

22 May 2026

AVN/PSX/F/22052026

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

Subject: **Financial results for the 1st Quarter ended 31 March 2026 – Consolidated and Standalone.**

Dear Sir,

We would like to inform you that the Board of Directors of our Company in their meeting held at Friday, 22 May 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	NIL
(ii)	BONUS SHARES	NIL
(iii)	RIGHT SHARES	NIL
(iv)	ANY OTHER ENTITLEMENT/CORPORATE ACTION	NIL
(v)	ANY OTHER PRICE-SENSITIVE INFORMATION	NIL

The unaudited financial results of the company (consolidated and standalone) for the 1st Quarter ended 31 March 2026 are as per attachment.

The Quarterly Report of the Company for the period ended 31 March 2026 will be transmitted through PUCARS separately, within specified time.

Yours truly,

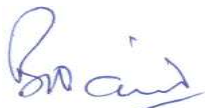


Faisal Nadeem Sheikh | Company Secretary

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

AVANCEON LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Un-audited Mar. 31, 2026	Audited Dec 31, 2025
	(Rupees in '000)	
ASSETS		
NON CURRENT ASSETS		
Property and equipment	636,819	666,184
Work in progress	342,517	271,467
Long term investments	1,351,795	1,351,795
Deposit for Long term investments	4,224,313	4,241,795
Long term loans and deposits	10,502	10,302
	6,565,946	6,541,543
CURRENT ASSETS		
Stock in trade	130,663	79,028
Trade debts	3,045,750	3,385,511
Advances, deposits, prepayments and other receivables	1,769,017	1,707,664
Contract Assets	320,391	250,994
Cash and bank balances	23,723	107,512
	5,289,543	5,530,709
TOTAL ASSETS	11,855,489	12,072,252
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital		
500,000,000 (2025: 500,000,000) ordinary shares of Rs 10 each	5,000,000	5,000,000
Issued, Subscribed And Paid Up Capital		
427,475,456 (2025: 422,408,878) ordinary shares of Rs 10 each	4,274,755	4,224,089
CAPITAL RESERVES		
Share Premium	875,339	875,339
Employees' share compensation reserve	155,438	155,438
Surplus on revaluation of property, plant & equipment	325,305	325,884
	1,356,083	1,356,662
REVENUE RESERVES		
Un-appropriated profit	2,650,917	2,585,793
	8,281,755	8,166,543
NON CURRENT LIABILITIES		
Long term diminishing musharaka	89,451	110,745
CURRENT LIABILITIES		
Current portion of long term diminishing musharaka	72,067	66,715
Finances under mark up arrangements and other credit facilities - secured	1,010,275	1,091,203
Contract Liabilities	251,109	236,837
Unclaimed / Unpaid Dividend	142,528	142,542
Creditors, accrued and other liabilities	1,982,820	2,179,086
Provision for taxation	25,484	78,581
	3,484,283	3,794,964
CONTINGENCIES AND COMMITMENTS	11,855,489	12,072,252



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	for the first quarter ended	
	<u>Mar. 31, 2026</u>	<u>Mar. 31, 2025</u>
	(Rupees in '000)	
Revenues	686,669	423,099
Cost of revenue	(481,769)	(284,576)
Gross profit / (Loss)	<u>204,900</u>	<u>138,523</u>
	30%	
Administrative and selling expenses	(115,462)	(90,378)
Other charges	(18,247)	(2,167)
Other income	45,027	44,576
	(88,681)	(47,969)
Profit / (Loss) from operations	<u>116,219</u>	<u>90,554</u>
Finance costs	(39,351)	(34,842)
Profit / (Loss) before tax	<u>76,867</u>	<u>55,713</u>
Taxation	(12,321)	(11,032)
Profit / (Loss) for the period	<u>64,546</u>	<u>44,681</u>
		Restated
Earnings/(Loss) per share - basic	0.15	0.11
Earnings/(Loss) per share - diluted	0.15	0.10



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir

AVANCEON LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	for the first quarter ended	
	Mar. 31, 2026	Mar. 31, 2025
	(Rupees in '000)	
Profit /(loss) for the period	64,546	44,681
Other comprehensive income	-	-
Total comprehensive income / (loss) for the period	<u>64,546</u>	<u>44,681</u>



Chief Executive Officer
Bakhtiar Hameed Wain



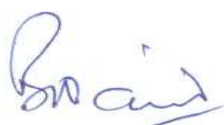
Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	CAPITAL RESERVES				REVENUE	TOTAL
	Share Capital	Share Premium	Employees' Share Compensation Reserve	Surplus on Revaluation of Property & Equipment	Un-appropriated profit / (loss)	
	(Rupees in '000)					
Balance as on January 01, 2025	4,150,228	508,910	370,740	328,199	2,523,297	7,881,374
Profit for the period	-	-	-	-	60,181	60,181
Other comprehensive income	-	-	-	(2,315)	2,315	-
	-	-	-	(2,315)	62,496	60,181
Issuance of shares against ESOS	73,860	-	151,127	-	-	224,987
Employee share option reserve	-	366,428	(366,428)	-	-	-
	73,860	366,428	(215,301)	-	-	224,987
Balance as on December 31, 2025	4,224,089	875,339	155,438	325,884	2,585,793	8,166,543
Profit for the period	-	-	-	-	64,546	64,546
Transfer from revaluation surplus on account of incremental dep.	-	-	-	(579)	579	-
	-	-	-	(579)	65,125	64,546
Issuance of shares against ESOS	50,666	-	-	-	-	50,666
Employee share option reserve	-	-	-	-	-	-
	50,666	-	-	-	-	50,666
Balance as on March 31, 2026	4,274,755	875,339	155,438	325,305	2,650,917	8,281,755



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir

AVANCEON LIMITED
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	for the first quarter ended	
	Mar. 31, 2026	Mar. 31, 2025
	(Rupees in '000)	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit/(loss) before tax	76,867	55,713
Adjustments for:		
Depreciation on property and equipment	29,365	25,755
Unrealised exchange (gain) / loss	-	(44,209)
Finance cost	39,351	34,842
Profit on bank deposits	-	139
	68,717	16,526
Profit before working capital changes	145,584	72,239
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
- Stock in trade	(51,635)	(23,178)
- Trade debts	357,242	(8,788)
- Contract Assets	(69,396)	172,499
- Advances, deposits, prepayments and other receivables	(61,353)	(64,700)
Increase / (decrease) in current liabilities		
- Creditors, accrued and other liabilities	(152,813)	(193,651)
- Contract Liabilities	14,272	106,661
	36,317	(11,158)
Cash generated from operations	181,901	61,081
Finance cost paid	(32,138)	(36,159)
Income Taxes paid	(65,419)	(7,763)
	(97,557)	(43,922)
Net cash generated from / (used in) operating activities	84,344	17,159

Continued.....

for the first quarter ended	
Mar. 31, 2026	Mar. 31, 2025
(Rupees in '000)	

Net cash generated from / (used in) operating activities

84,344

17,159

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment

(10,368)

(5,696)

Proceeds from sale of property and equipment

10,368

-

Additions in intangible assets - Capital work in progress

(71,050)

(84,840)

Profit on bank deposits

-

(139)

Net change in long term advances and deposits

(200)

(3,621)

Net cash generated from / (used in) investing activities

(71,250)

(94,296)

CASH FLOWS FROM FINANCING ACTIVITIES

Finances under mark-up arrangements and other credit facility obtained

(80,928)

134,094

Dividend paid

(14)

(220)

Repayment of diminishing musharka

(15,942)

(17,045)

Net cash used in financing activities

(96,884)

116,828

Net increase/(decrease) in cash and cash equivalents

(83,789)

39,691

Cash and cash equivalents at the beginning of period

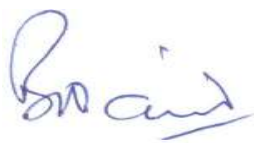
107,512

19,351

Cash and cash equivalents at the end of period

23,723

59,042



Chief Executive Officer

Bakhtiar Hameed Wain



Chief Financial Officer

Ahsan Khalil

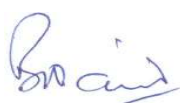


Director

Mohammad Shahid Mir

AVANCEON GROUP
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

ASSETS	Un-Audited	Audited
	Mar. 31, 2026	Dec. 31, 2025
	(Rupees in '000)	
NON CURRENT ASSETS		
Property and equipment	1,453,658	1,429,372
Capital Work in Progress	740,891	668,059
Intellectual Property	4,772,632	4,800,208
Goodwill	221,810	221,810
Investment in JV	404,973	406,604
Deferred Tax Assets	32,777	32,805
Long term deposits	76,875	76,889
	7,703,615	7,635,746
CURRENT ASSETS		
Stock in trade	694,052	238,729
Trade debts	8,291,460	9,079,918
Contract Assets	8,085,301	7,773,616
Advances, deposits, prepayments and other receivables	4,951,994	4,518,985
Term deposits with banks	704	786
Investments in Stocks	586	577
Cash and bank balances	494,492	1,085,222
	22,518,590	22,697,833
TOTAL ASSETS	30,222,205	30,333,579
EQUITY AND LIABILITIES		
Authorised capital		
Authorised capital 500,000,000 (2025: 500,000,000) ordinary shares of Rs 10 each	5,000,000	5,000,000
Issued, Subscribed And Paid Up Capital		
427,475,456 (2025: 422,408,878) ordinary shares of Rs 10 each ordinary shares of Rs. 10 each	4,274,755	4,224,089
CAPITAL RESERVES		
Share premium	874,834	874,834
Employees' share compensation reserve	233,307	233,307
Statutory reserve	3,227	3,227
Exchange revaluation reserve	2,675,127	2,672,453
Gain on dilution of interest	631,367	631,367
Surplus on revaluation of property & equipment	325,306	325,884
	4,743,167	4,741,072
REVENUE RESERVES		
Un-appropriated Profit	6,011,554	5,956,929
	15,029,476	14,922,089
Non-controlling Interest	696,455	693,052
	15,725,932	15,615,142
NON CURRENT LIABILITIES		
Long Term Loans	41,435	36,229
Liabilities against assets subject to finance lease	123,101	122,974
Deferred Liabilities	382,760	374,104
Diminishing Musharaka	104,366	127,611
	651,662	660,918
CURRENT LIABILITIES		
Current portion of Long Term Loans	25,054	25,143
Current portion of Diminishing Musharaka	80,228	74,876
Current portion of lease liabilities	-	564
Finances under mark up arrangements and other credit facilities - secured	2,455,085	3,029,249
Unclaimed Dividend	142,528	142,541
Creditors, accrued and other liabilities	8,284,330	8,960,144
Contract Liabilities	2,532,225	1,453,399
Taxation-Net	325,164	371,603
	13,844,613	14,057,519
CONTINGENCIES AND COMMITMENTS	30,222,207	30,333,579



Chief Executive Officer
Bakhtiar Hameed Wain



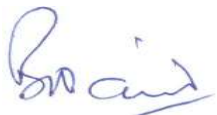
Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir

AVANCEON GROUP
CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	for the first quarter ended	
	Mar. 31, 2026	Mar. 31, 2025
	(Rupees in '000)	
Revenues	3,760,832	2,520,851
Cost of revenue	<u>(2,866,039)</u>	<u>(1,542,895)</u>
Gross Profit / (Loss)	894,793	977,956
Administrative and selling expenses	<u>(747,750)</u>	<u>(560,564)</u>
Other expenses	<u>(21,588)</u>	<u>(2,203)</u>
Other income	<u>45,071</u>	<u>16,088</u>
	<u>(724,268)</u>	<u>(546,680)</u>
Profit / (Loss) from operations	170,525	431,276
Finance costs	<u>(93,907)</u>	<u>(146,690)</u>
Profit / (Loss) before tax	76,619	284,586
Taxation	<u>(19,168)</u>	<u>(12,956)</u>
Profit / (Loss) for the period	<u>57,450</u>	<u>271,631</u>
Attributable to:		
Equity holders of the Holding Company	<u>54,047</u>	<u>266,818</u>
Non-Controlling Interest	<u>3,403</u>	<u>4,813</u>
	<u>57,450</u>	<u>271,631</u>
Combined earnings per share		Restated
Basic	<u>0.13</u>	<u>0.63</u>
Diluted	<u>0.13</u>	<u>0.62</u>



Chief Executive Officer

Bakhtiar Hameed Wain



Chief Financial Officer

Ahsan Khalil

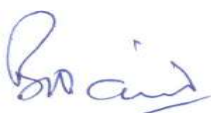


Director

Mohammad Shahid Mir

AVANCEON GROUP**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)****FOR THE FIRST QUARTER ENDED MARCH 31, 2026**

	for the first quarter ended	
	Mar. 31, 2026	Mar. 31, 2025
	(Rupees in '000)	
Profit / (Loss) for the period	57,450	271,631
Other comprehensive income		
- Exchange difference on translating foreign operations	2,673	(32,751)
Total comprehensive income for the period	60,123	238,880
Attributable to:		
Equity holders of the Holding Company	56,720	234,066
Non-Controlling Interest	3,403	4,813
	60,123	238,880

**Chief Executive Officer**

Bakhtiar Hameed Wain

**Chief Financial Officer**

Ahsan Khalil

**Director**

Mohammad Shahid Mir

AVANCEON GROUP**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)**

FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	for the first quarter ended	
	Mar. 31, 2026	Mar. 31, 2025
	(Rupees in '000)	
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/ (loss) before tax	76,618	284,586
Adjustments for:		
Depreciation on property and equipment	45,876	46,453
Exchange gain	18,628	(15,609)
Exchange revaluation reserve	(2,674)	-
Amortization	10,864	14,518
Provision for gratuity	28,743	57,423
Finance costs	93,907	146,690
Employees' share option expense	-	2,937
Provision for ECL - contract assets	(45,027)	-
Income on bank deposits	(1)	124
	150,316	252,536
	226,935	537,122
Profit before working capital changes		
(Increase) / decrease in current assets		
- Stock in trade	(455,323)	(263,264)
- Trade debts	767,635	1,578,630
- Contract Assets	(266,658)	(205,207)
- Advances, deposits, prepayments and other receivables	(430,815)	(554,988)
(decrease) / Increase in current liabilities		
- Creditors, accrued and other liabilities	(617,664)	(598,326)
- Contract Liabilities	1,078,826	(264,849)
	76,000	(308,004)
Cash (used in) / generated from operations	302,935	229,118
Finance costs paid	(92,783)	(152,277)
Gratuity paid	(20,086)	(51,272)
Taxes paid	(65,579)	(6,491)
Net cash (used in) / generated from operating activities	124,487	19,078

Continued.....

for the first quarter ended
Mar. 31, 2026 **Mar. 31, 2025**
(Rupees in '000)

Net cash (used in) / generated from operating activities **124,487** 19,078

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(70,162)	(100,306)
Additions in intangible assets - capital work in progress	(72,832)	(65,824)
Additions in Intellectual property	16,712	(39,603)
Long term investments made	(1,631)	3,379
Decrease / (Increase) in short term investments	73	(992)
Profit on bank deposit	1	(124)
Net change in long term advances and deposits	13	(4,254)
Net cash (used in) / generated from investing activities	(127,827)	(207,724)

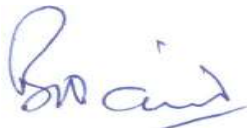
CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid	(13)	(1,157)
Long term loan (repaid)/ received	5,117	(5,326)
Finances under mark up arrangements and other credit facilities	(574,164)	(25,475)
Repayment of diminishing mosharka	(17,893)	(18,381)
Repayment of lease liabilities	(437)	6,066
Net cash (used in) / generated from financing activities	(587,390)	(44,274)

Net (decrease) / increase in cash and cash equivalents **(590,730)** (232,920)

Cash and cash equivalents at the beginning of year **1,085,222** 756,748

Cash and cash equivalents at the end of period **494,492** 523,828



Chief Executive Officer
Bakhtiar Hameed Wain



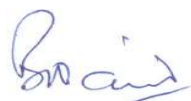
Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir

AVANCEON GROUP
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED MARCH 31, 2026

	CAPITAL RESERVES							REVENUE RESERVES	Non-Controlling Interest	TOTAL
	Share capital	Share premium reserve	Gain on dilution of interest	Employee share compensation reserve	Statutory Reserve	Exchange revaluation reserve	Surplus on Revaluation of Property, Plant and Equipment	Un-appropriated (loss) / profit		
	(Rupees in '000)									
Balance as on January 01, 2025	4,150,228	508,405	631,367	408,223	3,227	2,639,098	328,199	5,306,198	686,608	14,661,553
Profit for the period	-	-	-	-	-	-	-	647,440	7,420	654,860
Other comprehensive income	-	-	-	-	-	33,355	(2,315)	2,315	-	33,355
	-	-	-	-	-	33,355	(2,315)	649,755	7,420	688,215
Issuance of shares against ESOS	73,860	-	-	191,513	-	-	-	-	-	265,373
Employee share option reserve	-	366,429	-	(366,429)	-	-	-	-	-	-
Adjustment of NCI	-	-	-	-	-	-	-	976	(976,000.00)	-
	73,860	366,429	-	(174,916)	-	-	-	976	(976)	265,373
Balance as on December 31, 2025	4,224,089	874,834	631,367	233,307	3,227	2,672,453	325,884	5,956,929	693,052	15,615,141
Profit for the period	-	-	-	-	-	-	-	54,047	3,403	57,450
Other comprehensive income	-	-	-	-	-	2,674	(579)	579	-	2,674
	-	-	-	-	-	2,674	(579)	54,626	3,403	60,124
Issuance of shares against ESOS	50,666	-	-	-	-	-	-	-	-	50,666
Employee share option reserve	-	-	-	-	-	-	-	-	-	-
	50,666	-	-	-	-	-	-	-	-	50,666
Balance as on March 31, 2026	4,274,755	874,834	631,367	233,307	3,227	2,675,127	325,306	6,011,554	696,455	15,725,932



Chief Executive Officer
Bakhtiar Hameed Wain



Chief Financial Officer
Ahsan Khalil



Director
Mohammad Shahid Mir