

27th October 2025

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

Subject: **FINANCIAL RESULTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**

Dear Sir,

We have to inform you that the Board of Directors of the Company in their meeting dated: 24 October 2025 have approved the financial statements for the nine months period ended 30 September 2025 and recommend the following:

DIVIDEND

Nil.

BONUS SHARES

Nil.

FINANCIAL RESULTS

Financial results of the Company along with the Directors report are attached hereto as **Annexure - A, Annexure B & Annexure - C.**

PERFORMANCE OVERVIEW

The Group (Consolidated):

During the nine months period ended 30th September 2025, consolidated revenue grew by 18.9% year over year from Rs. 48,309.68 million to Rs. 57,419.27 million. Gross profit and operating profit increased by 33.1% and 32.8% respectively. Net profit for the period



Lahore

Systems Campus
Software Technology Park
E-1, Sehjpal Near DHA Phase-VIII
(Ex-Air Avenue), Lahore Cantt, Pakistan.
UAN: 042 111 SYSTEMS (797 836)

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increased by 46.3% from Rs. 5,431.83 million to Rs. 7,944.22 million. The operating profit and net profit for full year 2024 were Rs. 8,149.95 million and Rs. 7,460.01 million. The Company exceeded last full year's operating profit and net profit in just nine months this year by 3.8% and 6.5% respectively. This has been achieved by growth, enhanced operational efficiency, improving productivity, billing rate improvement and optimization of costs primarily fixed costs.

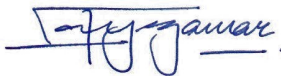
Despite the currency appreciation in this quarter, gross margin and operating margins have significantly improved and stand at 29.7% and 16.3% respectively, partly due to higher number of days in this quarter compared to last quarter and partly from growth and operational efficiencies. Even with the exchange loss of Rs 249.50 million in this quarter (offset by exchange gain of Rs 528.42 million in H1 2025 and Rs 334.58 in Q2 2025), the absolute net profit for this quarter is higher than Q2.

Basic and diluted earnings per share increased by 46.0% and 45.4% respectively.

The Company (Standalone):

During the nine months period ended 30th September 2025, standalone revenue grew by 18.4% year-over-year, rising from Rs. 27,923.95 million to Rs. 33,062.04 million. Gross profit increased by 25.1%, while operating profit grew by 29.0%. Adjusting for currency fluctuations, profit after tax increased by 29.6% compared to the same period last year.

For and on behalf of Systems Limited



Fayeze Qamar Rasheed
Company Secretary

Lahore

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SYSTEMS LIMITED
CONSOLIDATED CONDENSED INTERIM PROFIT OR LOSS ACCOUNT
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED 30 SEPTEMBER 2025 (UNAUDITED)

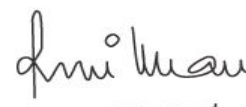
	Nine Months Ended		Three Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	Rupees			
Revenue from contract with customers - net	57,419,266,091	48,309,676,979	20,680,157,263	17,286,314,160
Cost of sales	41,995,146,073	36,725,348,121	14,541,368,367	12,936,359,201
Gross profit	15,424,120,018	11,584,328,857	6,138,788,896	4,349,954,959
Selling and distribution expenses	2,068,717,445	1,491,449,820	768,640,537	499,763,659
Administrative expenses	4,464,980,819	3,485,495,671	1,616,239,540	1,297,473,190
Research & development expenses	97,296,063	92,046,322	72,427,256	52,751,957
Impairment losses on financial assets	336,733,192	147,022,966	308,505,462	62,302,901
	6,967,727,519	5,216,014,779	2,765,812,794	1,912,291,707
Operating profit	8,456,392,499	6,368,314,078	3,372,976,102	2,437,663,252
Other income	704,373,855	300,355,399	(116,527,503)	185,824,596
Share of loss from associate	84,588,008	56,369,952	28,362,300	18,000,000
Finance cost	246,014,157	384,501,227	80,024,103	97,406,086
Profit before taxation and levy	8,830,164,189	6,227,798,298	3,148,062,196	2,508,081,762
Levy	566,460,689	438,503,136	229,248,435	117,899,492
Profit before taxation	8,263,703,500	5,789,295,163	2,918,813,761	2,390,182,270
Taxation	319,487,360	357,465,944	127,009,555	201,672,380
Profit after taxation	7,944,216,140	5,431,829,219	2,791,804,207	2,188,509,890
Attributable to:				
Equity holders of the parent	7,944,512,831	5,431,786,778	2,791,807,525	2,188,480,345
Non-controlling interest	(296,691)	42,441	(3,319)	29,545
	7,944,216,140	5,431,829,219	2,791,804,207	2,188,509,890
Earnings per share:				
Basic earnings per share	5.42	3.71	1.90	1.50
Diluted earnings per share	5.36	3.69	1.88	1.49



(CHAIRMAN)



(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)

SYSTEMS LIMITED**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)****FOR THE NINE MONTHS AND THREE MONTHS PERIODS ENDED SEPTEMBER 30, 2025**

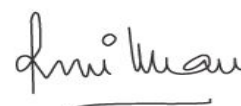
	Nine Months Ended		Three Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	Rupees			
Revenue from contracts with customers - net	33,062,036,416	27,923,948,435	11,343,580,025	9,873,005,925
Cost of revenue	(24,234,032,680)	(20,867,014,196)	(7,991,842,180)	(7,215,142,707)
Gross profit	8,828,003,736	7,056,934,239	3,351,737,845	2,657,863,218
Selling and distribution expenses	(699,761,947)	(554,362,217)	(199,503,543)	(193,801,899)
Administrative expenses	(2,146,979,716)	(1,839,422,930)	(750,876,968)	(676,332,339)
Research & development expenses	(94,381,109)	(95,652,365)	(70,227,394)	(56,358,000)
Impairment losses on financial assets	(313,777,185)	(246,281,537)	(92,636,160)	(9,151,726)
	(3,254,899,957)	(2,735,719,049)	(1,113,244,065)	(935,643,964)
Operating profit	5,573,103,779	4,321,215,190	2,238,493,780	1,722,219,254
Other income	889,137,667	428,699,682	(97,475,823)	176,630,198
Finance costs	(95,501,086)	(203,504,453)	(27,083,844)	(33,984,759)
Profit before taxation and levy	6,366,740,360	4,546,410,419	2,113,934,113	1,864,864,693
Levy	(336,772,735)	(289,303,853)	(107,060,892)	(109,618,926)
Profit before taxation	6,029,967,625	4,257,106,566	2,006,873,221	1,755,245,767
Taxation	(35,254,975)	(60,434,510)	(8,723,915)	(15,134,529)
Profit for the year	5,994,712,650	4,196,672,056	1,998,149,306	1,740,111,238
Earnings per share (Restated)				
-Basic	4.09	2.87	1.36	1.19
-Diluted	4.05	2.85	1.35	1.19



(CHAIRMAN)



(CHIEF EXECUTIVE)



(CHIEF FINANCIAL OFFICER)

DIRECTOR'S REVIEW REPORT - 30TH SEPTEMBER 2025

On behalf of the Board of Directors we are pleased to present the Standalone and Consolidated Financial Statements for the nine months ended 30th September 2025.

FINANCIAL RESULTS**Consolidated:**

During the nine months period ended 30th September 2025, consolidated revenue grew by 18.9% year over year from Rs. 48,309.68 million to Rs. 57,419.27 million. Gross profit and operating profit increased by 33.1% and 32.8% respectively. Net profit for the period increased by 46.3% from Rs. 5,431.83 million to Rs. 7,944.22 million. The operating profit and net profit for full year 2024 were Rs. 8,149.95 million and Rs. 7,460.01 million. The Company exceeded last full year's operating profit and net profit in just nine months this year by 3.8% and 6.5% respectively. This has been achieved by growth, enhanced operational efficiency, improving productivity, billing rate improvement and optimization of costs primarily fixed costs.

Despite the currency appreciation in this quarter, gross margin and operating margins have significantly improved and stand at 29.7% and 16.3% respectively, partly due to higher number of days in this quarter compared to last quarter and partly from growth and operational efficiencies. Even with the exchange loss of Rs 249.50 million in this quarter (offset by exchange gain of Rs 528.42 million in H1 2025 and Rs 334.58 in Q2 2025), the absolute net profit for this quarter is higher than Q2.

Basic and diluted earnings per share increased by 46.0% and 45.4% respectively.

Consolidated			
Particulars	Sep-25 (unaudited)	Sep-24 (unaudited)	Change
	Rs.	Rs.	%
Revenue	57,419,266,091	48,309,676,979	18.9
Gross Profit	15,424,120,018	11,584,328,857	33.1
Operating profit	8,456,392,499	6,368,314,078	32.8
Profit for the period	7,944,216,140	5,431,829,219	46.3
Earnings per share (basic)	5.42	3.71	46.0
Earnings per share (diluted)	5.36	3.69	45.4

Other Income – Consolidated		
Particulars	Sep-25 (unaudited)	Sep-24 (unaudited)
	Rs.	Rs.
Other Income	425,471,702	696,769,864
Exchange Gain / (Loss)	278,902,153	(396,414,465)
	704,373,855	300,355,399

Unconsolidated:

During the nine months period ended 30th September 2025, standalone revenue grew by 18.4% year-over-year, rising from Rs. 27,923.95 million to Rs. 33,062.04 million. Gross profit increased by 25.1%, while operating profit grew by 29.0%. Adjusting for currency fluctuations, profit after tax increased by 29.6% compared to the same period last year.

Key Financial Highlights – Unconsolidated			
Particulars	Sep-25 (unaudited)	Sep-24 (unaudited)	Change
	Rs.	Rs.	%
Revenue	33,062,036,416	27,923,948,435	18.4
Gross Profit	8,828,003,736	7,056,934,239	25.1
Operating profit	5,573,103,779	4,321,215,190	29.0
Profit for the period	5,994,712,650	4,196,672,056	42.8
Earnings per share (basic)	4.09	2.87	42.5
Earnings per share (diluted)	4.05	2.85	42.1

Other Income – Unconsolidated		
Particulars	Sep-25 (unaudited)	Sep-24 (unaudited)
	Rs.	Rs.
Other Income	606,246,431	639,054,140
Exchange Gain / (Loss)	282,891,236	(210,354,458)
	889,137,667	428,699,682

PERFORMANCE BY SEGMENT – BY VERTICAL AND BY GEOGRAPHY

BFS continues to be the highest revenue contributor with improvement in margins. Telco remains the fastest-growing segments, while Retail and Technology are the most profitable. The Company will maintain its strategic focus on BFS and Telco, having developed numerous AI use cases to drive accelerated growth in these verticals.

	BFS		Telco		Technology		Retail & CPG		Others		Total	
	Un-audited		Un-audited		Un-audited		Un-audited		Un-audited		Un-audited	
	Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue - net	16,848,648,898	14,492,597,421	14,579,328,936	10,928,369,038	6,619,511,745	5,884,511,210	5,848,892,162	5,787,505,709	13,522,884,350	11,216,693,601	57,419,266,091	48,309,676,979
Cost of sales	12,498,174,255	12,016,126,390	11,006,139,976	8,050,496,535	4,633,610,447	4,256,989,905	3,693,065,192	3,889,011,883	10,164,156,202	8,512,723,408	41,995,146,073	36,725,348,121
Gross profit	4,350,474,642	2,476,471,031	3,573,188,960	2,877,872,503	1,985,901,298	1,627,521,305	2,155,826,970	1,898,493,826	3,358,728,148	2,703,970,193	15,424,120,018	11,584,328,857
Distribution expenses	607,027,854	447,425,509	525,268,157	337,388,181	238,489,628	181,670,707	210,725,529	178,675,886	487,206,277	346,289,538	2,068,717,445	1,491,449,820
Administrative expenses	1,310,168,158	1,045,626,648	1,133,703,518	788,471,076	514,739,999	424,561,695	454,815,832	417,562,843	1,051,553,312	809,273,410	4,464,980,819	3,485,495,671
Research & development expenses	51,059,965	94,490,397	17,567,916	7,525,752	7,904,295	3,808,354	6,980,860	2,401,535	13,783,027	(16,179,716)	97,296,063	92,046,322
Profit / (loss) before taxation and unallocated income and expenses	1,968,255,976	1,587,542,554	1,676,539,592	1,133,385,009	761,133,921	610,040,756	672,522,221	598,640,264	1,552,542,616	1,139,383,232	6,630,994,327	5,068,991,813
Other operating expenses											(336,733,192)	(147,022,966)
Other income (excluding exchange gain)											425,471,702	696,769,864
Exchange (loss) / gain											278,902,153	(396,414,465)
Share of loss from associates											(84,588,008)	(56,369,952)
Finance cost											(246,014,157)	(384,501,227)
Profit before taxation and levy											8,830,164,189	6,227,798,298
Levy											(596,460,689)	(438,503,130)
Profit before taxation											8,263,703,500	5,789,295,163
Taxation											(319,487,360)	(357,465,944)
Profit after taxation											7,944,216,140	5,431,829,219

Geographical segment analysis indicates strong growth across all five regions. While APAC experienced a slowdown last year, it is now recovering. The Company is also streamlining the Pakistan segment by enhancing revenue quality, driving efficiencies, and optimizing costs. The Pakistan segment continued upward trajectory by turning positive, showing 8% OP for this quarter and 3% OP for nine months ended at September. With strategic initiatives and consistent growth, profitability across all segments has shown improvement.

	North America		Europe		Middle East & Africa		Asia Pacific		Pakistan & Others		Total	
	Un-audited		Un-audited		Un-audited		Un-audited		Un-audited		Un-audited	
	Nine months ended September		Nine months ended September		Nine months ended September		Nine months ended September		Nine months ended September		Nine months ended September	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Rupees												
Revenue - net	11,200,724,889	10,389,288,519	2,571,470,396	2,113,647,503	33,078,516,115	27,954,460,718	2,081,767,618	1,755,816,336	8,486,787,072	6,096,463,903	57,419,266,091	48,309,676,979
Cost of sales	7,544,548,883	6,985,685,707	1,614,045,633	1,373,523,452	24,026,691,455	21,172,869,162	1,295,678,879	1,148,206,453	7,514,181,223	6,045,063,348	41,995,146,073	36,725,348,121
Gross profit	3,656,176,007	3,403,602,812	957,424,763	740,124,051	9,051,824,660	6,781,591,556	786,088,740	607,609,883	972,605,849	51,400,554	15,424,120,018	11,584,328,857
Distribution expenses	116,232,480	217,403,061	54,321,458	43,570,418	1,436,641,472	998,762,809	195,750,791	146,917,821	265,771,243	84,795,711	2,068,717,445	1,491,449,820
Administrative expenses	817,693,057	896,957,207	186,820,739	180,197,436	2,907,111,909	2,093,648,573	140,767,352	68,523,809	412,587,763	244,168,645	4,464,980,819	3,465,495,671
Research & development expenses	25,734,862	65,789,928	6,728,218	13,101,620	37,717,718	(10,355,999)	7,434,196	3,272,030	19,681,069	20,238,743	97,296,063	92,046,322
Profit / (loss) before taxation and unallocated income and expenses	959,660,396	1,162,150,196	247,870,415	236,069,474	4,381,471,099	3,082,955,362	343,952,339	218,713,660	698,046,075	349,203,100	6,630,994,327	5,068,991,813
	2,696,515,608	2,221,452,617	709,554,348	503,254,577	4,670,353,561	3,699,536,174	442,136,400	388,896,225	274,565,774	(297,802,547)	8,793,125,691	6,515,337,044
Other operating expenses											(336,733,192)	(147,022,966)
Other income (excluding exchange gain)											425,471,702	503,914,305
Exchange (loss) / gain											278,902,153	(203,558,907)
Share of loss from associates											(84,588,008)	(56,369,952)
Finance cost											(246,014,157)	(384,501,227)
Profit before taxation											8,830,164,189	6,227,798,298
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Taxation											(319,487,360)	(357,465,944)
Profit after taxation											7,944,216,140	5,431,829,219

FUTURE OUTLOOK

- The strategic partnership with British American Tobacco (BAT) is set to commence in the upcoming quarter. This collaboration marks a significant step in expanding the Company's global shared services footprint. The Company continues to prioritize investments in technology, process excellence, and talent to strengthen this vertical and to position itself as a leading player in the global business services ecosystem.
- The Company remains focused on pursuing large-scale transformation deals, while actively exploring strategic partnerships and M&A opportunities to accelerate growth and expand its global footprint. A key strategic priority for future is to drive inorganic growth across Europe and the United States. The Company is currently evaluating acquisition opportunities that will enable faster entry into these mature markets and strengthen its presence among enterprise clients.

As part of this strategy, the Company plans to establish its own subsidiary in the United Kingdom, creating a direct operational presence to capitalize on emerging opportunities, leverage its existing assets, intellectual property, and accelerators, and improve export performance. The Company will also double down on existing partnerships through its associated company in the UK, deepening synergies and expanding service capabilities to serve clients across Europe and North America.

- The MEA region continues to deliver robust growth, with a sharpened focus on enterprise accounts. Strategic partnerships have strengthened, yielding deeper client relationships, stronger traction, and increased subcontracting opportunities from major system integrators in the region. Customers and recognized System Integrators (SI) are increasingly engaging the Company as a specialized supply center, recognizing the Company's delivery excellence and scalability. In parallel, the region is witnessing rapid innovation in the AI and technology ecosystem, supported by global OEMs and cloud principals.

- In the APAC region, the Company has achieved significant progress during the year, with strong traction across new and existing clients. The region has transitioned to a clear growth trajectory supported by expanding partnerships, a robust delivery framework, and increasing adoption of digital transformation and AI-led initiatives.
- The Pakistan business has achieved an important milestone, reporting a positive operating profit for the first time. Most of the previously challenged projects have now been completed, and the remaining few are expected to conclude within the next quarter. Domestic operations are now on a sustainable growth path, driven by strong performance in the banking and telco sectors, which remain the Company's core verticals. Operational streamlining, coupled with improved execution discipline, has enhanced profitability, and the segment is expected to continue improving in the quarters ahead.
- Systems' continued recognition as a Microsoft Inner Circle Partner for five consecutive years reinforces its credibility, sustainability, and leadership within the Microsoft ecosystem. This distinction continues to open new doors, strengthen the brand's standing, and drive business growth across MEA and other regions.
- The Company's associate OneLoad successfully secured new investment, addressing prior funding constraints and enabling execution of its ambitious growth plan. Following the State Bank of Pakistan's approval for its E-Money License, the entity is now well positioned to scale its digital financial services business and expand its customer base.
- The Company is charting its future around an "AI-First" vision, embedding artificial intelligence at the heart of its strategy. Internally, this involves reimagining operations through automation, intelligent ERP systems, and data-driven decisioning to achieve new levels of efficiency and excellence.

Externally, this vision is realized through Systems GenAI Studio, a cloud-native, model-agnostic platform that empowers enterprises to rapidly build, deploy, and scale Generative AI solutions with transparency and trust. The platform integrates robust LLMOps, Responsible AI, and explainability frameworks, delivering pre-built assets, customizable accelerators, and Agentic RAG tools for diverse industry use cases—from IT operations to healthcare.

The Company's AI.NOW program is a major investment in this area, enabling the workforce in AI technologies and embedding AI across two core dimensions—development and packaged implementations. These initiatives are enhancing delivery speed and solution quality, particularly in ERP and CRM deployments.

With a clear vision, well-defined strategic initiatives, and strong market positioning, the Company is well-equipped to address future challenges and capitalize on emerging opportunities, ensuring sustainable growth and long-term success

ACKNOWLEDGEMENT

The Board takes this opportunity to thank the Company's valued customers, bankers and other stakeholders for their corporation and support. The Board greatly appreciates the hard work and dedication of all the employees of the Company.

On behalf of the Board

Asif Peer

Chief Executive Officer

Date: 24th October 2025