	121,347	128,951	30,747	32,284	65,920	
Creditors, accrued and other liabilities	7,735,561	7,735,561	7,735,561	-	-	-
Short term borrowings	1,503,297	1,578,462	1,578,462	-	-	-
Unpaid dividend	163,298	163,298	163,298	-	-	-
	9,857,954	9,983,371	9,614,863	168,184	200,324	-

Note 45, Financial Risk Management - Contd..

Contractual maturities of financial liabilities as at December 31, 2023:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	---------- Rupees in Thousands ----------					
Diminishing musharaka	198,528	295,868	77,574	94,640	123,654	-
Lease liability	170,621	170,621	22,019	63,318	85,284	
Long term loan	148,642	180,390	27,114	29,283	123,993	
Creditors, accrued and other liabilities	6,353,765	6,353,765	6,353,765	-	-	-
Short term borrowings	1,219,616	1,402,558	1,402,558	-	-	-
Unpaid dividend	167,918	167,918	167,918	-	-	-
	8,259,090	8,571,120	8,050,948	187,241	332,931	-

45.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(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 where receivables and payables exist due to transactions entered into foreign currencies. The Group is exposed to foreign currency risk on trade debts, payables and revenues which are entered in a currency other than Pak Rupees. As at the reporting date, the Group's exposure to currency risk was as follows:

	2024	2023
	--- Rupees in Thousands ---	
Trade debts	5,792,779	733,150
Cash and bank balances	728,689	331,145
Trade creditors	(5,507,850)	(209,284)
Letter of credits	(121,588)	(125,870)
	892,030	855,011

The following significant exchange rates were applied during the year:

December 31, 2024	**USD**	**EUR**	**AED**	**SAR**	**QAR**
Average rate	280.38	301.13	76.79	74.67	76.92
Reporting	278.35	289.14	76.15	74.02	76.23

December 31, 2023	**USD**	**EUR**	**AED**	**SAR**	**QAR**
Average rate	254.65	277.72	69.83	67.86	69.97
Reporting	282.40	313.11	77.43	75.31	77.60

Sensitivity analysis

If the functional currency, as at the reporting date, had weakened / strengthened by 1% against the foreign currencies with all other variables held constant, the impact on profit before taxation for the year would have been Rs. 8.920 million (2023: Rs. 8.550 million) respectively lower / higher, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not entirely reflect the exposure during the year.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from bank borrowings, deposits in profit and loss / saving accounts. The Group mitigates its interest rate risk by investing available cash in bank deposits where applicable, generating more return compared to the finance cost.

As at the reporting date the interest rate profile of the Group's interest bearing financial instruments was as under:

	2024	2023
	--- Rupees in Thousands ---	
Floating rate instruments		
Financial Assets		
Other receivable from related parties	14,506	15,573
Bank balances	728,689	344,701
	743,195	360,274

	2024	2023
	--- Rupees in Thousands ---	
Fixed rate instruments		
Financial Assets		
Short term investment	100,233	93,987
Financial liabilities		
Payable to related parties	850,200	305,089
Long term diminishing musharaka	170,591	198,528
Short term borrowings	1,503,297	1,219,616
	2,524,088	1,723,233

Cash flow sensitivity analysis for variable rate instruments

As at December 31, 2024, if interest rates had been 1% higher / lower with all other variables held constant, profit before tax for the year would have been higher / lower by Rs. 17.808 million (2023: Rs. 13.630 million), mainly as a result of interest exposure on variable rate instruments.

(c) 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. The Group is not exposed to this risk except for investment in mutual funds amounting to Rs. 0.539 million (2023: 10.121 million). As at December 31, 2024, if fair value had been 1% higher / lower with all other variables held constant, profit before tax for the year would have been higher / lower by Rs. 0.005 million (2023: Rs. 0.101 million).

45.4 Financial instruments by categories

Financial assets as at December 31, 2024

	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		--- Rupees in Thousands ---		
Long term investments	-	379,669	-	379,669
Long term deposits and loans	-	82,605	-	82,605
Trade debts	-	5,792,779	-	5,792,779
Deposits and other receivables	-	2,226,576	-	2,226,576
Short term investments	539	100,233	-	100,772
Bank balances	-	756,294	-	756,294
	539	9,338,156	-	9,338,695

Financial assets as at December 31, 2023

	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		--- Rupees in Thousands ---		
Long term investments	-	113,084	-	113,084
Long term deposits and loans	-	77,921	-	77,921
Trade debts	-	733,150	-	733,150
Advances, Deposits, Prepayments And Other Receivables	-	1,707,981	-	1,707,981
Short term investments	10,121	93,987	-	104,108
Bank balances	-	1,129,067	-	1,129,067
	10,121	3,855,190	-	3,865,311

Financial liabilities as at Dec 31,

At amortized cost

	Note	2024	2023
		--- Rupees in Thousands ---	
Long term diminishing musharaka	23	170,591	198,528
Creditors, accrued and other liabilities	27	7,735,561	7,139,252
Lease liability	24	163,860	170,621
Long term loan	26	121,347	148,642
Unclaimed dividend	30	163,298	167,918
Short term borrowings	29	1,503,297	1,219,616
		9,857,954	9,044,577

Note 45, Financial Risk Management - Contd...

45.5 Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates. As at December 31, 2024 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

The fair values of all financial assets and liabilities are not considered to be significantly different from their carrying values. The Group classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1 Quoted market prices
Level 2 Valuation techniques (market observable)
Level 3 Valuation techniques (non market observable)

There is no financial instrument which is remeasured at fair value except for short term investments held in mutual funds.

Note 46
Remuneration of Chief Executive Officer, Directors and Executives

The aggregate amounts charged in these financial statements for remuneration, allowances including all benefits to the Chief Executive Officer, Directors and Executives of the Company are as follows:

	2024			
	Chief Executive Officer	**Executive Directors**	**Non Executive Directors**	**Executive**
	--- Rupees in Thousands ---			
Managerial remuneration and bonus	131,340	26,089	-	775,693
House rent	30,946	3,500	-	188,927
Utilities	18,786	1,894	-	114,744
Contribution to provident fund	11,193	2,325	-	69,956
Others	2,797	239	-	31,152
	195,062	34,047	-	1,180,472
Number of persons	2	5	6	114

	2023			
	Chief Executive Officer	**Executive Directors**	**Non Executive Directors**	**Executive**
	--- Rupees in Thousands ---			
Managerial remuneration and bonus	127,279	14,278	-	666,984
House rent	33,308	2,285	-	278,076
Utilities	17,583	571	-	64,268
Contribution to provident fund	15,134	1,463	-	59,113
Others	3,095	311	-	32,672
	196,399	18,908	-	1,101,113
Number of persons	2	4	6	109

46.1 An Executive is defined as an employee, other than the Chief Executive Officer and Directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

46.2 The Group also provides the director and certain executives with company maintained cars.

46.3 No remuneration or meeting fee has been paid to any director and Chief Executive Officer of the Company except meeting fee paid to Independent Director.

Avanceon Limited
Notes to and Forming Part of the Consolidated Financial Statements

Capital Management

While managing capital, the objectives of the Group are to ensure that it continues to meet the going concern assumption, enhances shareholders' wealth and meets stakeholders' expectations. The Group ensures its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising the option of issuing right shares or repurchasing shares, if possible, selling surplus assets without affecting the optimal operating level and regulating its dividend payout thus maintaining smooth capital management.

In line with the industry norms, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including current and non current) less cash and cash equivalents. Total capital employed is calculated as equity, as shown in the statement of financial position, plus net debt.

As at the reporting date, the gearing ratio of the Group was worked out as under:

	2024	2023
	--- Rupees in Thousands ---	
Total borrowings	1,795,235	1,566,786
Cash and bank balances	(756,748)	(1,131,258)
Net debt	1,038,487	435,528
Equity - excluding surplus on revaluation and exchange revaluation reserve	11,694,256	10,087,232
Total capital employed	12,732,743	10,522,760
Gearing ratio	8.16%	4.14%

Note 48
Number of Employees

	2024	2023
	Numbers	Numbers
Number of contractual employees as at December 31,	474	501
Average number of contractual employees during the year	465	468

Note 49
Shariah Screening Disclosures

	Note	2024	2023
		--- Rupees in Thousands ---	
Loans / advances obtained as per Islamic mode	29	117,134	113,184
Interest or mark up accrued on any conventional loan or advances	27	19,136	26,335
Shariah compliant bank deposits / bank balances	16	3,391	29,331
Profit earned from shariah compliant bank deposits / bank balances		-	-
Revenue earned from a shariah compliant business segment	32	3,953,573	3,760,712
Gain / loss or dividend earned from shariah compliant investments		1,094	140
Gain earned from Shariah compliant investments		-	-
Exchange (loss) / gain earned from actual currency	35 & 36	(103,564)	28,758
Mark up paid on Islamic mode of financing		70,822	44,137
Interest paid on any conventional loan or advance		87,149	168,225

Relationship with shariah compliant banks

The Company has relationships with following shariah compliant banks during the year along with transactions with them:

Bank	Nature of transaction	2024	2023
		--- Rupees in Thousands ---	
Dubai Islamic Bank	Bank balance closing	2,024	2,023
	Loan obtained balance	-	-
	Profit earned on bank deposits	-	-
	Markup / bank charges paid on islamic mode of financing	-	-
MCB Islamic Bank	Bank balance closing	-	2,023
	Loan obtained balance	127,676	125,731
	Loan paid balance	130,715	30,067

Avanceon Limited
Notes to and Forming Part of the Consolidated Financial Statements

Note 49, Shariah Screening Disclosures - Continued...

	2024	2023
	--- Rupees in Thousands ---	
profit earned on bank deposits	-	-
Markup / bank charges paid on islamic mode of financing	67,282	42,510

Note 50

Authorization of Financial Statements

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on March 27, 2025.

Note 51

General

Corresponding figures are re-arranged / reclassified, wherever necessary to facilitate comparison. Following material reclassifications / re-arrangement have been made in these consolidated financial statements for better presentation, other than those disclosed in Note 3.4. Further corresponding figures are re-arranged / reclassified in the Consolidated Statement of Cashflows for better presentation and comparison.

Nature	From	To	Amount
			---- Rupees in Thousands ----
Accrued Expenses	Trade creditors (Note 27)	Accrued expenses (Note 27)	24,171
Taxation	Trade creditors (Note 27)	Provision for taxation (Face of balance sheet)	220,692
Expected credit loss	Administrative and selling expense (Note 34)	Other operating expenses (Note 35)	30,155
Expected credit loss	Administrative and selling expense (Note 34)	Other operating expenses (Note 35)	112,533
Administrative expenses	Fee and subscription (Note 23)	Management fee (Note 23)	368
Amortisation of intangibles	Travelling and conveyance and maintenance (Note 34)	Amortisation of Intangible Assets (Note 34)	50,185
Balances written off	Administrative and selling expense	Other operating expenses (Note 35)	3,325,248
Employees' share option expense	Employees' share option expense (Note 34)	Other expenses (Note 34)	34,250

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

EVENT CALENDAR

JANUARY: 1st, 2024 TO
DECEMBER: 31th, 2024

Financials: Results announced as per the following schedule:

Annual General Meeting	29th April 2024
1st Quarter ended 31 March 2024	30th April 2024
Half year ended 30 June 2024	29th August 2024
3rd Quarter ended 30 September 2024	30th October 2024
Board Meeting Other Than Financials	04th November 2024
Financial year ending 31 December 2024	27th March 2025

موجودہ آڈیٹرز، ایم/ایس کرو حسین چوہدری اینڈ کمپنی چارٹرڈ ریٹائر ہو رہے ہیں اور وہ دوبارہ تقرری کے لئے اپنی پیشکش کرتے ہیں۔ کمپنی کی آڈٹ کمیٹی نے ان کی دوبارہ تقرری کی تجویز کی ہے تاکہ وہ سال ختم ہونے والے 31 دسمبر 2025 کے لئے کمپنی کے آڈیٹرز کے طور پر کام کریں۔

رابطہ کاری

شیئر ہولڈرز کے ساتھ رابطہ کاری کو اعلیٰ ترجیح دی جاتی ہے۔ مالیاتی نتائج بشمول سہ ماہی، نصف سالانہ اور سالانہ نتائج اور رپورٹس قانون کمپنیز ایکٹ 2017 کے تحت مخصوص وقت میں ان کے ساتھ تقسیم کی اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (PSX) جاتی ہیں۔ کمپنی پاکستان اسٹاک ایکسچینج کو تمام اہم معلومات جو کہ مواد کی معلومات کے زمرے میں آتی ہیں فراہم کرتی ہے۔ کمپنی کی (SECP) ، جو کمپنی کی سرگرمیوں اور مالیاتی رپورٹس کے www.avanceon.aeایک ویب سائٹ بھی ہے، بارے میں اپ ڈیٹ شدہ معلومات فراہم کرتی ہے۔

شکریہ

بورڈ کمپنی کے ملازمین کی مسلسل محنت اور لگن سے خوش ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

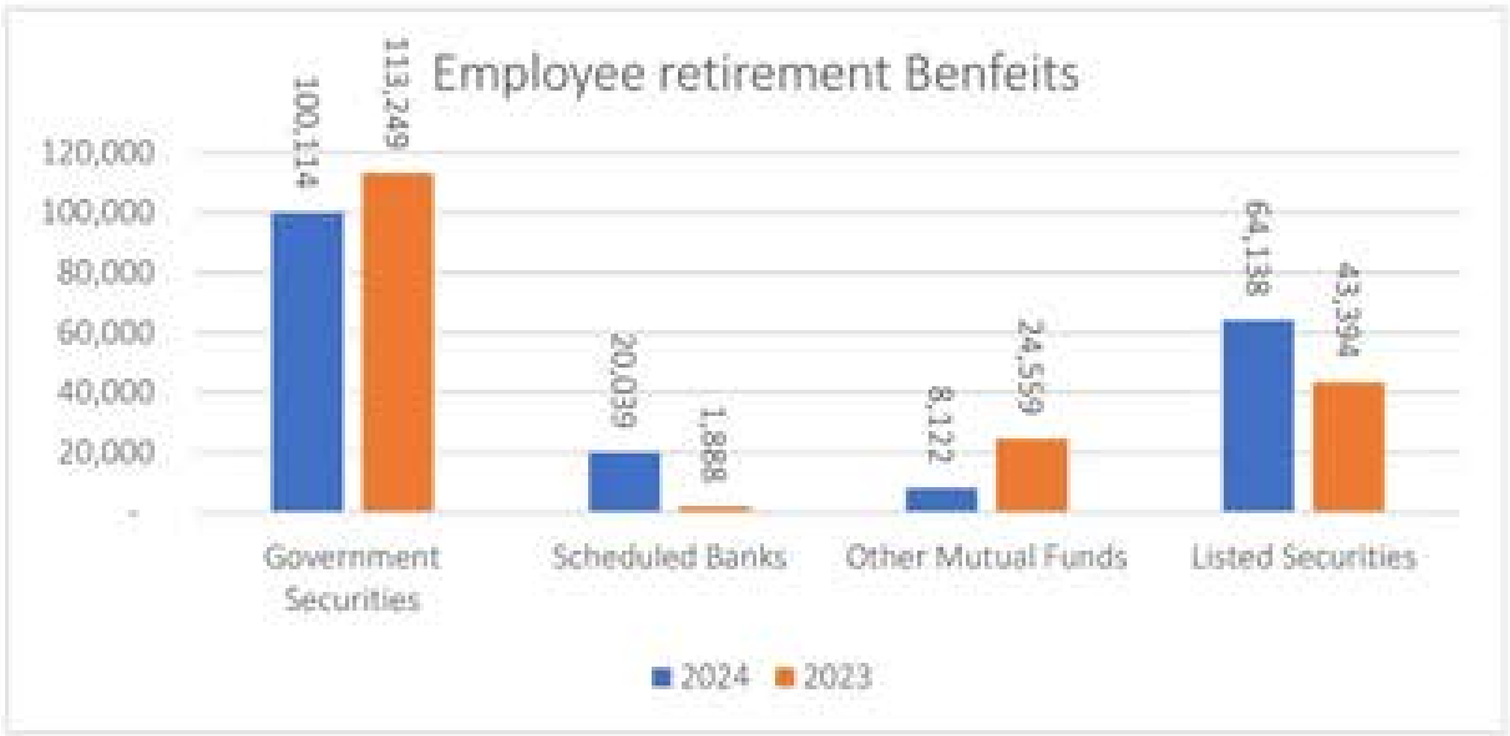
لاہور:
مسٹر بختیار ایچ وین
ڈائریکٹر، چیف ایگزیکٹو آفیسر

مسٹر تنویر کرامت
ڈائریکٹر
اپریل 26 2025

ڈیٹا مینجمنٹ سسٹم اس طرح سے ڈیزائن کیا گیا ہے کہ یہ تمام انتظامی سطحوں پر فوری HSE ہمارا جامع اور قابل عمل بصیرت فراہم کرتا ہے، جس سے یہ ممکن ہوتا ہے کہ مقررہ اہداف سے انحراف کے معاملے میں بروقت مداخلت کی جا سکے۔ یہ پیشگی نقطہ نظر اس بات کو یقینی بناتا ہے کہ ممکنہ خطرات کو بڑھنے سے پہلے ہی نمٹایا جائے۔ داخلی نگرانی کے علاوہ، ہمارے سسٹمز اور عمل کو باقاعدگی سے تیسرے فریق آڈٹ بھی HSE کے آڈیٹرز کے ذریعے جانزہ لیا جاتا ہے، اور اس کے ساتھ ساتھ کمپنی اور شعبہ جاتی طریقہ کار کی سالمیت اور مؤثریت کو مزید یقینی بناتے HSE کیے جاتے ہیں۔ یہ بیرونی جائزے ہمارے ہیں، اور ہمیں اپنے آپریشنز میں مسلسل بہتری اور حفاظت اور پائیداری کی ثقافت کو برقرار رکھنے میں مدد دیتے ہیں۔

ملازمین کے ریٹائرمنٹ فوائد

	2024 (Un-audited)		2023 (Audited)	
	Investments (Rupees in thousand)	Investment as % of size of the fund	Investments (Rupees in thousand) Restated	Investment as % of size of the fund
Government Securities	100,114	52%	113,249	62%
Scheduled Banks	20,039	10%	1,888	1%
Other Mutual Funds	8,122	4%	24,559	13%
Listed Securities	64,138	33%	43,394	24%
	192,413	100%	183,091	100%



آپریٹنگ مالیاتی ڈیٹا

کمپنی کے آپریٹنگ مالیاتی ڈیٹا اور اہم تناسبات گزشتہ چھ سالوں کے دوران جیسے کہ انکشاف کیا گیا ہے، اس رپورٹ کے مینجمنٹ حصے میں اگلے صفحات پر منسلک ہیں۔

شیئر ہولڈنگ کا پیٹرن

31 دسمبر 2024 کو شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے مینجمنٹ حصے میں منسلک ہے۔ ڈائریکٹرز، چیف ایگزیکٹو، چیف فنانشل آفیسر، کمپنی سیکریٹری اور ان کے شوہر / بیوی اور کم عمر بچوں نے اس سال کمپنی کے شیئرز میں کوئی لین دین نہیں کیا، سوائے ان لین دین کے جو شیئر ہولڈنگ کے پیٹرن میں رپورٹ کیے گئے ہیں۔

کمپنی کے قانونی آڈیٹرز

پاکستان میں اپنے مارکیٹ کی قیادت کو مستحکم کرنے میں ہے، جبکہ ساتھ ہی کم خدمات یافتہ مارکیٹوں میں داخل ہو کر اور نئی عمودیات کے ذریعے اپنے کسٹمر پورٹ فولیو کو متنوع بنانے میں ہے۔

مشرق وسطیٰ میں، ہماری کامیابی کا انحصار بنیادی طور پر انفراسٹرکچر، ٹرانسپورٹیشن، اور اسمارٹ سٹیز کے شعبوں پر ہے، خاص طور پر مملکت سعودی عرب میں۔ یہ حکمت عملی ان علاقوں میں جدید حل فراہم کرنے پر مرکوز ہے جہاں ان اختراعات کی اہمیت تسلیم کی گئی ہے لیکن ان کا نفاذ ابھی تک نہیں ہوا۔
پاکستان میں، ایوانسیون پروسیس کنٹرول انڈسٹری میں 60% سے زائد شیئر کے ساتھ قیادت کی پوزیشن پر ہے۔

معیاری یقین دہانی کے لئے اپنائے گئے طریقہ کار

ڈیٹا کا انتظام، مضبوط ڈیٹا اکٹھا کرنے کے عمل اور (HSE) ایوانسیون میں، ہیلتھ، سیفٹی اور ماحولیاتی HSE شفاف رپورٹنگ ہمارے کارپوریٹ ذمہ داری کے فریم ورک کا ایک بنیادی جزو ہے۔ کمپنی اپنے معیارات کے مطابق باقاعدگی سے رپورٹ کرتی ISO پلر گائیڈ لائنز اور مقررہ SMETA 4 کارکردگی کو ہے، تاکہ یہ یقینی بنایا جا سکے کہ ہماری عملی کارروائیاں بین الاقوامی معیار کے مطابق ہیں۔

بورڈ سات ڈائریکٹرز پر مشتمل ہے جو نیچے درج ہیں:

سری نمبر	ڈائریکٹر کا نام	مقام عہدہ
1	Mr. Khalid H. Wain	نان ایگزیکٹو ڈائریکٹر لیکن آزاد نہیں
2	Mr. Bakhtiar H. Wain	ایگزیکٹو ڈائریکٹر
3	Mr. Amir Wain	نان ایگزیکٹو ڈائریکٹر لیکن آزاد نہیں
4	Mr. Tanveer Karamat	نان ایگزیکٹو ڈائریکٹر لیکن آزاد نہیں
5	Mr. Mohammad Shahid Mir	آزاد ڈائریکٹر
6	Mr. Omer Iqbal Khan	آزاد ڈائریکٹر
7	Ms. Faaria Rehman Salahuddin	آزاد خاتون ڈائریکٹر

سات :کل ڈائریکٹرز کی تعداد

چھ :مرد ڈائریکٹرز
ایک :خاتون ڈائریکٹرز

بورڈ آف ڈائریکٹرز کی میٹنگز (Board of Director's Meetings):

سال کے دوران، بورڈ آف ڈائریکٹرز نے چار میٹنگز کیں (تمام میٹنگز پاکستان میں ہوئیں) جن میں مندرجہ ذیل اراکین نے شرکت کی:

سری نمبر	ڈائریکٹر کا نام	شرکت کی تعداد	چھٹی منظور
1	Mr. Khalid H. Wain	4	0
2	Mr. Bakhtiar H. Wain	4	0
3	Mr. Amir Wain	4	0
4	Mr. Tanveer Karamat	4	0
5	Mr. Omer Iqbal Khan	4	0
6	Mr. Mohammad Shahid Mir	4	0
7	Ms. Faaria Rehman Salahuddin	0	0 (مستقل رکن کی حیثیت سے تقرر، 31 دسمبر 2024) تک کوئی میٹنگ میں شرکت نہیں کی
8	Ms. Hanan Darwish	4	0

سیگمنٹل بزنس پرفارمنس اور مارکیٹ شیئر کی معلومات (Segmental Business Performance and Market Share Information):

جیسا کہ پہلے رپورٹ کیا گیا، اور بڑی فخر کے ساتھ ہم یہ اجاگر کرتے ہیں کہ کنٹرول انجینیرنگ گائیڈس کی فہرست کے مطابق، ایوانسیون کا مارکیٹ شیئر تقریباً 4% ہے، جس کے ساتھ ہم دنیا کے ٹاپ 15 سسٹم انٹیگریٹرز میں شامل ہیں، جہاں موجودہ مارکیٹ رہنما کا مارکیٹ شیئر 9% ہے۔ ایوانسیون کی بنیادی طاقت

رواں سال کے دوران نئے بورڈ اراکین کو ان کی ذاتی مصروفیات کی وجہ سے عارضی طور پر خالی جگہوں کو پر کرنے کے لیے شامل کیا گیا۔ اس وجہ سے اس سال کوئی تربیت نہیں دی گئی۔ تاہم، کمپنی 2025 میں باقی ڈائریکٹرز کو مکمل ڈائریکٹرز ٹریننگ پروگرام فراہم کرنے کے لیے پر عزم ہے۔

ایگزیکٹوز کے ذریعہ شیئرز کی تجارت (Shares Traded by Executives):

اس سال کے دوران، درج ذیل ایگزیکٹوز نے ایوانسیون کے اسٹاک کی تجارت کی اور اسٹاک ایکسچینج کو اطلاع دی۔

Name of Company	Employee Name	Designation	Transaction Type	No. of Shares	Price	Transaction Type	Date of Transaction	Date of Submission
Avanceon Limited	Ahsan Khalil	Chief Financial Officer	Sell	25000	51.66	CDC	26/03/2024	15/04/2024
Avanceon Limited	Tanveer Karamat	Director	Sell	20000	67.56	CDC	23/07/2024	30/07/2024
Avanceon Limited	Tanveer Karamat	Director	Sell	10000	67.60	CDC	23/07/2024	30/07/2024
Avanceon Limited	Mohammad Shahid Mir	Director	Sell	38670	64.05	CDC	05/08/2024	06/08/2024
Avanceon Limited	Tanveer Karamat	Director	Sell	50000	55.55	CDC	13/11/2024	19/11/2024
Avanceon Limited	Tanveer Karamat	Director	Sell	30000	60.33	CDC	12/12/2024	13/12/2024
Avanceon Limited	Tanveer Karamat	Director	Sell	10000	57.36	CDC	06/12/2024	17/12/2024

بورڈ آڈٹ کمیٹی کی ساخت (Composition of Board Audit Committee):

بورڈ آڈٹ کمیٹی تین اراکین پر مشتمل ہے جو نیچے درج ہیں:

سری نمبر	اراکین کا نام	عہدہ	مقام
1	Ms. Faaria Rehman Salahuddin	چیئرپرسن	آزاد ڈائریکٹر
2	Mr. Khalid Hamid Wain	نان ایگزیکٹو ڈائریکٹر رکن	نان ایگزیکٹو ڈائریکٹر رکن
3	Mr. Amir Wain	نان ایگزیکٹو ڈائریکٹر رکن	نان ایگزیکٹو ڈائریکٹر رکن

بورڈ آف ایچ آر اور انعامات کمیٹی کی ساخت (Composition of Board of HR and Remuneration Committee):

بورڈ آف ایچ آر اور انعامات کمیٹی تین اراکین پر مشتمل ہے جو نیچے درج ہیں:

سری نمبر	اراکین کا نام	عہدہ	مقام
1	Ms. Faaria Rehman Salahuddin	چیئرپرسن	آزاد ڈائریکٹر
2	Mr. Khalid Hameed Wain	نان ایگزیکٹو ڈائریکٹر رکن	نان ایگزیکٹو ڈائریکٹر رکن
3	Mr. Muhammad Shahid Mir	رکن	آزاد ڈائریکٹر

بورڈ آف ڈائریکٹرز کی ساخت (Composition of Board of Directors):

(Issues Raised in the Last AGM/Agenda Items): آخری اے جی ایم/ایجنڈا آئٹمز

دسمبر 2023 کو ہونے والی سالانہ جنرل میٹنگ کے دوران کوئی اہم مسئلہ نہیں اٹھایا گیا۔ 31

ایجنڈا #1: دسمبر 2023 کو ہونے والی ایگزیٹرنری جنرل میٹنگ کے منٹس کی تصدیق۔ 22

ایجنڈا #2: 31 دسمبر 2023 کو ختم ہونے والے سال کے لیے کمپنی کے اسٹینڈ اسٹون اور کنسولیڈیٹڈ آڈٹڈ فنانشل اسٹیٹمنٹس کو موصول کرنا، غور و خوض کرنا اور ان کی منظوری دینا، اس کے ساتھ ڈائریکٹرز اور آڈیٹرز کی رپورٹس اور چیئرمین کی جائزہ رپورٹ۔

ایجنڈا #3: کمپنی کے آڈیٹرز کی تقرری اور ان کی فیس کا تعین۔ ممبران کو اطلاع دی جاتی ہے کہ بورڈ آف ڈائریکٹرز نے 31 دسمبر 2024 کو ختم ہونے والے سال کے لیے M/s BDO ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو آڈیٹرز کے طور پر دوبارہ تقرر کرنے کی سفارش کی ہے۔ آڈٹ کمیٹی اور بورڈ

ایجنڈا #4: بورڈ آف ڈائریکٹرز کی سفارش کے مطابق 31 دسمبر 2023 کو ختم ہونے والے سال کے لیے 20% (روپے 2/-) کی شرح سے حتمی کیش ڈیویڈنڈ کی ادائیگی کی منظوری۔

ایجنڈا #5: بورڈ آف ڈائریکٹرز کی سفارش کے مطابق 10% بونس شیئرز کے اجراء کی منظوری اور متعلقہ قرارداد منظور کرنا۔

(Board of Directors' Remuneration): بورڈ آف ڈائریکٹرز کی فیس

کمپنی کے تمام ڈائریکٹرز نان ایگزیکٹو ہیں، سوائے چیف ایگزیکٹو آفیسر (CEO) کو کمپنی کی CEO کی پالیسیوں اور معیاری تنخواہ کے پیمانوں کے مطابق فکسڈ تنخواہ اور فوائد دیے جاتے ہیں۔ HR کارکردگی کو منظور شدہ معیار کے خلاف انسانی وسائل اور انعامات کمیٹی کے ذریعہ جانچا جاتا ہے اور بورڈ کو منظوری کے لیے سفارشات فراہم کی جاتی ہیں۔

(Corporate Governance Practices): کارپوریٹ گورننس کے طریقے

ایوانسیون لمیٹڈ کے بورڈ آف ڈائریکٹرز کمپنی کے اصولوں کے ساتھ وابستہ ہے اور پاکستان اسٹاک ایکسچینج (PSX) کے لسٹنگ ریگولیشنز میں شامل کارپوریٹ گورننس کے کوڈ کی ضروریات کی تعمیل کرتا ہے۔

(Board of Director's Training): بورڈ آف ڈائریکٹرز کی تربیت

معاشرتی خدمت (Service to Society):

ہم اپنے آپ کو ایک فعال اور ذمہ دار کارپوریٹ شہری کے طور پر مضبوطی سے قائم رکھتے ہیں۔ اپنی کی پہل قدمیوں کے تحت، کمپنی نچلے سطح کے ملازمین کے (CSR) کارپوریٹ سوشل ریسپانسبلیٹی بچوں کی تعلیمی اخراجات کو مکمل طور پر اسپانسر کرتی ہے، تاکہ سماجی و اقتصادی حیثیت سے قطع نظر، انہیں معیاری تعلیم تک رسائی حاصل ہو۔ مزید یہ کہ، ہم مختلف خیرات کے اداروں کو بھی تعاون فراہم کرتے ہیں جو غریب طبقوں کے سماجی و معاشی احوال کو بہتر بنانے کے لیے کام کر رہے ہیں۔

اس پروگرام کے نتیجے میں یہ بچے اب ایوانسیون کا حصہ بن چکے ہیں اور انجینئرنگ، سافٹ ویئر اور سپورٹ فنکشنز میں حقیقی ملازمین کے طور پر کام کر رہے ہیں۔

فنڈنگ مختص کی ہے، CSR اس موجودہ سال کے لیے، کمپنی نے 250,000 امریکی ڈالر کی مخصوص جو تعلیم، صحت کی دیکھ بھال، عوامی تحفظ، اور ماحولیاتی بہبود جیسے اہم شعبوں میں خرچ کی جائے گی۔

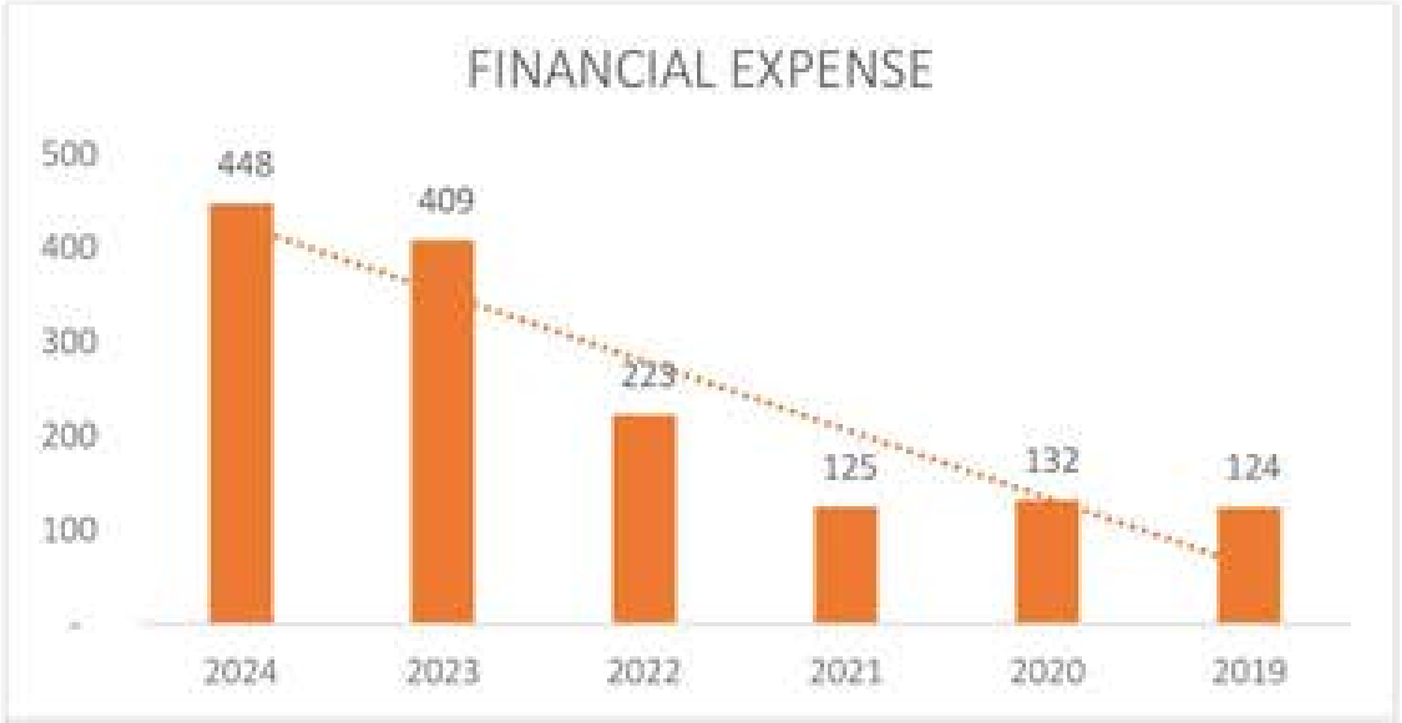
صحت، تحفظ اور ماحولیات (Health, Safety, and Environment):

ایوانسیون میں، ہم اپنے تمام ورک سائٹس اور دفاتر میں صحت اور حفاظت کے اعلیٰ معیار کو برقرار رکھنے کو اولین ترجیح دیتے ہیں۔ ہم اپنے آپریشنز میں موجود صحت اور حفاظت کے خطرات کو پیشگی طور پر منظم کرنے کے لیے پُرعزم ہیں، اور ہم مسلسل اپنے طریقہ کار کو بہتر بنانے کی کوشش کرتے ہیں تاکہ آگ، حادثات اور چوٹوں کے خطرات کو کم، ختم یا کنٹرول کیا جا سکے، چاہے وہ ملازمین ہوں یا کے تحت سرٹیفائیڈ ہیں۔ مزید برآں، ہم اس بات کو یقینی بناتے ہیں کہ ISO 14001:2004 زائرین۔ ہم ہمارے تمام مصنوعات متعلقہ حفاظتی معیاروں اور قانونی ضروریات کے مطابق بھیجیں جائیں، جو ہر مرحلے پر ذمہ دار آپریشنز کے لیے ہماری پختہ عزم کو مزید مستحکم کرتا ہے۔

ترقی (ESG) ماحولیاتی، سماجی اور حکومتی (Environmental, Social, and Governance - ESG):

عوامل ایک پائیدار مستقبل (ESG) ایوانسیون میں، ہم تسلیم کرتے ہیں کہ ماحولیاتی، سماجی اور حکومتی کے لیے اہمیت اختیار کرتے جا رہے ہیں۔ ماحولیاتی چیلنجوں کے سماجی اثرات میں اضافے کے ساتھ، ہم عملوں کو ESG اصولوں کے ساتھ اپنی پختہ وابستگی کو برقرار رکھتے ہیں۔ 2025 میں، ہم اپنے ESG کے معیاروں ESG معیارات اپنائیں گے۔ ہمارا بنیادی مقصد S2 اور IFRS S1 مزید بہتر بنانے کے لیے کو پورے ادارے میں آگاہی پیدا کرنا اور ان کے نفاذ کے ذریعے سماجی پلیٹ فارم پر اہم تبدیلی لانا ہے، تاکہ ہمارے اقدامات ہمارے پائیداری اور ذمہ دار کارپوریٹ گورننس کے عزم سے ہم آہنگ ہوں۔

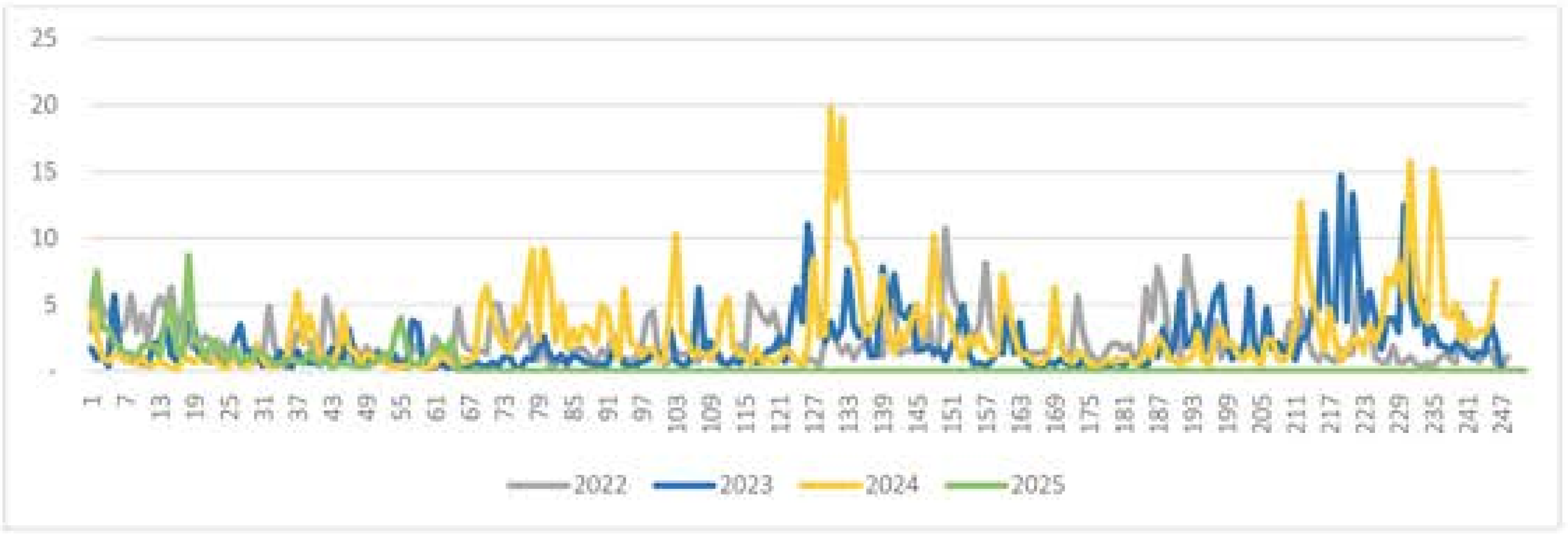
کمپنی اپنے ورکنگ کیپٹل کو احتیاط سے مینیج کرتی ہے اور گاہکوں کے ساتھ سازگار کریڈٹ شرائط پر بات رہے اور وصولیاں معقول (cash-positive) چیت کرتی ہے—یقینی بناتے ہوئے کہ ہر آرڈر کیش پازیٹو اور متفقہ اوقات میں وصول کی جائیں۔ مالیاتی نظم و ضبط اور محتاط نگرانی کے ذریعے کمپنی نے کامیابی سے قلیل مدتی قرضوں کو مثالی سطح پر برقرار رکھا ہے، اس طرح فنانسنگ کے اخراجات کو کم کیا ہے اور صحت مند کیش فلو کی پوزیشن کو مضبوط کیا ہے۔



مستقبل کے امکانات (Future Prospects):

ہماری بورڈ اور انتظامیہ کی حکمت عملی کا ایک اہم ستون واضح اور مستقبل کی طرف دیکھنے والی وژن ہے۔ جب ہم 2025 کا آغاز کرتے ہیں، کمپنی مضبوط بنیادوں پر کھڑی ہے، جس کے پاس 75 ملین امریکی ڈالر کا ابتدائی پروجیکٹ بیک لاگ اور 88 ملین امریکی ڈالر کی متوقع خریداری آرڈر پائپ لائن ہے۔ یہ اعداد و شمار ہمارے 'روڈ ٹو 100' اقدام کے لیے ایک مضبوط بنیاد فراہم کرتے ہیں—ہمارا پرعزم مقصد 2028 تک سالانہ 100 ملین امریکی ڈالر کی آمدنی حاصل کرنا۔ قابل ذکر بات یہ ہے کہ اس تخمینہ میں ممکنہ آمدنی کے عارضی آرڈرز شامل نہیں ہیں، جو ہمارے موجودہ پوزیشن کی طاقت کو مزید بڑھا سکتے ہیں۔

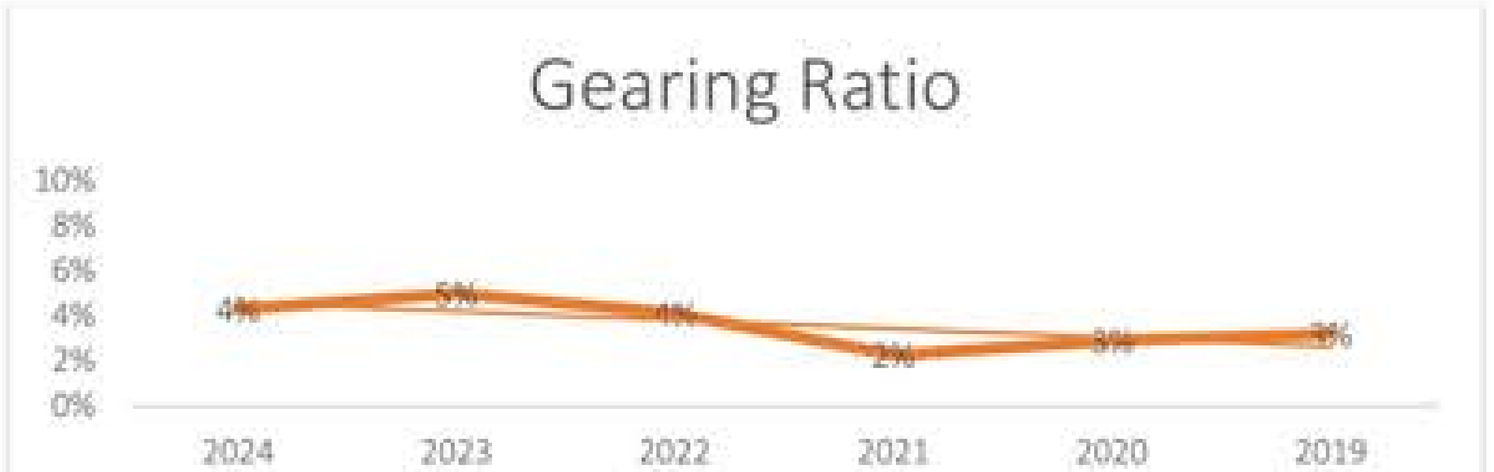
مستقبل میں مستقل ترقی کا منظرنامہ مضبوط نظر آتا ہے، خاص طور پر پاکستان اور وسیع تر مشرق وسطیٰ ویژن 2030 کے KSA میں، جس میں مملکت سعودی عرب پر اسٹریٹجک توجہ مرکوز کی گئی ہے، جو ساتھ ہم آہنگ ہے۔ حالانکہ موجودہ سال کے لیے آمدنی ابتدائی توقعات سے معمولی کم رہی، لیکن ہمارے 100 ملین امریکی ڈالر کے سنگ میل تک پہنچنے کی راہ پر اعتماد بلند ہے۔ آئندہ کی طرف دیکھتے ہوئے، ہم عالمی اقتصادی بحالی سے نیا عزم اور رفتار متوقع رکھتے ہیں—خاص طور پر یو اے ای، سعودی عرب، قطر، عمان، نائیجیریا جیسے اہم بازاروں میں، اور پاکستان میں سیاسی و اقتصادی استحکام کے حوالے سے بڑھتی ہوئی اُمیدوں کے ساتھ



(Capital Structure): سرمایہ کا ڈھانچہ

ایوانسیون گروپ ایک نمایاں طور پر کم گیرنگ ریشو کے ساتھ کام کرتا ہے، جو ایک متوازن سرمایہ ڈھانچے کی عکاسی کرتا ہے اور اس کی مالی مضبوطی اور محتاط لیکویڈیٹی مینجمنٹ کو اجاگر کرتا ہے۔ گروپ پر کوئی قابل ذکر طویل مدتی قرض نہیں ہے، سوائے یو اے ای میں آفس کی زمین خریدنے کے لیے حاصل کردہ سہولت اور پاکستان میں گاڑیوں کی مالی اعانت کے لیے طویل مدتی مشارکہ معاہدے کے۔ ورکنگ کیپٹل لائنز صرف قلیل مدتی کیش فلو کی ضروریات کو پورا کرنے کے لیے استعمال کی جاتی ہیں۔

کمپنی نے مسلسل اپنے تمام قلیل مدتی مالی واجبات بشمول فنانس اور آپریٹنگ لیزوں کو بروقت پورا کیا ہے۔ آگے بڑھتے ہوئے، کمپنی پاکستان میں اپنے بینکنگ سہولتوں کو بڑھانے کے لیے سرگرم عمل ہے—جس میں قلیل مدتی، طویل مدتی، اور پراجیکٹ فنانسنگ شامل ہیں—تاکہ لاہور میں ٹیکنالوجی پارک پر اپنے نئے دفتر کی تعمیر کی معاونت کی جا سکے، جس کے لیے اراضی کی خریداری کا عمل جاری ہے۔ مزید برآں، کمپنی عالمی سطح پر گروپ کی تمام خطوں میں ورکنگ کیپٹل کی ضروریات کو پورا کرنے کے لیے عالمی کریڈٹ لائنز قائم کرنے کی کوششیں بھی کر رہی ہے۔



(Working Capital Management): ورکنگ کیپٹل مینجمنٹ

مالی اخراجات گروپ کی ورکنگ کیپٹل کی ضروریات کے مطابق رہے، جس میں گزشتہ سال کے مقابلے کی شرحوں کی وجہ سے تھا، KIBOR میں 9% کا معتدل اضافہ ریکارڈ کیا گیا۔ یہ اضافہ بڑی حد تک بلند جو 2023 میں 22% فی سال سے زائد ہوگئی تھی، اور پھر 2024 میں نمایاں طور پر کم ہوگئی۔

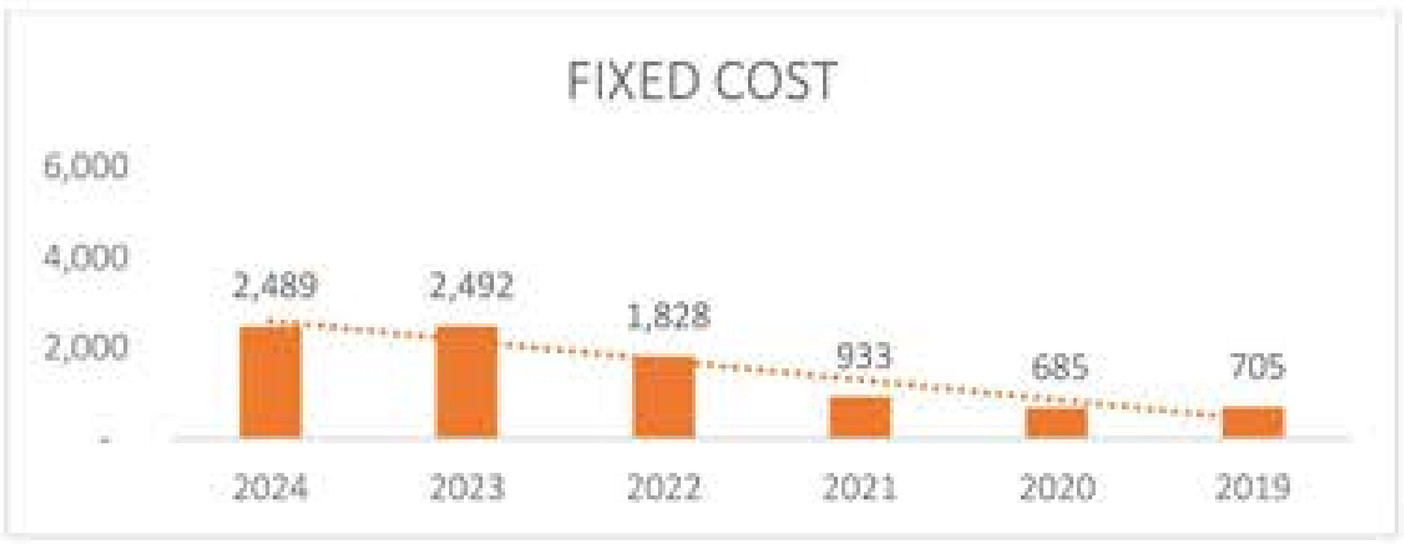
مقررہ اخراجات (Fixed Cost):

کمپنی کی کنٹرول شدہ ترقی اور منافع میں بہتری کے حصول میں مقررہ اخراجات ایک اہم امتیازی پہلو رہے ہیں۔ پاکستان اور مشرق وسطیٰ میں قائم اسٹیورڈ بورڈز کی سخت نگرانی نے پورے سال کے دوران مثالی لاگت نظم و نسق کو یقینی بنایا۔

، جو ہر ماہ تمام شعبہ جات کے سربراہان کو فراہم کیا جاتا ہے، **(EOR)** ہمارا **ایونٹ اورینٹڈ ریکنسیلی ایشن** مقررہ اخراجات کی قریبی نگرانی میں کلیدی کردار ادا کرتا ہے۔ اس کے ساتھ ساتھ، مؤثر اندرونی کنٹرولز اور گروپ کے کارپوریٹ پلان سے ہم آہنگی نے مالیاتی نظم و ضبط کو مزید مضبوط بنایا ہے۔

ہم نے مقررہ اخراجات میں 1% کمی رپورٹ کی ہے—جو مسلسل مہنگائی کے دباؤ کے باوجود ایک قابلِ ستائش کامیابی ہے۔

Human Resource) بطور سروس بیسڈ ادارہ، ایوانسیون کے اخراجات کا بڑا حصہ انسانی وسائل سے متعلق ہوتا ہے۔ دیگر آمدنی اور اخراجات کا زیادہ تر تعلق زرمبادلہ کی شرح میں اتار (Factory چڑھاؤ اور متوقع کریڈٹ نقصانات کی واپسی سے ہے۔



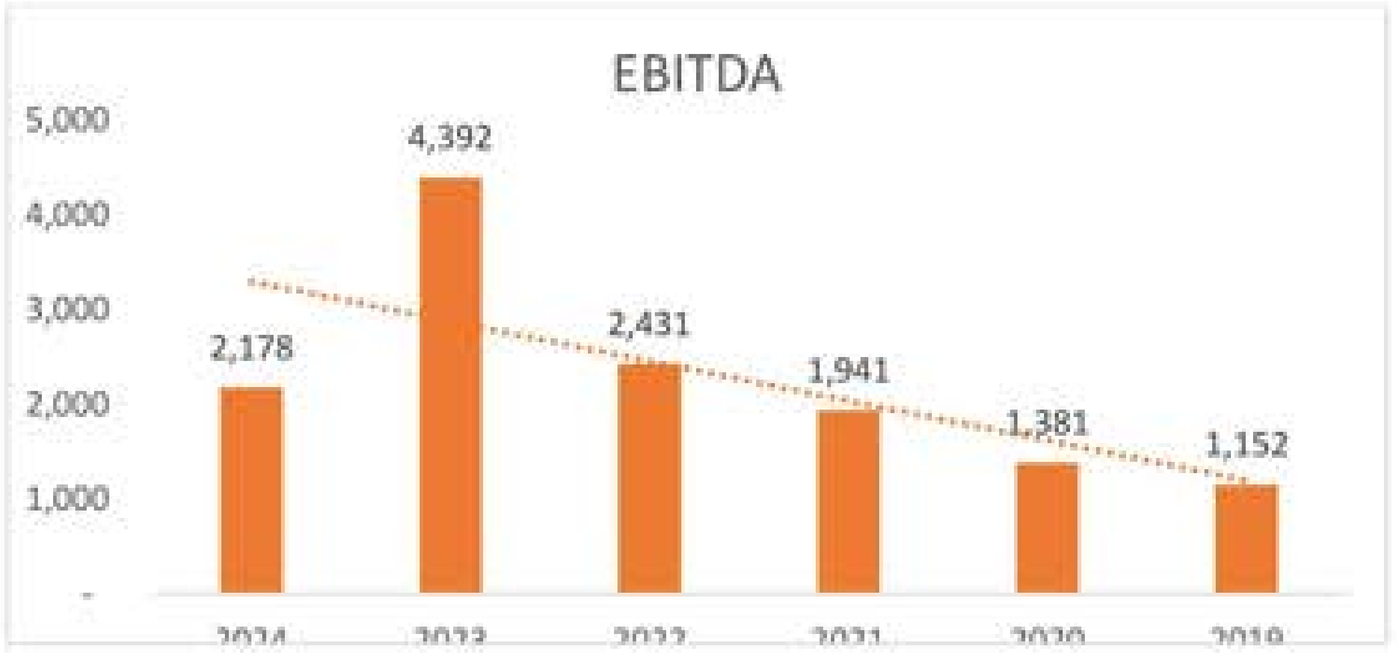
سٹاک لیکویڈیٹی (Stock Liquidity):

رواں سال کے دوران ایوانسیون کے اسٹاک کی سرگرمی نسبتاً کم رہی، حالانکہ ٹریڈنگ والیومز پورے سال کے دوران مستحکم رہے۔ کمپنی کو توقع ہے کہ 2024 کی مضبوط کارکردگی اور 2025 کے لیے طے شدہ حکمت عملی کے نتیجے میں نئے ریٹیل اور کارپوریٹ سرمایہ کاروں کو متوجہ کیا جائے گا۔

ہم اپریل کے آخر یا مئی 2025 کے آغاز میں ایک اینالسٹ بریفنگ کی منصوبہ بندی بھی کر رہے ہیں، جس میں ہم اپنے اسٹیک ہولڈرز کو کارکردگی اور آئندہ کے منصوبوں کے بارے میں اپڈیٹ فراہم کریں گے۔

اب مکمل ہو چکی ہے، جس کے تحت **(ESOS)** اس کے علاوہ، ہمارا **ملازمین اسٹاک آپشن اسکیم** ملازمین اپنے حصص کو مائع کر کے مارکیٹ میں مزید پوزیشنز حاصل کر سکتے ہیں، اس طرح انہیں لیکویڈیٹی کے مواقع ضائع ہونے کا کوئی خطرہ نہیں رہتا۔

(EBITDA): سود، ٹیکس، کمی بیشی اور سرمایہ جاتی اخراجات سے قبل آمدنی



(Profit After Taxation - PAT): ٹیکس کے بعد منافع

ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ رواں سال کمپنی نے روپے 2.0 ارب کا ٹیکس کے بعد منافع (PAT) حاصل کیا۔ اگرچہ یہ مالی سال 2023 کے مقابلے میں معمولی کمی کو ظاہر کرتا ہے، تاہم 'AVANCEON' ٹریڈ مارک سے متعلق دیگر آمدنی کے ضمن میں حاصل ہونے گزشتہ سال کے نتائج میں والا ایک مرتبہ کا غیر معمولی منافع شامل تھا۔

اس کے برعکس، مالی سال 2024 کی کارکردگی مضبوط بنیادوں پر استوار ہے، جس میں مجموعی منافع میں بہتری، مقررہ اخراجات پر سخت کنٹرول، مملکت سعودی عرب میں مشترکہ منصوبے سے حاصل ہونے والے منافع میں اضافہ، اور ٹیکس کے حوالے سے مثبت اثرات شامل ہیں—جو مجموعی طور پر روپے 2.0 ارب کے مستحکم PAT کے حصول میں معاون ثابت ہوئے۔

اگرچہ 2023 کے مقابلے میں آمدنی میں معمولی کمی واقع ہوئی، اس کی بنیادی وجہ یہ تھی کہ کچھ منصوبے آخری سہ ماہی میں تکمیل کے قریب تھے اور ان سے حاصل ہونے والی آمدنی اگلے مالی سال میں تسلیم کی جائے گی۔

گزشتہ چند برسوں میں، کمپنی نے آمدنی کے میدان میں مسلسل ترقی کا مظاہرہ کیا ہے، اور مالی سال 2019 فیصد سے تجاوز کر چکی ہے، جو کمپنی کی 27 (CAGR) سے 2023 کے دوران اوسط سالانہ شرح نمو ترقی کی مستحکم رفتار کو ظاہر کرتی ہے۔

مجموعی منافع (Gross Profits):

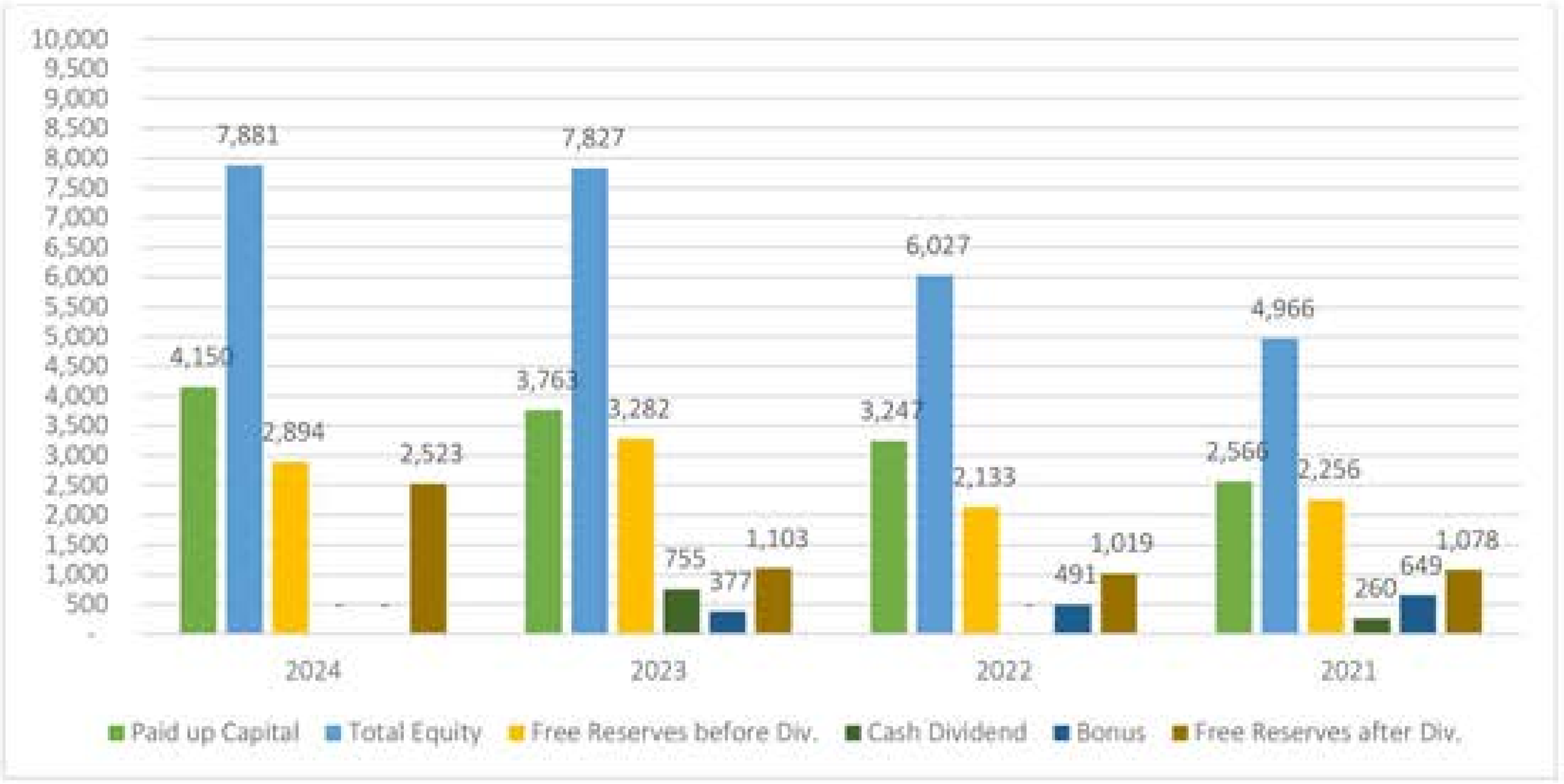
ہم یہ بتاتے ہوئے خوشی محسوس کر رہے ہیں کہ رواں سال کے دوران کمپنی کا مجموعی مارجن نمایاں طور پر بہتر ہوا ہے، اور گزشتہ چھ سالوں میں اس کا اوسط 25 فیصد سے زائد رہا ہے۔ اس شاندار بہتری کی بنیادی وجوہات میں پاکستان اور قطر کے خطوں میں اعلیٰ منافع بخش منصوبوں کی مؤثر تکمیل، آپریشنز میں بہتری، اور خدمات کے مختلف شعبوں میں حکمتِ عملی کے تحت کیے گئے لاگت میں کمی کے اقدامات شامل ہیں۔

پاکستان میں امریکی ڈالر کی قدر کے استحکام کے باعث سال 2024 کے دوران پاکستان میں آپریشنز کے مجموعی منافع میں خاصا اضافہ ہوا ہے۔

اگرچہ گروپ کی مجموعی سطح پر مجموعی مارجن میں معمولی کمی دیکھی گئی، لیکن اس کی بنیادی وجہ قطر کے خطے میں مالی سال 2023 کے دوران ایک مرتبہ کی غیر معمولی (اسپائک) آرڈر کی تکمیل تھی۔

ہمارے مسلسل استحکام اور کامیابی کے پیچھے ایک "لین آپریشنل ماڈل" کارفرما ہے، جو تمام کلیدی افعال جیسے انجینئرنگ، خریداری و رسد (پراکورمنٹ اینڈ لاجسٹکس)، ایچ ایس ای و کوالٹی، اور فنانس و سپورٹ کو مرکزی سطح پر منظم کرتا ہے۔ اس مؤثر اور مرکوز ساخت نے منافع کے مارجن میں بہتری اور بالآخر ہمارے شیئر ہولڈرز کے لیے قدر میں اضافہ ممکن بنایا ہے۔

مزید برآں، مملکت سعودی عرب میں "زمیل گروپ" کے ساتھ ہماری مشترکہ شراکت (جوائنٹ وینچر) نے بھی مارجن میں نمایاں بہتری میں اہم کردار ادا کیا ہے، جو اس بات کا ثبوت ہے کہ ہم طویل المدتی اور باہمی فائدہ مند اسٹریٹجک شراکت داریوں کے فروغ کے لیے پرعزم ہیں۔



آمدنی فی حصص (EPS):

نے ایک مثبت رجحان برقرار رکھا، جو (EPS) گزشتہ پانچ برسوں کے دوران کمپنی کی آمدنی فی حصص رواں سال روپے 1.37 تک پہنچ گئی ہے۔ یہ تمام کاروباری شعبہ جات اور جغرافیائی علاقوں میں مسلسل اور مستحکم کارکردگی کا مظہر ہے۔

قدرے کم ہے، جس کی بنیادی وجہ گزشتہ سال EPS تاہم، مالی سال 2023 کے مقابلے میں رواں سال کی حاصل ہونے والا زرمبادلہ منافع تھا، جو کہ رواں سال امریکی ڈالر کی قدر میں استحکام کے باعث دستیاب نہ رہا۔ تاہم، اگر زرمبادلہ میں ہونے والے نفع یا نقصان کو مدنظر نہ رکھا جائے اور موازنہ برابری کی بنیاد درحقیقت گزشتہ سال کے مقابلے میں بہتری کی عکاسی کرتی ہے۔ EPS پر کیا جائے، تو 2024 کی

مرکب (Consolidated):

ٹیکس کے بعد بنیادی آمدنی فی حصص روپے 5.11 رہی (2023: روپے 6.08 – نظرثانی شدہ)۔

اسٹینڈ الون (Standalone):

ٹیکس کے بعد بنیادی آمدنی فی حصص روپے 1.37 رہی (2023: روپے 3.93 – نظرثانی شدہ)۔

مالی کارکردگی (مرکب بنیاد پر):

گزشتہ مالی سال کے دوران کمپنی نے شاندار مالی کارکردگی کا مظاہرہ کیا، جس میں آمدنی روپے 16 ارب (58 ملین امریکی ڈالر) تک پہنچ گئی۔ یہ منصوبوں کی مؤثر تکمیل اور آپریشنل مضبوطی کی واضح علامت ہے۔

AVANCEON
Tomorrow's solutions, today.

Regional Operations Centre
The Avanceon Building
19 km Main Multan Road
Lahore 54660 Pakistan

03 April 2025 AVN/PR/03042025

Subject: **Annual Results Avanceon Limited Group and Standalone 31 Dec 2024.**

Dear Shareholders,

We hope this message finds you well. As part of our ongoing commitment to strategic growth and long-term value creation, we are writing to inform you that the Board of Directors has decided not to declare any dividend or bonus shares for the year ended 31 Dec 2024. This decision reflects our focus on preserving capital to fund the continued growth and expansion of the business.

As you would realize it's a dynamic and strong competitive market, so we believe that reinvesting profits into high-return growth opportunities is highly likely way to enhance long-term shareholder value. By preserving our financial flexibility and focusing on key areas such as the middle east especially the KSA market with vision 2030 offering extensive opportunities, we are confident in our ability to strengthen the business and deliver sustained performance moving forward. To add glimpse, we begin the year 2025 with a backlog of orders totalling $75m and a significant pipeline of opportunities, we are confident in achieving a revenue growth of at least 25%.

We remain fully committed to our shareholders and will continue to monitor the financial landscape. The upcoming years offers great opportunity for business growth in terms of shareholder's wealth maximization, we will keep you updated on the company's performance and any future decisions related to payouts either in the form of Bonus shares or dividend distributions.

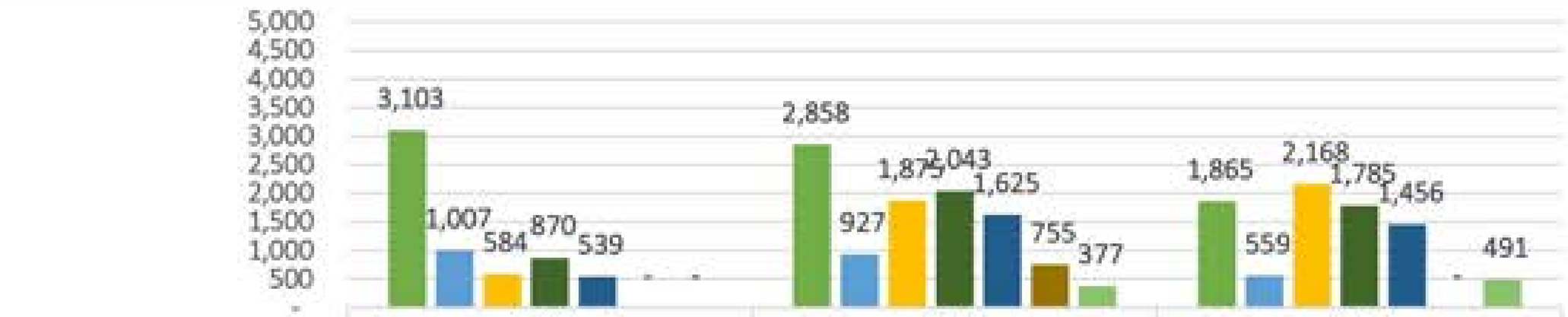
Thank you for your continued trust and support.

Yours truly,

AHSAN KHALIL
Company Secretary
AVANCEON LTD.

Ahsan Khalil | Company Secretary

(Rupees in '000)	2024	2023	Variation	% Variation
Revenue	3,102,844	2,857,594	245,250	9%
Profit before tax	573,245	1,737,300	(1,164,055)	-67%
Profit after tax	539,096	1,625,082	(1,085,986)	-67%
Exclude exchange/(loss) aprox.	(100,000)	1,600,000	(1,700,000)	
Revised Profit after tax	639,096	25,082	614,014	2448%

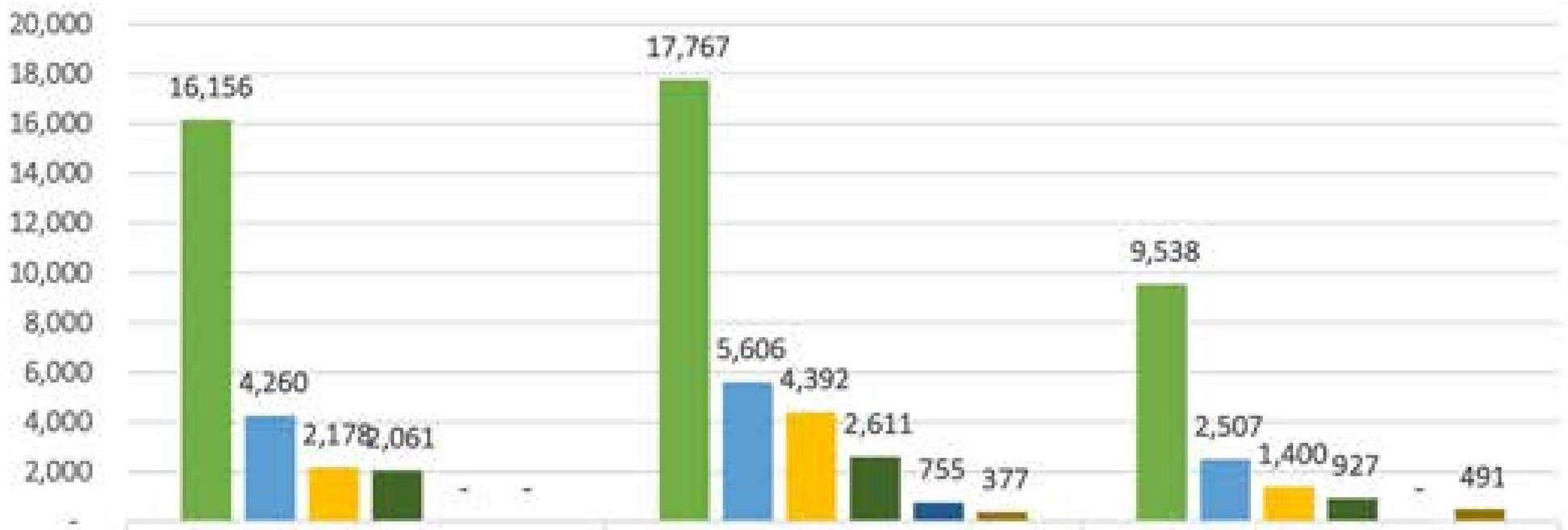


:بعد ازاں منافع کی تقسیم سے متعلق اقدامات

سال 2024 کے دوران، بورڈ آف ڈائریکٹرز نے گروپ میں ترقی کے لیے درکار مالی ضروریات کو مدِنظر رکھتے ہوئے کسی بھی قسم کی ادائیگی (پے آؤٹ) نہ کرنے کی سفارش کی۔ اس فیصلے سے تمام شیئر کو (PSX) ہولڈرز کو اُس تاریخ کو آگاہ کر دیا گیا جب کمپنی کے مالی نتائج پاکستان اسٹاک ایکسچینج جاری کیے گئے۔

:ادائیگی نہ کرنے کے فیصلے کی مکمل تفصیل، جواز اور وجوہات ذیل میں بیان کی گئی ہیں

(Rupees in '000)	2024	2023	Variation	% Variation
Revenue	16,156,098	17,767,312	(1,611,214)	-9%
Profit before tax	1,493,659	3,720,439	(2,226,780)	-60%
Profit after tax	2,061,454	2,610,738	(549,284)	-21%



	2024	2023	2022
Revenue	16,156	17,767	9,538
GP	4,260	5,606	2,507
EBITDA	2,178	4,392	1,400
PAT	2,061	2,611	927
Cash Div.	-	755	-
Bonus Share	-	377	491

Revenue GP EBITDA PAT Cash Div. Bonus Share

:آپریٹنگ نتائج (اسٹینڈ الون)

اسٹینڈ الون آپریٹنگ نتائج نے آمدنی اور منافع کے مارجن دونوں کے لحاظ سے مثبت ترقی کا رجحان ظاہر میں 67 فیصد کمی ریکارڈ کی (PAT) اور ٹیکس کے بعد منافع (PBT) کیا۔ اگرچہ ٹیکس سے قبل منافع گئی، اس کی بنیادی وجہ مالی سال 2023 میں حاصل ہونے والا غیر معمولی زرمبادلہ منافع تھا (جو کہ ایک غیر نقد آمدنی ہے اور دیگر آمدنی کے زمرے میں آتا ہے) جبکہ رواں سال زرمبادلہ میں نقصان برداشت کرنا پڑا۔

جب زرمبادلہ میں اتار چڑھاؤ کے اثرات کو خارج کر کے موازنہ کیا جائے، تو منافع میں 2,448 فیصد کا غیر معمولی اضافہ ظاہر ہوتا ہے، جو کاروبار کی بنیادی مضبوطی کو اجاگر کرتا ہے۔

پاکستانی مارکیٹ میں آپریشنز مستحکم رہے، جن کی نمایاں خصوصیات میں مستقل بنیادوں پر آرڈر جنریشن، منصوبوں کی کامیاب تکمیل، مؤثر لیکویڈیٹی مینجمنٹ، اور بینکنگ سہولیات کا تسلسل شامل ہے۔

نے 2025 میں افراطِ زر میں مزید کمی کی پیش IMF نرمی اور سخت مانیٹری پالیسیوں کا نتیجہ تھی۔
گونی کی ہے، جو 12.4% تک ہو سکتی ہے، بشرطیکہ کموڈیٹی قیمتوں میں استحکام اور مؤثر پالیسی
اقدامات جاری رہیں۔

:رپورٹ

کمپنی کی کارکردگی نے گروپ کے آرڈر جنریشن کے حوالے سے نمایاں ترقی ظاہر کی، جیسا کہ درج ذیل
:جدول میں بیان کیا گیا ہے

(USD in '000)	2024	2023	Variation	% Variation
Avanceon	72,000	58,000	14,000	24%
Octopus	5,500	5,300	200	4%
Total	77,500	63,300	14,200	22%

آمدنی، ٹیکس سے قبل اور بعد منافع کے حوالے سے کارکردگی کی تفصیلات ذیل میں فراہم کی گئی ہیں۔
مجموعی طور پر کارکردگی مالی سال 2023 کے مقابلے میں قدرے کم رہی، جس کی بنیادی وجہ یہ تھی کہ
زیادہ تر آرڈرز سال کے آخری سہ ماہی میں موصول ہوئے، جس سے اس مالی سال کے دوران آمدنی کے
اندراج کا موقع محدود ہو گیا۔

مارجن مستحکم رہے، جس میں ایک مرتبہ کے غیر معمولی آرڈرز کے اثرات کو نکال دیا جائے، اور یہ
بہتری مؤثر فکسڈ لاگت کنٹرول، ٹیکس میں کمی، اور ہمارے کاروباری پورٹ فولیو کی مسلسل تنوع پذیری
کے باعث ممکن ہوئی۔

ہم نے مالی سال 2025 کا آغاز 75 ملین امریکی ڈالر کی ریکارڈ بائی اوپننگ آرڈر بیک لاگ کے ساتھ کیا
— جو ایوانسیون کی تاریخ کا سب سے زیادہ ہے۔

آمدنی، ٹیکس سے قبل اور بعد کے منافع کے حوالے سے کارکردگی کی تفصیلات درج ذیل ہیں۔ مجموعی
طور پر کمپنی کی کارکردگی مالی سال 2023 کے مقابلے میں قدرے کم رہی۔ اس کمی کی بنیادی وجہ یہ
تھی کہ سال کے اختتامی سہ ماہی میں زیادہ تر آرڈرز بک کیے گئے، جس کی وجہ سے اسی مالی سال کے
دوران آمدنی کو تسلیم کرنے کے امکانات محدود ہو گئے۔

منافع کے مارجن مستحکم رہے، اگر ایک مرتبہ کے غیر معمولی آرڈرز کے اثرات کو شامل نہ کیا جائے۔
اس استحکام کی بڑی وجوہات میں مؤثر طور پر مقررہ اخراجات پر کنٹرول، ٹیکس میں کمی، اور کاروباری
پورٹ فولیو کی مسلسل تنوع پذیری شامل ہیں۔

ہم نے مالی سال 2025 کا آغاز 75 ملین امریکی ڈالر کے ریکارڈ بائی اوپننگ آرڈر بیک لاگ کے ساتھ کیا
— جو ایوانسیون کی تاریخ میں اب تک کا بلند ترین آغاز ہے۔

:آپریٹنگ نتائج (مرکب)
اس حصے میں تفصیلات شامل کی جائیں گی جب آپریٹنگ نتائج فراہم کیے جائیں۔ اگر آپ چاہیں تو میں)
(جدول یا خلاصہ بھی تیار کر سکتا ہوں۔

(MENA) مشرق وسطیٰ اور شمالی افریقہ

- خطے کے لیے 2.7% کی اقتصادی نمو MENA نے 2024 میں (IMF) بین الاقوامی مالیاتی فنڈ کی پیش گوئی کی ہے، جو کہ 2023 کے 1.9% کے مقابلے میں بہتری ہے۔ اس بہتری کا بڑا حصہ کے ممالک کی کارکردگی سے منسلک ہے، جہاں نمو 2023 کے (GCC) خلیج تعاون کونسل 0.5% سے بڑھ کر 2024 میں 1.9% متوقع ہے۔ تاہم، پورے خطے کو تنازعات اور تجارتی رکاوٹوں کے باعث چیلنجز کا سامنا رہا۔
- کی حقیقی جی ڈی پی میں 2024 میں (UAE) متحدہ عرب امارات :(GCC) خلیج تعاون کونسل 4% اضافے کی پیش گوئی کی گئی ہے، جو کہ پہلے کے 3.5% تخمینے سے زیادہ ہے۔ یہ ترقی کے کوٹے کے تحت ہائیڈروکاربن (OPEC+) سیاحت، تعمیرات، مالیاتی خدمات، اور اوپیک پلس کی پیداوار میں اضافے کی بدولت ممکن ہوئی ہے۔

خلاصہ یہ کہ اگرچہ 2024 میں مشرق وسطیٰ میں معمولی اقتصادی بحالی دیکھی گئی، مگر یہ علاقہ اب بھی جغرافیائی سیاسی کشیدگی، تیل کی قیمتوں میں اتار چڑھاؤ، اور ساختی مسائل جیسے سنجیدہ چیلنجز سے دوچار ہے۔ 2025 کا اقتصادی منظرنامہ ان مسائل کے حل اور ضروری اصلاحات کے نفاذ پر منحصر ہے۔

افراطِ زر (پاکستان)

کے (CPI) پاکستان کے اقتصادی سروے برائے مالی سال 2023–24 کے مطابق، کنزیومر پرائس انڈیکس مطابق افراطِ زر اوسطاً 24.5% رہی، جو پچھلے سال کے اسی عرصے میں 28.2% تھی۔ اس کمی کی وجوہات میں شرح تبادلہ میں استحکام، سخت مانیٹری پالیسی، مالیاتی نظم و ضبط، خوراک کی مسلسل فراہمی، اور عالمی کموڈیٹی قیمتوں میں سازگار رجحانات شامل ہیں۔ کور انفلیشن، جو خوراک اور توانائی کی قیمتوں کو خارج کرتی ہے، میں بھی کمی دیکھی گئی، جو بنیادی مہنگائی کے دباؤ میں کمی کی نشاندہی کرتی ہے۔

اسٹیٹ بینک آف پاکستان نے افراطِ زر پر قابو پانے کے لیے سخت مانیٹری پالیسی برقرار رکھی۔ مالی سال 2023–24 کے پہلے گیارہ ماہ کے دوران پاکستانی روپے کی قدر امریکی ڈالر کے مقابلے میں تقریباً 3% بڑھی، جس سے درآمدی لاگت کم ہوئی اور افراطِ زر میں کمی آئی۔ حکومت کی مالیاتی نظم و ضبط کی کوششوں، جن میں ٹیکس محصولات میں اضافہ اور اخراجات پر قابو شامل ہے، نے بھی افراطِ زر کو کم کرنے میں مدد دی۔

وزارت خزانہ نے اندازہ لگایا ہے کہ دسمبر 2024 تک افراطِ زر مزید کم ہو کر 4.0–5.0% کی حد میں آ سکتی ہے، بشرطیکہ مالی نظم و ضبط، شرح تبادلہ میں استحکام، اور مؤثر مانیٹری پالیسیوں کا تسلسل برقرار رہے۔

افراطِ زر (مشرق وسطیٰ)

سال 2024 میں مشرق وسطیٰ میں افراطِ زر کے رجحانات خطے کے مختلف حصوں میں مختلف رہے، جو کہ متنوع اقتصادی حالات، جغرافیائی سیاسی عوامل، اور پالیسی اقدامات سے متاثر ہوئے۔

خطے (MENA) کے مطابق، 2024 میں مشرق وسطیٰ اور شمالی افریقہ (IMF) بین الاقوامی مالیاتی فنڈ میں اوسط افراطِ زر 15% رہا، جو کہ 2023 کے 17.5% سے کم ہے۔ یہ کمی عالمی کموڈیٹی قیمتوں میں

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز کو یہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے، جو کمپنی کے سالانہ آڈٹ شدہ مالیاتی بیانات، بشمول کنسولیڈیٹڈ مالیاتی بیانات، برائے سال اختتام31 دسمبر2024 کے ساتھ پیش کی جا رہی ہے۔ تمام مالیاتی بیانات اور حسابات کے نوٹس کمپنی کے انتظامیہ کی جانب سے تیار کیے گئے ہیں، جو اس امر کی عکاسی کرتے ہیں کہ انہوں نے کمپنی کی مالی حالت، اس کی کارکردگی، نقدی کے بہاؤ، اور ایکوئٹی میں ہونے والی تمام تبدیلیوں کو درست طور پر پیش کیا ہے۔ کمپنی کی کتب حسابات کو باقاعدہ طور پر مرتب کیا گیا ہے، اور مالیاتی بیانات کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کو اپنایا گیا ہے اور انہیں مسلسل لاگو کیا گیا ہے۔ اس کے ساتھ ساتھ، اکاؤنٹنگ کے تخمینے معقول اور محتاط فیصلوں کی بنیاد پر کیے گئے ہیں۔

مدیران کی یہ رپورٹ، موجودہ کمپنیز ایکٹ کے متعلقہ دفعات کے تحت تیار کی گئی ہے، جو کمپنی کےبائیسواں سالانہ اجلاس عام میں اراکین کے سامنے پیش کی جائے گی۔ یہ میٹنگ 30 اپریل2025بروزبدھ صبح3:00 بجے دی نشا ط ہوٹل، گرینڈ امپیریل ہال9 اے، تیسری منزل, گلبرگ3 میاں محمود علی کاسوری روڈ

لاہور پر منعقد ہوگی۔

میکرو اقتصادی جائزہ

پاکستان

پاکستان کی معیشت نےسال2024 کے دوران معمولی بہتری کا مظاہرہ کیا، اگرچہ مالی خسارے، مانیٹری کنٹرول، بلند مہنگائی، اورسرحدی وعالمی سیاسی کشیدگی جیسے چیلنجزبدستورموجود رہے۔

پاکستان اکنامک سروےبرائےمالی سال2023–24 کےمطابق،ملک کیحقیقی جی ڈی پی میں 2.38% اضافہ ہوا، جو مقررہ ہدف 3.5% سے کم رہا۔ یہ نمو بالخصوص زرعی شعبے کی شاندار کارکردگی کے باعث ہوئی، جس میں 6.25% اضافہ ریکارڈ کیا گیا، جبکہ صنعتی اور خدمات کے شعبوں میں بالترتیب صرف 1.21% کی معمولی ترقی ہوئی۔

موجودہ مارکیٹ قیمتوں پر جی ڈی پی میں اضافہ ہو کر 106,045 ارب روپے (تقریباً 375 ارب امریکی ڈالر) تک پہنچ گیا، جو کہ گزشتہ سال کے 83,875 ارب روپے (338 ارب امریکی ڈالر) کے مقابلے میں 26.4% زیادہ ہے۔ فی کس آمدنی میں بھی اضافہ ہوا، جو گزشتہ سال 1,551 امریکی ڈالر سے بڑھ کر 1,680 امریکی ڈالر ہو گئی۔

مالی سال 2024–25 کے لیے صنعتی شعبے کی نمو کا ہدف 4.4% مقرر کیا :صنعتی ترقی کی پیش گوئی گیا ہے، جو توانائی کی فراہمی میں بہتری، درآمدی پابندیوں میں نرمی، اور میکرو اکنامک استحکام کے پیش نظر حاصل کیا جا سکتا ہے۔
پاکستان میں صنعتی آٹومیشن کا شعبہ بتدریج ترقی کی جانب گامزن ہے، بشرطیکہ توانائی کے بنیادی ڈھانچے میں بہتری اور مالیاتی رسائی کو یقینی بنایا جائے۔ حکومت کی جانب سے صنعتی بحالی پر توجہ اور عالمی سطح پر آٹومیشن کی بڑھتی ہوئی طلب ترقی کے مواقع فراہم کرتی ہے، تاہم پائیدار ترقی کے لیے بنیادی ڈھانچے اور مالیاتی چیلنجز پر قابو پانا ناگزیر ہے۔

حاشیات:۔

حصص یافتگان کے اجلاس میں شرکت کیلئے۔

ا۔کمپنی کے حصص کی منتقلی کی کتب مورخہ 23اپریل2025ء سے 30اپریل2025ء(بشمول دونوں دن) بند رہیں گی جس دوران تدوین کیلئے کسی بھی حصص کی منتقلی کی ووردرخواستیں جوورست حالت میں کمپنی کے شیئر رجسٹرار کے دفتر فیمکو شیئر رجسٹریشن سروسز(پرائیویٹ)لمیٹڈ،8-ایف،نزد ہوٹل فاران نرسری بلاک نمبر 6،PECHS،شاہراہ فیصل، کراچی، مورخہ 22اپریل2025ء، کو دفتری اوقات ختم ہونے سے قبل موصول ہونگی۔ان کو سالانہ اجلاس عام میں شرکت اور حق رائے دہی استعمال کرنے کے استحقاق کے تعین کیلئے بروقت شمار کیا جائے گا۔

۲۔انفرادی فرد کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا وہ جسکی سکیورٹی گروپ اکاؤنٹ میں جمع ہے انکی رجسٹریشن کی تفصیل قوانین کے مطابق لف ہوں، اجلاس میں شرکت کیلئے شناخت کی تصدیق اپنا شناختی کارڈ یا پاسپورٹ سے کروائیں۔

۳۔حصص یافتگان جو کہ CDC میں رجسٹر ہیں ان سے درخواست کی جاتی ہے کہ وہ اپنا آئی ڈی نمبر اور اکاؤنٹ نمبر جو کہ CDC میں ہے، مہیا کریں۔

۴۔کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹران اپنے ٹرسٹیز کی قرارداد اختارنامہ بمعہ نامزد کیے گئے شخص کے دستخط نمونہ پیش کریں۔

پراکسی کی تقرری کیلئے:۔

ا۔سالانہ اجلاس عام میں شمولیت، بولنے اور حق رائے دہی استعمال کرنے کے مستحق ہر حصص یافتگان کو یہ حق حاصل ہے کہ وہ شرکت بولنے اور حق رائے دہی استعمال کرنے کیلئے اپنی جگہ کسی پراکسی (نمائندہ) کو مقرر کرے اور ایسے پراکسی کو اجلاس میں شرکت، بولنے اور حق رائے دہی استعمال کرنے کی نسبت سے وہی اختیارات حاصل ہونگے جو کہ بذات خود کمپنی کے حصص یافتگان کو حاصل ہوتے ہیں۔ پراکسی مقرر کرنے کیلئے ہر لحاظ سے درست اور باقاعدہ مہر شدہ اور دستخط شدہ پراکسی فارم اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں موصول ہونا ضروری ہے۔ پراکسی کا بذات خود کمپنی کے حصص یافتگان میں سے ہونا ضروری نہیں۔

۲۔انفرادی فرد کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور زیادہ افراد جسکی سکیورٹی گروپ اکاؤنٹ میں ہوں اور انکی رجسٹریشن کی تفصیلات قوانین کے مطابق جمع کروائی گئی ہوں، پراکسی فارم مکمل اور صحیح طور پر تصدیق شدہ جمع کروانا ہونگے۔

۳۔پراکسی فارم پر دو اشخاص گواہ ہونے چاہیں جنکے نام، پتہ جات، شناختی کارڈ نمبر پراکسی فارم پر لکھے ہوں۔

۴۔حصص یافتگان اور پراکسی کے درست شناختی کارڈ یا فائدہ مند مالکان کے پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ مہیا کریں۔

۵۔پراکسی اپنا شناختی کارڈ یا پاسپورٹ اجلاس کے وقت یا آن لائن رجسٹریشن کے وقت پیش کرے۔

۶۔کارپوریٹ شناخت کی صورت میں مختار عام بورڈ آف ڈائریکٹران کا ریزولوشن نامزد کیے گئے شخص کے دستخط نمونہ جات کے ساتھ اجلاس کے وقت یا آن لائن رجسٹریشن کے وقت پیش کرے۔

سی ڈی سی اکاؤنٹ میں فزیکل شیئرز کی تبدیلی:

ایس ای سی پی نے اپنے خط نمبر CSD/ED/Misc/2016-639-640 مورخہ 26مارچ 2021 کے ذریعے تمام لسٹڈ کمپنیوں کو مشورہ دیا ہے کہ وہ ایکٹ کے سیکشن 72 کی دفعات پر عمل کریں، جس کے تحت تمام کمپنیوں کو ایکٹ کی منظوری کے چار سالوں کے اندر فزیکل فارم میں جاری کردہ شیئرز کو بک انٹری فارم میں تبدیل کرنے کی ضرورت ہے۔اس کے مطابق، فزیکل فولیو/شیئر سرٹیفکیٹ رکھنے والے کمپنی کے تمام شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو فزیکل فارم سے جلد از جلد بک انٹری فارم میں تبدیل کریں۔شیئر ہولڈرز سی ڈی ایس اکاؤنٹ کھولنے اور بعد ازاں فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے میں مدد کے لیے پی ایس ایکس ممبر، سی ڈی سی پارٹیسپنٹ، یا سی ڈی سی انویسٹر اکاؤنٹ سروس پرووائیڈر سے رابطہ کر سکتے ہیں۔ بک انٹری فارم میں حصص کو برقرار رکھنے کے بہت سے فوائد ہیں-سی ڈی سی کے ساتھ حصص کی محفوظ تحویل، ڈپلیکیٹ حصص کے اجراء کے لیے درکار رسمی کارروائیوں سے اجتناب وغیرہ۔فزیکل کنورشن فارم میں شیئر بک میں اندراج کے لیے کمپنی کے شیئر ہولڈرز کمپنی کے شیئر رجسٹرار سے رابطہ کر سکتے ہیں، یعنی فیمکو شیئر رجسٹریشن سروسز(پرائیویٹ)لمیٹڈ۔

AVANCEON
Tomorrow's solutions, today.

نوٹس برائے بائیسواں سالانہ اجلاس عام

اطلاع دی جاتی ہے کے ایونسیون لمٹیڈ" کمپنی "کا بائیسواں سالانہ اجلاس عام مورخہ 30 اپریل 2025ء بروز بدھ سہ پہر 03:00 بجے بمقام دی نشاط ہوٹل، گرینڈ امپیریل ہال، A-9، تیسری منزل، گلبرگ III، میاں محمود علی قصوری روڈ، لاہور سے مندرجہ ذیل کاروباری امور کو انجام دینے کیلئے منعقد ہوگا۔

الف۔ عمومی کاروباری امور:۔

۱۔ تفصیلات کی منظوری (Minutes of the Meeting) جو کہ اکیسواں سالانہ اجلاس عام مورخہ 29 اپریل 2024ء کو منعقد ہوا تھا۔

۲۔ 31 دسمبر 2024ء کو ختم ہونے والے کمپنی کے مالی سال کے آڈٹ شدہ مالیاتی گوشوارے، چیئرمین کا جائزہ، ڈائریکٹران اور آڈیٹرز کی رپورٹس وصول کرنا ان پر غور کرنا اور انہیں اختیار کرنا۔

کمپنیز ایکٹ 2017ء کے سیکشن 223(6) اور S.R.O No.389(I)/2023 مورخہ 21 مارچ 2023ء کے تحت، کمپنی کے مالیاتی گوشوارے کمپنی کی ویب سائٹ پر اپ لوڈ کر دیے گئے ہیں جنہیں درج ذیل ویب لنک سے ڈاؤن لوڈ کیا جا سکتا ہے۔ https://www.avanceon.ae/investor-information/

۳۔ کمپنی کے آڈیٹر کو مقرر کرنا اور اس کا معاوضہ طے کرنا۔ حصص یافتگان کو اطلاع دی جاتی ہے کہ کمپنی کی بورڈ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹران نے ریٹائر ہونے والے آڈیٹرز کرو حسین چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کا نام آئندہ مالی سال 31 دسمبر 2025ء کیلئے کمپنی کے آڈیٹرز کی تقرری کیلئے تجویز کیا ہے۔

ب۔ کوئی بھی اضافی امور جو کہ چیئرمین کی اجازت سے ہونگے۔

بحکم بورڈ:۔ احسن خلیل (کمپنی سیکرٹری)

لاہور مورخہ 08 اپریل 2025ء

ویب لنک برائے آن لائن میٹنگ بذریعہ "ZOOM"

ممبران کو کمپنی کے زیر انتظام ویڈیو کانفرنس کی سہولت کے ذریعے AGM میں شرکت کے لیے حوصلہ افزائی کی جاتی ہے، نیچے دیے گئے لنک پر عمل کریں:

https://us06web.zoom.us/webinar/register/WN_9Av20trrQqCgSR7q84yzqA

شیئر ہولڈرز AGM کے ایجنڈا آئٹمز کے لیے اپنے تبصرے اور سوالات فراہم کردہ ای میل ایڈریس agm@avanceon.ae پر کر سکتے ہیں۔

AGM میں شرکت کیلئے درج ذیل لنک سے رہنمائی حاصل کر سکتے ہیں http://www.avanceon.ae/investor-relations/

کمپنیز ایکٹ 2017ء کے سیکشن 223(6) کے تحت، آڈٹ شدہ مالیاتی گوشوارے کو ای میل کے ذریعے بھیجنے کی اجازت دی گئی ہے۔ کمپنی کی سالانہ رپورٹ اور سالانہ اجلاس عام کے نوٹس ان حصص یافتگان کو ای میل کے ذریعے بھیجی جائے گی جن کے ای میل CDC اور شیئر رجسٹر کے ریکارڈ ڈیٹا بیس میں موجود ہیں۔ حصص یافتگان کی حوصلہ افزائی کی جاتی ہے کہ وہ اپنے ای میل کو مذکورہ بالا لنک یا ای میل یا پوسٹل ایڈریس پر بھیجیں۔ سالانہ رپورٹ کمپنی کی ویب سائٹ https://www.avanceon.ae پر بھی لوڈ کی گئی ہے اور حصص یافتگان تک آسانی سے قابل رسائی ہے۔

DIVIDEND
MANDATE FORM

To:

The Registrar
FAMCO Near Registration Services (Pvt) Ltd.
8-F, Next to Hotel Faran, Nursery Block-6,
P.E.C.H.S, Shahra-e-Faisal Karachi

Broker's Name
OR
Central Depository Company
(where shares are held in the
investor Account Services)

1. I here by authorize Avanceon Limited to directly credit cash dividend declared by it, if any, in the below mentioned bank account.

Shareholder's Detail	
Name of the shareholder	
Folio no. /CDC Participants ID A/c No.	
CNIC No.*	
Passport No. (in case of foreign shareholder)**	
Land Line Phone Number	
Cell Number	

Shareholder's Detail	
Title of the Bank Account	
Bank Account Number	
Bank's Name	
Branch Name and Address	

2. It is stated that the above-mentioned information is correct , that i will intimate the changes in the above mentioned information to the above addresses as soon as these occur.

_____
Signature of the Shareholder

Note: The shareholder who hold shares in physical form are requested to submit the above mentioned Dividend Mandate Form after duly filled in to Share Registrar concerned. The Shareholders who hold shares in Central Depository Company are requested to submit the above mentioned Dividend Mandate Form after duly filled in to their Participants/Investor Account Services of the Central Depository Company Limited.

* Please attach attested photocopy of CNIC
* Please attach attested photocopy of the Passport

FORM OF **PROXY**

22nd Annual General Meeting of Avanceon Limited

I/ We _____

of _____

Being a member of Avanceon Limited and holder of _____ ordinary shares

Per Share Register Folio (Number of Shares) No _____ and / or CDC

Participant ID No. _____ and Sub

Account No. _____ Hereby appoint _____ of

or

Failing him _____ of _____ as

my/our proxy to vote for me/us and on my/our behalf at the 22nd Annual General Meeting of the company to be held on the 30th day of April 2025 and at any adjournment thereof.

Signed this _____ day of _____ 2025

Witnesses:

1) Signature: _____
   Name : _____
   Address : _____
   _____
   CNIC or : _____
   Passport : _____

Signature on Rs. 5/- Revenue Stamp

_____

Signature

Signature should agree with the specimen registered with the company

2) Signature: _____
   Name : _____
   Address : _____
   _____
3) CNIC or : _____
   Passport : _____

Note:

Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy need not be a member of the Company.

CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.

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پراکسی فارم

نوٹس برائے بائیسواں سالانہ اجلاس عام

میں/ہم _____

ساکن _____ بطور اوینسیون لمیٹڈ

رکن و حامل _____ عام حصص بمطابق شیئر رجسٹر ڈ

فولیو نمبر _____ اور یا سی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور

ذیلی کھاتہ نمبر _____ ساکن _____ یا بصورت دیگر

_____ ساکن _____ کو اپنی جگہ مورخہ 30 اپریل

2025 منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کیلئے اپنا نمائندہ مقرر کرتا ہوں۔

دستخط بتاریخ _____ 2025ء

گواہان:۔

1 دستخط: _____

نام: _____

پتہ: _____

قومی شناختی کارڈ/پاسپورٹ نمبر: _____

2 دستخط: _____

نام: _____

پتہ: _____

قومی شناختی کارڈ/پاسپورٹ نمبر: _____

دستخط

براہ کرم پانچ روپے
مالیت کے ریونیو ٹکٹ
چسپاں کریں

دستخط کمپنی میں درج نمونہ کے
مطابق ہونے چاہئیں

نوٹ: پراکسیز کے موثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ نیابت دار کا کمپنی کا رکن ہونا ضروری نہیں ہے۔ سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ کمپنی میں جمع کروائیں۔

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AFFIX
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The Company Secretary
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19 km, Main Multan Road,
Lahore - 54660
Pakistan

AVANCEON

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