

30 April 2026

AVN/PSX/R/30042026

The General Manager.
Pakistan Stock Exchange Limited.
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: **Financial results for the year ended 31 December 2025.**

Dear Sir,

We would like to inform you that the Board of Directors of our Company in their meeting held on Thursday, 30 April 2026 at 10:00 A.M. at Regional Operations Centre, The Avanceon Building, 19-Km, Main Multan Road, Lahore / online recommended the following: -

- | | | |
|-------|--|-----|
| (i) | CASH DIVIDEND - The Board has declared a final dividend @ Rs. 1/- per share i.e. 10%. | |
| (ii) | BONUS SHARES | NIL |
| (iii) | RIGHT SHARES | NIL |
| (iv) | ANY OTHER ENTITLEMENT/CORPORATE ACTION | NIL |
| (v) | ANY OTHER PRICE-SENSITIVE INFORMATION | NIL |

The financial results of the Company (consolidated and standalone) for the year ended 31 December 2025 are attached.

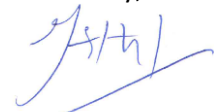
The Annual General Meeting of the Company will be held on Saturday, 23 May 2026 at 02:00 P.M. at Lahore.

The above entitlement(s) will be paid to the shareholders whose names will appear in the Register of Members on Friday, 15 May 2026.

The share transfer books of the Company will be closed, and no transfer of shares will be accepted for registration from Saturday, 16 May 2026 to Saturday, 23 May 2026 (both days inclusive). Transfer received in order at the office of our Registrar, M/s FAMCO Share Registration Services (Pvt) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shakra-e-Faisal, Karachi by the close of business (05:00 PM) on Friday, 15 May 2026 will be treated in time for purpose of payment of final dividend and to attend & vote at the Annual General meeting.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting.

Yours truly,



Faisal Nadeem Sheikh | Company Secretary

cc:

Director/HOD,
Surveillance, Supervision and Enforcement Department,
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue, Blue Area,
Islamabad.

AVANCEON LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

		2025	2024
	Note	--- Rupees in Thousands ---	
ASSETS			
Non Current Assets			
Property and equipment	6	1,429,371	1,274,588
Intangible assets	7	5,690,077	5,465,222
Long term investments	8	406,604	379,669
Long term deposits and loans	9	76,889	82,205
Deferred tax asset	10	32,805	32,697
		7,635,746	7,234,381
Current Assets			
Stock in trade	11	238,729	173,619
Trade debts	12	9,079,918	7,131,935
Contract assets	13	7,773,616	9,319,803
Advances, deposits, prepayments and other receivables	14	4,518,985	3,445,266
Short term investments	15	1,363	100,772
Cash and bank balances	16	1,085,222	756,748
		22,697,833	20,928,143
		<u>30,333,578</u>	<u>28,162,524</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital: 500,000,000 (2024: 500,000,000) ordinary shares of Rs. 10 each		<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and paid up share capital	17	4,224,089	4,150,228
Share premium	18	874,834	508,405
Gain on dilution of interest		631,367	631,367
Employees' share compensation reserve	19	233,307	408,223
Statutory reserve	20	3,227	3,227
Exchange revaluation reserve		2,672,453	2,639,098
Revenue reserves - unappropriated profits		5,955,879	5,306,198
Surplus on revaluation of property	21	325,884	328,199
		14,921,040	13,974,945
Non controlling interest	22	694,101	686,608
		<u>15,615,141</u>	<u>14,661,553</u>
Non Current Liabilities			
Long term diminishing musharaka	23	127,611	112,382
Lease liability	24	122,974	115,274
Provision for gratuity	25	374,104	333,149
Long term loan	26	36,229	96,241
		660,918	657,046
Current Liabilities			
Creditors, accrued and other liabilities	27	8,960,145	8,439,613
Contract liabilities	28	1,453,399	2,156,718
Current portion of long term diminishing musharaka	23	74,876	58,209
Current portion of lease liability	24	564	48,586
Current portion of long term loan	26	25,143	25,106
Short term borrowings	29	3,029,250	1,503,297
Provision against taxation - net		371,603	449,098
Unpaid dividend	30	142,541	163,298
		14,057,520	12,843,925
Contingencies and Commitments			
	31	-	-
		<u>30,333,578</u>	<u>28,162,524</u>

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, 2025

		2025	2024
	Note	--- Rupees in Thousands ---	
Revenue from contracts with customers - net	32	15,885,492	16,156,098
Cost of revenue	33	<u>(11,723,435)</u>	<u>(11,895,851)</u>
Gross Profit		4,162,057	4,260,247
Administrative and selling expense	34	<u>(2,718,710)</u>	<u>(2,489,329)</u>
Other operating expense	35	<u>(483,295)</u>	<u>(203,049)</u>
Other operating income	36	<u>349,533</u>	<u>194,168</u>
		<u>(2,852,472)</u>	<u>(2,498,210)</u>
Operating Profit		1,309,585	1,762,037
Finance cost	37	(512,864)	(447,892)
Share of profit from joint venture	8	<u>23,657</u>	<u>179,514</u>
Profit before Levy and Taxation		820,378	1,493,659
Levy / final taxation	38	<u>(165,519)</u>	<u>(35,607)</u>
Profit before Taxation		654,859	1,458,052
Taxation	39	-	603,402
Net Profit after Taxation		<u>654,859</u>	<u>2,061,454</u>
Attributable to			
- Equity holders of parent		647,366	2,008,811
- Non controlling interest		<u>7,493</u>	<u>52,643</u>
		<u>654,859</u>	<u>2,061,454</u>
Earnings per share			
Earnings per share - Basic (Rupees)	40	<u>1.51</u>	<u>5.11</u>
Earnings per share - Diluted (Rupees)	40	<u>1.62</u>	<u>5.00</u>

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, 2025

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, 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 income	-	-	-	-	-	(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)	-	-
Statutory reserve adjustment	-	-	-	-	-	-	-	-	-	-
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
Net profit for the year	-	-	-	-	-	-	647,366	-	7,493	654,859
Other comprehensive loss	-	-	-	-	-	33,355	-	-	-	33,355
Total comprehensive income for the year	-	-	-	-	-	33,355	647,366	-	7,493	688,214
Transfer from revaluation surplus on account of incremental depreciation	-	-	-	-	-	-	2,315	(2,315)	-	-
Transaction with Owners										
Employee share option reserve	73,860	-	-	191,513	-	-	-	-	-	265,373
Issuance of shares against employee share option scheme	-	366,429	-	(366,429)	-	-	-	-	-	-
Balance as at December 31, 2025	4,224,088	874,834	631,367	233,307	3,227	2,672,453	5,955,879	325,884	694,101	15,615,141

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, 2025

	2025	2024
Note	--- Rupees in Thousands ---	
Net Profit for the Year	654,859	2,061,454
Other Comprehensive Income		
<i>Items that will not be reclassified to profit or loss</i>	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of subsidiaries	33,355	(32,751)
Other comprehensive (loss) / income for the year	33,355	(32,751)
Total Comprehensive Income for the Year	688,214	2,028,703
Attributable to		
- Equity holders of parent	680,721	1,976,060
- Non controlling interest	7,493	52,643
	688,214	2,028,703

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 CASHFLOWS FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	--- Rupees in Thousands ---	
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/ (loss) before tax	820,378	1,493,659
Adjustments for:		
Depreciation on property and equipment	206,711	194,070
Exchange gain	29,808	103,564
Exchange revaluation reserve	33,355	(30,125)
Amortization	47,842	42,588
Provision for gratuity	67,364	57,192
Finance costs	512,867	447,892
Contract assets written off		56,964
Employees' share option expense	195,060	287,648
Provision for ECL - contract assets	(173,865)	27,325
Provision for ECL - trade debts	81,741	(77,095)
Gain on disposal of fixed Assets	(12,770)	(8,220)
Profit from Avanceon Arabia (JV)		(179,514)
Income on bank deposits	(3,983)	(9,751)
	984,131	912,538
	1,804,510	2,406,197
Profit before working capital changes		
(Increase) / decrease in current assets		
- Stock in trade	(65,110)	(43,350)
- Trade debts	(2,055,446)	2,078,383
- Contract Assets	1,720,053	(3,751,500)
- Advances, deposits, prepayments and other receivables	(1,077,805)	(436,293)
(decrease) / Increase in current liabilities		
- Creditors, accrued and other liabilities	523,622	1,307,427
- Contract Liabilities	(703,319)	(100,057)
	(1,658,005)	(945,390)
Cash (used in) / generated from operations	146,505	1,460,807
Finance costs paid	(515,958)	(440,915)
Gratuity paid	(26,410)	(14,532)
Taxes paid	(243,122)	(253,954)
Net cash (used in) / generated from operating activities	(638,985)	751,406

Continued.....

	2025	2024
	--- Rupees in Thousands ---	
Net cash (used in) / generated from operating activities	(638,985)	751,406
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	(371,970)	(283,706)
Proceeds from disposal of property and equipment	10,475	14,869
Additions in intangible assets - capital work in progress	(265,174)	
Additions in Intellectual property	(7,522)	(242,003)
Long term investments made	26,935	(89,232)
Decrease / (Increase) in short term investments	99,409	3,336
Profit on bank deposit	3,983	9,751
Increase in long term loans and deposits - net		
Net change in long term advances and deposits	5,316	
Net cash (used in) / generated from investing activities	(498,548)	(586,985)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend paid	(20,757)	(759,207)
Issuance of shares	29,213	9,956
Premium on issuance of shares		114
Long term loan (repaid)/ received	(59,976)	(27,295)
Finances under mark up arrangements and other credit facilities	1,525,953	283,681
Repayment of diminishing mosharka	31,897	(27,938)
Repayment of lease liabilities	(40,322)	(18,244)
Net cash (used in) / generated from financing activities	1,466,008	(538,931)
Net (decrease) / increase in cash and cash equivalents	328,475	(374,510)
Cash and cash equivalents at the beginning of year	756,748	1,131,258
Cash and cash equivalents at the end of period	1,085,222	756,748



Chief Executive Officer



Chief Financial Officer



Director

AVANCEON LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	2025	2024
--- Rupees in Thousands ---			
ASSETS			
Non Current Assets			
Property and equipment	6	937,651	758,086
Long term investments	7	5,593,590	5,563,873
Long term deposits and loans	8	10,302	5,505
		6,541,543	6,327,464
Current Assets			
Stock in trade	9	79,028	100,907
Trade debts	10	3,385,511	2,606,195
Contract assets	11	250,994	580,728
Advances, deposits, prepayments and other receivables	12	1,707,664	1,302,084
Cash and bank balances	13	107,512	19,351
		5,530,709	4,609,265
		<u>12,072,252</u>	<u>10,936,729</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital: 500,000,000 (2024: 500,000,000) ordinary shares of Rs. 10 each		<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and paid up share capital	14	4,224,089	4,150,228
Share premium	15	875,339	508,910
Revenue reserves - unappropriated profits		2,585,793	2,523,297
Employees' share compensation reserve	16	155,438	370,740
Surplus on revaluation of property	17	325,884	328,199
		8,166,543	7,881,374
Non Current Liabilities			
Long term diminishing musharaka	18	110,745	99,573
Deferred taxation	19	-	-
		110,745	99,573
Current Liabilities			
Creditors, accrued and other liabilities	20	2,179,086	2,016,392
Contract liabilities	21	236,837	119,369
Current portion of long term diminishing musharaka	18	66,715	53,748
Short term borrowings	22	1,091,203	532,486
Unclaimed dividend	23	142,542	149,239
Provision for taxation - net	24	78,581	84,548
		3,794,964	2,955,782
Contingencies and Commitments	25	-	-
		<u>12,072,252</u>	<u>10,936,729</u>

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, 2025

		2025	2024
	Note	--- Rupees in Thousands ---	
Revenues	26	3,101,473	3,102,844
Cost of revenue	27	<u>(2,336,562)</u>	<u>(2,095,921)</u>
Gross Profit		764,911	1,006,923
Administrative and selling expense	28	<u>(554,041)</u>	<u>(569,582)</u>
Other operating expense	29	<u>(446,444)</u>	<u>(259,632)</u>
Other operating income	30	<u>534,936</u>	<u>584,295</u>
		<u>(465,549)</u>	<u>(244,919)</u>
Operating Profit		299,362	762,004
Finance cost	31	<u>(172,938)</u>	<u>(188,759)</u>
Profit before Levy and Taxation		126,424	573,245
Levy / final taxation	32	<u>(66,243)</u>	<u>(34,149)</u>
Profit before Taxation		60,181	539,096
Taxation	33	-	-
Net Profit for the year		<u><u>60,181</u></u>	<u><u>539,096</u></u>
Earnings per share - Basic (Rupees)	34	<u><u>0.14</u></u>	<u><u>1.37</u></u>
Earnings per share - Diluted (Rupees)	34	<u><u>0.14</u></u>	<u><u>1.34</u></u>

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, 2025

	2025	2024
	--- Rupees in Thousands ---	
Net Profit for the year	60,181	539,096
Other Comprehensive Income		
<i>Items that will not be reclassified to profit or loss</i>	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>	-	-
Other comprehensive income for the year	-	-
Total Comprehensive Income for the Year	<u>60,181</u>	<u>539,096</u>

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

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2025

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, 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 income 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
Net profit for the year	-	-	60,181	-	-	60,181
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	60,181	-	-	60,181
Transfer from revaluation surplus on account of incremental depreciation	-	-	2,315	-	(2,315)	-
Transaction with Owners						
Employee share option reserve	-	-	-	151,127	-	151,127
Issuance of shares against employee share option scheme	73,861	366,429	-	(366,429)	-	73,861
Balance as at December 31, 2025	4,224,089	875,339	2,585,793	155,438	325,884	8,166,543

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

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

AVANCEON LIMITED

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2025

		2025	2024
	Note	--- Rupees in Thousands ---	
Profit before Levy and Taxation		126,424	573,245
Adjustments for:			
Depreciation on property and equipment	6.3	117,462	107,924
Employees' share option expense	28 & 29	75,562	184,796
Balances written off - specific	29	-	49,921
Allowance for credit losses / written off - trade debts	29	89,235	56,652
Allowance for expected credit losses - related parties	29	140,000	44,315
Allowance for credit losses / written off - contract assets	29	202,506	-
Exchange (gain) / loss	29	(34,028)	98,625
Gain on disposal of property and equipment	30	(11,611)	(7,925)
Finance cost	31	172,938	188,759
Profit on bank deposits	30	(328)	(3,013)
Markup income on intercompany current account	30	(10,464)	(3,669)
Dividend income	30	(400,786)	(565,565)
		340,486	150,820
Operating profit before working capital changes		466,910	724,065
(Increase) / decrease in current assets			
Stock in trade	9	21,879	(15,625)
Trade debts	10	(1,011,251)	(149,325)
Contract assets	11	127,228	93,578
Advances, deposits, prepayments and other receivables	12	74,738	100,080
Increase / (decrease) in current liabilities			
Creditors, accrued and other liabilities	20	121,496	364,260
Contract liabilities	21	117,468	(130,065)
Increase in long term deposits and loans	8	(4,997)	347
		(553,439)	263,250
Cash (Used in) / Generated from Operations		(86,529)	987,315
Finance cost paid		(124,729)	(154,433)
Income tax paid		(72,210)	(170,293)
Net Cash (Used in) / Generated from Operating Activities		(283,468)	662,589
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	6	(205,684)	(203,794)
Proceeds from disposal of property and equipment	6	15,922	14,566
Profit on bank deposits	30	328	3,013
Net Cash Used in Investing Activities		(189,434)	(186,215)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(758,183)
Issuance of shares	14	73,861	9,956
Short term borrowings - net	22	558,717	238,020
Premium on issuance of shares		-	115
Long term diminishing musharaka - net		(71,515)	(31,517)
Net Cash Generated from / (Used in) Financing Activities	35	561,063	(541,609)
Net Increase / (Decrease) in Cash and Cash Equivalents		88,161	(65,235)
Cash and cash equivalents at the beginning of the year	13	19,351	84,586
Cash and Cash Equivalents at the End of the Year		107,512	19,351

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

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CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR