

2025 QUARTERLY REPORT

For the nine months ended September 30, 2025

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Company Information

Board of Directors

Bakhtiar Hameed Wain
Director / Chairman

Tanveer Karamat
Director / Chief Executive Officer

Khalid Hamid Wain
Director

Adeel Khalid
Director

Asmar Ahmed Atif
Director

Mohammad Arif Janjua
Director

Humayun Maqbool
Director

Saleha Asif
Director

Faisal Nadeem Sheikh
Chief Financial Officer

Ahsan Khalil (ACA-FPFA)
Company Secretary

Board Audit Committee

Humayun Maqbool
Chairman

Bakhtiar Hameed Wain
Member

Khalid Hamid Wain
Member

Mohammad Arif Janjua
Member

Human Resource & Remuneration Committee

Humayun Maqbool
Chairman

Bakhtiar Hameed Wain
Member

Khalid Hamid Wain
Member

Tanveer Karamat
Member

Auditors

Crowe Hussain Chaudhury & Co
Chartered Accountants

Legal Advisor

Chima & Ibrahim Advocates and
Corporate Counsel

Web Presence

www.octopusdtl.com

Bankers

Faysal Bank Limited
Dubai Islamic Bank
JS Bank Limited
MCB Islamic Bank Limited
Standard Chartered Bank Limited
Habib Metropolitan Bank Limited
National Bank of Fujairah
Bank Al Habib
Habib Bank Limited

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

Headquarters

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The Avanceon Building
19-KM, Main Multan Road,
Lahore, 54660 Punjab, Pakistan
Phone: +92 (42) 111 940 940
Email: support@octopusdtl.com

Regional Headquarters

Karachi, Sindh, Pakistan
MA Tabba Foundation Building,
First Floor, Gizri Road Block 9,
Clifton Karachi, Sindh 75600
Phone: +92 (21) 111 940 940
Email: support@octopusdtl.com

Islamabad, Pakistan

Avanceon LTD. The Hive 6th
Floor, ISE Towers Jinnah Avenue,
Blue Area Islamabad.
Email: support@octopusdtl.com

Regional Headquarters - Middle East

Avanceon FZE - Dubai, UAE
Office / Plot # MO-0240, Street #
N403, Jabel Ali Free Zone (North)
Po Box: 18590 Dubai, U.A.E
Phone: +971 4 88 60 277

Doha, Qatar

Avanceon Automation & Control WLL
Office No. 12, M Floor, Al-Jaber
Engg. HO Building, P.O. Box 15976,
Fox Hills, Lusail, Doha, Qatar.
Phone: +974 4040 9835

Avanceon QFZ LLC

PA-WH-04, Unit 16
Ras Bufontas Free Zone Doha Qatar
Phone: +974 4040 9835
Email: support@avanceon.qa

Dammam, KSA

Level 4, MASA ZOMCO Building,
Al-Khobar, KSA
Phone: +966 53 322 4138
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OCTOPUS
Trade Mark DIGITAL

Email: support@octopusdtl.com

Interim Director's Report

Directors of Octopus Digital Limited (the "Company") are pleased to present our report for the nine months ended September 30, 2025.

		For the nine months ended	
		Sep 30, 2025	Sep 30, 2024
		(Rupees in '000)	
CONSOLIDATED OPERATING RESULTS			
	Revenues	749,714	846,085
	Profit before tax	17,583	95,767
	Provision for taxation	(12,562)	(3,893)
	Profit after taxation	5,022	91,874
STANDALONE OPERATING RESULTS			
	Revenues	243,815	660,400
	Profit/(loss) before tax	(35,904)	55,683
	Provision for taxation	(5,649)	(3,893)
	Profit/(loss) after taxation	(41,553)	51,790

CONSOLIDATED EARNINGS/(LOSS) PER SHARE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

The consolidated basic earnings/(loss) per share after tax is Rs. 0.03 (2024: Rs. 0.58)

STANDALONE EARNINGS/(LOSS) PER SHARE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

the standalone basic earnings/(loss) per share after tax is Rs. (0.26) (2024: Rs. 0.33)

OPERATING RESULTS COMMENTARY

During the review period, the revenues of the Company decreased, with consolidated results down 11.4% and standalone results down 63% compared to 2024. The same has affected the Profit/(Loss) After Tax, which stands at 1% and -17%, of revenue, in consolidated and standalone results respectively, down 95% & 180% respectively, from same period last year.

Before the current financial year, the revenue from international projects was being executed in Pakistan as the group did not have any corporate presence in Middle East. The internal structure has been realigned by Octopus Digital Limited to move the execution of all international projects to the group entity of Octopus Digital FZ LLC as part of streamlining operations. This action was performed at the start of July 2024. The effect is being felt in the form of a significant decrease in revenue in standalone accounts but is being catered to in the consolidated accounts. Management expects to cover the decrease in revenue by the end of year. All efforts are being put in to streamline project timelines and executions to this effect. Management's aim is to increase our recurring revenue streams in both Pakistan and International markets.

COMMUNICATION

Effective communication with our valued shareholders stands as an utmost priority for us. To this end, we meticulously ensure the swift dissemination of financial reports in strict adherence to the prescribed timelines set forth in the Companies Act of 2017.

Furthermore, our commitment to transparency and timeliness is the key for real-time updates concerning the company's operations and the latest financial reports. Moreover, real-time updates on the company's ongoing activities and up-to-date financial reports are available on the company's web site www.octopusdtl.com.

for and on behalf of the BOARD OF DIRECTORS

October 23, 2025

Lahore, Pakistan



Tanveer Karamat
Chief Executive Officer



Asmar Ahmed Atif
Director

Octopus Digital Limited
**Condensed Standalone
Interim Financial Statements**
For the nine months ended September 30, 2025

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2025

	Note	Un-audited Sep 30, 2025	Audited Dec 31, 2024
		(Rupees in 000)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital - 250,000,000 @ Rs. 10 each		2,500,000	2,500,000
Issued, subscribed and Paid up Capital			
157,262,502 (2024: 157,262,502) ordinary shares @ Rs. 10 each		1,572,625	1,572,625
Group Restructuring Reserve		(1,084,000)	(1,084,000)
Share premium		789,209	789,209
Employee Share Compensation Reserve		58,915	37,480
Accumulated Profit / (Loss)		1,334,261	1,375,814
		2,671,010	2,691,129
NON CURRENT LIABILITIES			
Long Term Diminishing Musharikah		19,059	12,809
		19,059	12,809
CURRENT LIABILITIES			
Trade and other payables		425,775	280,764
Current portion of Long Term Diminishing Musharikah		7,845	4,460
Contract Liabilities		12,964	2,224
Taxation - net		28,179	22,399
		474,764	309,848
Total Equity & Liabilities		3,164,834	3,013,785
ASSETS			
NON CURRENT ASSETS			
Property and equipment		41,608	32,208
Long term investments		447,893	447,893
Deferred Tax Asset		19,390	19,390
Intangible Assets		132,193	3,647
Long term advances and deposits		100	100
		641,183	503,237
CURRENT ASSETS			
Stock in trade		4,176	-
Trade debts		1,310,229	1,456,172
Contract Assets		89,675	103,909
Short term Investment		568	539
Other Assets and Prepayments		1,104,986	940,973
Cash and bank balances		14,016	8,955
		2,523,651	2,510,548
Total Assets		3,164,834	3,013,785

CONTINGENCIES AND COMMITMENTS

8

The annexed notes from 1 to 10 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) AS AT SEPTEMBER 30, 2025

	Note	for the nine months ended		for the Quarter ended	
		Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
		(Rupees in 000)		(Rupees in 000)	
Revenue	5	243,815	660,400	64,380	161,293
Cost of Revenue	6	(129,573)	(332,808)	(39,392)	(79,794)
Gross profit		114,242	327,592	24,989	81,499
Administrative and selling expenses	7	(173,804)	(222,559)	(47,177)	(53,827)
Other Expense		(17,566)	(70,961)	(439)	(7,610)
Other Income		44,352	25,228	(8,366)	23
		(147,019)	(268,291)	(55,982)	(61,413)
Profit / (Loss) from operations		(32,777)	59,301	(30,993)	20,086
Finance costs		(2,997)	(2,324)	(973)	(884)
Profit / (Loss) for the period		(35,773)	56,977	(31,966)	19,202
Levy / final taxation (2024: Restated)		(131)	(1,294)	-	-
		(35,904)	55,683	(31,966)	19,202
Taxation (2024: Restated)		(5,649)	(3,893)	(500)	(2,615)
Profit / (Loss) for the period after tax		(41,553)	51,790	(32,466)	16,587
Earnings per share - basic		(0.26)	0.33	(0.21)	0.11
Earnings per share - Diluted		(0.26)	0.32	(0.20)	0.10

The annexed notes from 1 to 10 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended		for the quarter ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
	(Rupees in 000)		(Rupees in 000)	
Profit /(loss) for the period	(41,553)	51,790	(32,466)	16,588
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	(41,553)	51,790	(32,466)	16,588

The annexed notes from 1 to 10 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	Share Capital	Share Compensation Reserve	Capital Reserve		Un-appropriated Profit / (Loss)	Total
			Group Restructuring Reserve	Share Premium		
	-----Rupees in 000-----					
Balance as on January 01, 2024	1,572,625	9,264	(1,084,000)	789,209	1,283,378	2,570,476
Net profit/(loss) for the year ended	-	-	-	-	92,436	92,436
Employee Share Compensation Reserve-ESOS	-	28,217	-	-	-	28,217
Balance as on December 31, 2024	1,572,625	37,481	(1,084,000)	789,209	1,375,814	2,691,129
Net (loss)/profit for the period	-	-	-	-	(41,553)	(41,553)
Employee Share Compensation Reserve-ESOS	-	21,434	-	-	-	21,434
Balance as on September 30, 2025	1,572,625	58,915	(1,084,000)	789,209	1,334,261	2,671,010

The annexed notes from 1 to 10 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended	
	Sep 30, 2025	Sep 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees in '000)	
Net (loss)/profit before taxation	(35,773)	56,977
Adjustment for:		
Depreciation on property and equipment	11,305	7,391
Amortization	304	304
Bad Debt Expense	3,402	-
Employee share option expense	31,245	17,811
Makup on Current Accounts	(12,682)	(11,610)
Provision/(reversal) for expected credit losses - contract asset	534	244
Provision/(reversal) for expected credit losses - trade debts	608	1,476
Provision/(reversal) for expected credit losses - related parties	-	22,280
Exchange gain - net	(19,223)	35,657
Finance cost	2,997	2,324
Dividend/Profit on Bank deposit	(39)	-
	18,450	75,876
Operating profit before working capital changes	(17,323)	132,854
(Increase) / Decrease in current assets		
Trade debts	161,156	(173,044)
Stock in trade	(4,176)	(429)
Contract assets	13,700	(10,051)
Advances and other receivables	(161,142)	(77,266)
	9,538	(260,790)
Increase / (Decrease) in current liabilities		
Contract liabilities	10,740	19,699
Creditors, accrued and other liabilities	130,507	94,533
	141,247	114,232
Cash generated from / (used in) operations	133,462	(13,704)
Finance costs paid	(2,997)	(2,324)
Income tax paid	14,504	(8,942)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	144,969	(24,970)



Chief Executive Officer



Chief Financial Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended	
	Sep 30, 2025	Sep 30, 2024
	(Rupees in '000)	
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(20,704)	(6,980)
Addition in intangible asset	(128,850)	-
Short term Investment	(29)	9,595
Dividend received on short term Investment	39	-
NET CASH USED IN INVESTING ACTIVITIES	(149,544)	2,614
CASH FLOWS FROM FINANCING ACTIVITIES		
Addition/Repayments of Diminishing Musharika	9,636	(1,794)
	9,636	(1,794)
NET CASH GENERATED FROM FINANCING ACTIVITIES	9,636	(1,794)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	5,061	(24,150)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8,955	29,359
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	14,016	5,209

The annexed notes from 1 to 10 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and nature of the business

Octopus Digital Limited (the Company) was incorporated in Pakistan on December 29, 2017 as a private limited company which was converted to public Company on November 11, 2020 under the Companies Act, 2017. The Company is a subsidiary of a listed company namely Avanceon Limited (the Parent Company). Its registered office is situated at 19 KM Main Multan Road, Lahore. The Company is listed on Pakistan Stock Exchange Limited.

The prime business of the Company is to carry out Information Technology enabled services which includes 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 software and equipment etc.

2 INVESTMENTS IN SUBSIDIARIES

2.1 Acquisition of Empiric AI (Private) Limited

On September 30, 2023, in accordance with the business transfer/sale agreement between the Company and Avanceon Limited, the Company acquired 100% shares of Empiric AI (Private) Limited from the Parent Company.

The consideration is settled by adjusting the short term amounted to Rs. 300 million, and markup on short term loan amounted to Rs. 91.622 million and current account balance amounted to Rs. 48.40 million.

2.2 Investment in Octopus Digital FZ LLC.

On October 1, 2023, the company made an investment in ODFZ LLC amounting to Rs. 7.8 million. This consideration was made through Avanceon FZE and is settled against the advance received.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These 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; and
- 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, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the period ended March 31, 2023

The following standards, amendments and interpretations are effective for the period ended March 31, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

4

APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the period ended March 31, 2023

The following standards, amendments and interpretations are effective for the period ended March 31, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

Effective Date - Annual Periods

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the unconsolidated financial statements.

4.2 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, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability

January 01, 2025

IFRS 17 Insurance Contracts

January 01, 2026

IFRS 1 standard has been issued by IASB effective from 01, July 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

5 REVENUE

	for the nine months ended		for the quarter ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
	(Rupees in 000)		(Rupees in 000)	
Local sales and services	120,461	158,122	30,672	21,677
Digital Business Services (Local)	75,262	62,063	33,708	19,082
Export sales and services	48,092	440,215	-	120,534
TOTAL	243,815	660,400	64,380	161,293

6 COST OF SALES

Materials consumed	7,246	48,103	3,650	6,444
Salaries, wages, allowances and other benefits	36,412	21,381	11,348	7,701
Telephone, postage and telex	499	-	172	-
Travelling and conveyance	21,951	53,105	3,926	18,884
Installation charges	52,549	185,076	16,528	35,931
Fee and subscription	3,323	16,529	527	12,799
Entertainment	450	651	99	190
Repairs and maintenance	5	-	-	-
Import cost	13	137	-	-
Training & Tution	-	24	-	24
Rent, rates and taxes	-	88	-	88
Depreciation	5,652	3,696	1,992	1,346
Other cost	1,473	4,017	1,150	(3,612)
TOTAL	129,573	332,808	39,392	79,794

7 ADMINISTRATIVE EXPENSE

Director's Remuneration	22,696	34,818	7,415	14,027
Salaries, wages, allowances and other benefits	84,961	121,157	26,478	43,641
Legal and professional charges	1,587	3,544	351	2,149
Auditors remuneration	576	483	37	23
Rent , Rates & Taxes	-	88	-	88
Travelling and conveyance	7,133	7,272	1,999	2,183
Telephone, fax and internet expenses	499	3,643	172	330
Fee and subscription	10,367	9,752	6,257	3,087
Marketing Expenses	144	-	33	-
Insurance	4,246	5,148	1,818	514
Advertisement	173	446	-	-
Repairs and maintenance	5	2,149	-	986
Annual general meeting expenses	187	182	-	-
Depreciation	5,652	3,696	1,992	1,346
Amortization	304	304	101	101
Back office support	2,000	10,831	500	(15,000)
Entertainment	876	434	21	226
Printing & Stationery Expense	347	350	-	90
Miscellaneous expenses	805	450	3	38
ESOS Expense	31,245	17,811	-	-
TOTAL	173,804	222,559	47,177	53,827

8 CONTINGENCIES AND COMMITMENTS

The Deputy Commissioner of Inland Revenue issued an order under Section 205/137(1) of the Income Tax Ordinance, 2001 for Tax Year 2024, providing an opportunity for a hearing before imposing a default surcharge of Rs. 1,560,530. In response, the Company submitted a detailed explanation along with its own computation, that determined the surcharge liability to be Rs. 434,344. The balancing figures amounting to Rs. 1,126,186 remains under review, and the final decision is expected to be in the favour of the Company. : 2024 : NIL

9 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim unconsolidated financial information was authorised for issue on October 23, 2025 by the Board of Directors of the Holding Company.

10 GENERAL

Figures have been rounded off to the nearest thousand rupees.



Chief Executive Officer



Chief Financial Officer



Director

Octopus Digital Limited
**Consolidated Condensed
Interim Financial Statements**
For the nine months ended September 30, 2025

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2025

	NOTE	Un-Audited Sep 30, 2025	Audited Dec 31, 2024
		(Rupees in '000)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital - 250,000,000 @ Rs. 10 each		2,500,000	2,500,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
157,262,502 (2024: 157,262,502) ordinary shares @ Rs. 10 each		1,572,625	1,572,625
CAPITAL RESERVES			
Share premium		789,209	789,209
Exchnage revaluation reserve		(791)	4,226
Group restructuring reserve		(1,050,259)	(1,050,259)
Employees' share compensation reserve		58,913	37,480
		(202,927)	(219,344)
REVENUE RESERVES			
Un-appropriated Profit		1,351,030	1,346,008
		2,720,728	2,699,289
NON CURRENT LIABILITIES			
Long Term Diminishing Musharika		19,059	12,810
		19,059	12,810
CURRENT LIABILITIES			
Creditors, accrued and other liabilities		627,342	262,230
Current portion of Diminishing Musharika		7,845	4,460
Contract Liabilities		12,964	2,224
Taxation-Net		35,429	22,758
		683,581	291,672
TOTAL EQUITY & LIABILITIES		3,423,368	3,003,771
ASSETS			
NON CURRENT ASSETS			
Property and equipment		41,611	32,436
Intellectual Properties - Intangibles		920,489	772,127
Deferred Tax Assets		19,390	19,390
Long term deposits		100	100
		981,590	824,053
CURRENT ASSETS			
Stock in trade		4,176	-
Trade debts		1,681,473	1,428,742
Contract Assets		160,335	210,554
Advances, deposits, prepayments and other receivable		564,283	518,356
Short Term Investment		568	539
Cash and bank balances		30,942	21,527
		2,441,778	2,179,718
Total Assets		3,423,368	3,003,771

CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 6 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

CONSOLIDATED CONDENSED STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended		for the quarter ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
	(Rupees in '000)		(Rupees in '000)	
Revenues	749,714	846,085	212,287	217,961
Cost of revenue	(419,721)	(383,624)	(122,546)	(97,140)
Gross Profit / (Loss)	329,993	462,461	89,742	120,821
Administrative and selling expenses	(323,459)	(319,099)	(96,687)	(93,177)
Other expenses	(20,981)	(62,723)	(610)	(32,033)
Other income	37,534	19,271	(8,352)	9,698
	(306,906)	(362,550)	(105,649)	(115,512)
Profit / (Loss) from operations	23,088	99,911	(15,907)	5,310
Finance costs	(5,374)	(2,850)	(2,006)	(1,221)
Profit / (Loss) before Levy & Income Tax	17,714	97,061	(17,913)	4,088
Levy / final taxation (2024: Restated)	(131)	(1,294)	-	-
Profit / (Loss) before income tax	17,583	95,767	(17,913)	4,088
Taxation (2024: Restated)	(12,562)	(3,893)	(7,413)	(2,614)
Profit / (Loss) for the period after Tax	5,022	91,874	(25,326)	1,474
Combined Earnings per share				
Basic	0.03	0.58	(0.16)	0.01
Diluted	0.03	0.58	(0.16)	0.01

The annexed notes from 1 to 6 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended		for the quarter ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
	(Rupees in '000)		(Rupees in '000)	
Profit / (Loss) for the period	5,022	91,874	(25,326)	1,474
Other comprehensive income				
- Exchange difference on translating	(5,016)	-	(10,544)	-
- Bargain purchase gain on Investment				
Total comprehensive income for the period	5	91,874	(35,870)	1,474

The annexed notes from 1 to 6 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	CAPITAL RESERVES					REVENUE RESERVES	TOTAL
	Share capital	Share premium reserve	Employee share compensation reserve	Group Restructuring Reserve	Exchange revaluation reserve	Un-appropriated (loss) / profit	
	Rupees in 000						
Balance as on January 01, 2024	1,572,625	789,209	9,263	(1,050,259)		1,140,983	2,461,821
Profit for the period	-	-	-	-	-	205,025	205,025
						205,025	205,025
Employee share option reserve	-	-	28,216	-	-	-	28,216
Exchange translation reserve	-	-	-	-	4,226	-	4,226
	-	-	28,216	-	4,226	-	32,442
Balance as on December 31, 2024	1,572,625	789,209	37,480	(1,050,259)	4,226	1,346,008	2,699,288
Profit for the period	-	-	-	-	-	5,022	5,022
Exchange translation reserve	-	-	-	-	(5,016)	-	(5,016)
					(5,016)	5,022	5
Employee share option reserve	-	-	21,434	-	-	-	21,434
Balance as on September 30, 2025	1,572,625	789,209	58,913	(1,050,259)	(791)	1,351,030	2,720,727

The annexed notes from 1 to 6 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended	
	Sep 30, 2025	Sep 30, 2024
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) before tax	17,714	97,061
Adjustments for:		
Depreciation on property and equipment	11,528	9,249
Amortization	15,555	15,555
Exchange gain	3,300	36,635
Exchange revaluation reserve	(5,016)	-
Makup on loan to parent company	(5,492)	(3,352)
Finance cost	5,374	2,850
Employee share option exp.	31,245	17,811
Provision for ECL - related parties	-	22,280
Provision for ECL - contract assets	534	244
Provision for ECL - trade debts	608	1,476
Income on bank deposits	(348)	(463)
	57,288	102,285
	75,002	199,346
Profit before working capital changes		
(Increase) / decrease in current assets		
- Stock in trade	(4,176)	(429)
- Trade debts	(256,813)	(171,388)
- Contract Assets	49,685	(93,846)
- Advances, deposits, prepayments and other receivables	(50,246)	58,981
(decrease) / Increase in current liabilities		
- Creditors, accrued and other liabilities	365,154	142,666
- Contract Liabilities	10,740	19,699
	114,344	(44,317)
Cash (used in) / generated from operations	189,345	155,029
Finance costs	(5,374)	(2,850)
Taxes	110	(24,619)
Net cash (used in) / generated from operating activities	184,082	127,561



Chief Executive Officer



Chief Financial Officer



Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	for the nine months ended	
	Sep 30, 2025	Sep 30, 2024
	(Rupees in '000)	
Net cash (used in) / generated from operating activities	184,082	127,561
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(20,703)	(7,005)
Additions in intangible assets	(163,918)	(140,255)
Increase / decrease in short term Investment	(29)	9,595
Profit on bank deposit	348	463
Net cash (used in) / generated from investing activities	(184,302)	(137,203)
CASH FLOWS FROM FINANCING ACTIVITIES		
Additions/Repayment of lease liabilities	9,635	(1,794)
Net cash (used in) / generated from financing activities	9,635	(1,794)
Net (decrease) / increase in cash and cash equivalents	9,414	(11,437)
Cash and cash equivalents at the beginning of year	21,527	38,403
Cash and cash equivalents at the end of period	30,942	26,966

The annexed notes from 1 to 6 form an integral part of these financial statements



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

1 THE GROUP AND ITS OPERATIONS

1.1 The Group consists of:

Status within the Group

-Octopus Digital Limited (ODL)	Holding Company
-Empiric AI (Private) Limited (EAL)	Subsidiary of ODL
-Octopus Digital FZ LLC (ODFZ)	Subsidiary of ODL

- 1.2 Octopus Digital Limited (the Parent Company) was incorporated in Pakistan on December 29, 2017 as a private limited Company under the Companies Act, 2017, which was converted into public Company on November 11, 2020. ODL is a subsidiary of a listed Company namely Avanceon Limited (the ultimate Parent Company, "AVN"). ODL is listed on Pakistan Stock Exchange Limited. ODL is domiciled in Pakistan and its prime business 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 registered office of the Octopus Digital FZ LLC is located at the DMC-BLD05-VD-G00-792, Ground Floor, DMC5 Dubai Media City, United Arab Emirates. It was established with primary objective of software consultancy, customer service, solution provider, support service provider.

Business Unit

Geographical Location

Head office / Registered Office	19 KM Main Multan Road, Lahore, Pakistan
Subsidiary Office	DMC - BLD05 - VD - G00 - 792 , Ground Floor, DMC5 Building, Dubai Media City, Dubai, United Arab Emirates

- 1.3 EAL 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.
- 1.4 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.

Octopus Digital Limited is a majority owned subsidiary of Avanceon Limited.
The Group is also using the head office of its parent Group, situated at 19 KM Main Multan Road, Lahore.

1.5 Consolidated Financial Statements

These financial statements are the consolidated financial statements of the ODL and its subsidiaries (the Group).

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; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

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

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention.

2.3 Presentation and functional currency

These unconsolidated financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures have been rounded off to the nearest rupee, unless otherwise stated.

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 statement of profit or loss.

2.4.2 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 profit or loss as a bargain purchase gain.

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the period

The following standards, amendments and interpretations are effective for the period ended September 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

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

4 CONTINGENCIES AND COMMITMENTS

The Deputy Commissioner of Inland Revenue issued an order under Section 205/137(1) of the Income Tax Ordinance, 2001 for Tax Year 2024, providing an opportunity for a hearing before imposing a default surcharge of Rs. 1,560,530. In response, the Company submitted a detailed explanation along with its own computation, that determined the surcharge liability to be Rs. 434,344. The balancing figures amounting to Rs. 1,126,186 remains under review, and the final decision is expected to be in the favour of the Company. 2024 : NILL

5 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim consolidated financial information was authorised for issue on October 23, 2025 by the Board of Directors of the Holding Company.

6 GENERAL

Figures have been rounded off to the nearest thousand rupees.



Chief Executive Officer



Chief Financial Officer



Director



www.octopusdtl.com

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