

28 April 2023

The General Manager  
Pakistan Stock Exchange  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Subject: **FINANCIAL RESULTS FOR THE 1<sup>st</sup> QUARTER ENDED 31 MARCH 2023**

Dear Sir,

We have to inform you that the Board of Directors of the Company in their meeting dated: 27 April 2023 have approved the financial statements for the three months period ended 31 March 2023 and recommend the following:

**DIVIDEND**

Nil.

**BONUS SHARES**

Nil.

**FINANCIAL RESULTS**

Financial results of the Company are attached hereto as **Annexure – A** and **Annexure B**.

**PERFORMANCE OVERVIEW**

**The Company (Standalone):**

During the period under review, standalone revenue grew by 69% over the same period last year from Rs. 4,071.64 million to Rs. 6,872.85 million. Gross profit and operating profit increased by 51% and 81% respectively, delivering a leveraged operating performance for the company. Moreover, as a consequence of the devaluation of the Pak Rupee during the period under review, net profit for the period has been positively impacted by an exchange gain of Rs

2,241.08 million compared to Rs. 149.60 million gains in March 2021 increasing net profit by 241%, from Rs. 1,068.04 million to Rs. 3,639.52 million. Basic and diluted earnings per share (EPS) increased by 225% and 223% in line with profit for the period. Revenue growth is 16% in US\$ compared to Q1 2022.

The increase in revenue has been contributed by all regions.

### **The Group (Consolidated):**

During the three-month period ended 31st March 2023, consolidated revenue grew by 101% from Rs. 5,332.81 million to Rs. 10,698.74 million. Gross profit and operating profit increased by 75% and 71% respectively. Net profit for the period increased by 223% from Rs. 1,200.41 million to Rs. 3,879.42 million with Rs. 2,380.25 million being contributed by exchange gain. Basic and diluted earnings per share increased by 208% and 207% in line with profit for the period. Revenue growth is 38% in US\$ compared to Q1 2022.

For and on behalf of Systems Limited



**Ali Ahmed Iftikhar**  
Company Secretary



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# SYSTEMS LIMITED

## CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

		Three Months Ended	
		March 31,	March 31,
		2023	2022
Note		Rupees	
	Revenue from contracts with customers - net	6,872,859,904	4,071,647,076
	Cost of revenue	(4,942,507,546)	(2,845,747,583)
	<b>Gross profit</b>	1,930,352,358	1,225,899,493
	Administrative expenses	(462,880,102)	(338,963,077)
	Distribution expenses	(63,171,233)	(70,349,052)
	Impairment losses on financial assets	20,897,722	(28,777,450)
		(505,153,613)	(438,089,579)
	<b>Operating profit</b>	<b>1,425,198,745</b>	787,809,914
	Other income	2,412,806,834	334,745,700
	Finance costs	(102,928,479)	(29,543,315)
	<b>Profit before taxation</b>	3,735,077,100	1,093,012,299
	Taxation	(95,550,497)	(24,963,872)
	<b>Profit for the period</b>	<b>3,639,526,603</b>	<b>1,068,048,427</b>
			(Restated)
	<b>Earnings per share:</b>		
	Basic earnings per share	12.53	3.85
	Diluted earnings per share	12.42	3.84

The annexed notes from 1 to 21 form an integral part of these condensed unconsolidated interim financial statements.



(CHAIRMAN)



(CHIEF EXECUTIVE)



(CHIEF FINANCIAL OFFICER)

**SYSTEMS LIMITED**  
**CONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2023 (UNAUDITED)**

	Note	Three Months Ended	
		31 March	31 March
		2023	2022
		Rupees	Rupees
Revenue from contract with customers - net		<b>10,698,739,254</b>	5,332,814,910
Cost of sales		<b>7,908,381,980</b>	3,734,280,759
Gross profit		<b>2,790,357,274</b>	1,598,534,151
Distribution expenses		<b>346,796,663</b>	127,612,939
Administrative expenses		<b>785,001,931</b>	434,323,384
Other operating expenses		<b>(48,981,110)</b>	36,585,577
		<b>1,082,817,484</b>	598,521,900
Operating profit		<b>1,707,539,790</b>	1,000,012,251
Other income	15	<b>2,552,329,307</b>	334,390,518
Share of loss from associate		<b>110,440,765</b>	74,537,549
Finance cost		<b>157,004,402</b>	32,841,008
Profit before taxation		<b>3,992,423,931</b>	1,227,024,212
Taxation		<b>112,996,869</b>	26,607,601
Profit after taxation		<b>3,879,427,062</b>	1,200,416,611
Attributable to:			
Equity holders of the parent		<b>3,879,278,370</b>	1,200,398,013
Non-controlling interest		<b>148,692</b>	18,598
		<b>3,879,427,062</b>	1,200,416,611
Earnings per share:			Restated
Basic earnings per share	16	<b>13.36</b>	4.33
Diluted earnings per share		<b>13.24</b>	4.31

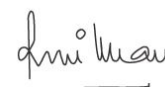
The annexed notes from 1 to 22 form an integral part of this condensed interim financial information.



(CHAIRMAN)



(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)