September 22, 2026

Ref: ITANZ/CS/PUCARS/2026-27

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

Subject: DISCLOSURE OF PRICE-SENSITIVE INFORMATION UNDER CLAUSE 5.6.1 OF THE PSX REGULATIONS – CREDIT RATING ASSIGNED TO ITANZ TECHNOLOGIES LIMITED

Dear Sir,

Pursuant to Clause 5.6.1 of the Pakistan Stock Exchange Regulations, ITANZ Technologies Limited ("the Company") wishes to disclose that VIS Credit Rating Company Limited ("VIS") has assigned an initial entity rating of 'BB+/B' (Double B Plus / Single B) to the Company, with a Stable outlook.

Complete details of the rating action, the rating rationale, the Company's business profile and the applicable VIS disclaimer are set out in **Annexure "A"** (*VIS Assigns Initial Entity Rating to ITANZ Technologies Limited*) and **Annexure "B"** (*VIS Credit Rating Report*), both of which are attached hereto and form an integral part of this disclosure.

This is for your information and onward dissemination, through PUCARS, to the Members, shareholders and the general public.

Yours truly,

For and on behalf of
iTANZ TECHNOLOGIES LIMITED

ITANZ TECHNOLOGIES LIMITED
iTANZ

H. M. MAQSOOD MUNSHI
Company Secretary
iTANZ Technologies Limited

Encl:
Annexure "A" – VIS Assigns Initial Entity Rating to ITANZ Technologies Limited
Annexure "B" – VIS Credit Rating Report dated September 22, 2026

ANNEXURE "A"

VIS Assigns Initial Entity Rating to ITANZ Technologies Limited

VIS Credit Rating Company Limited (VIS) has assigned an initial entity rating of 'BB+/B' (Double B plus/B) to ITANZ Technologies Limited. Medium to long term rating of 'BB+' indicates obligations deemed likely to be met. Protection factors are capable of weakening if changes occur in the economy. Overall quality may move up or down frequently within this category. Short term rating of 'B' indicates speculation exists in likelihood of timely repayment of short-term debt obligations with insufficient liquidity factors. Outlook on the assigned ratings is Stable.

ITANZ Technologies Limited is a Pakistan-based public limited company listed on the Pakistan Stock Exchange. During FY25, pursuant to a Scheme of Arrangement approved by the Lahore High Court, ITANZ Technology (Private) Limited was merged into Zahur Cotton Mills Limited with effect from October 1, 2023. Following the merger, Zahur Cotton Mills Limited changed its name to ITANZ Technologies Limited and transitioned its business to information technology and IT-enabled services. During FY26, the Company acquired a 51% controlling equity stake in ITANZ Infinity Pty Ltd, an Australia-based company engaged in software development, digital transformation, consultancy, and related technology services.

ITANZ's business profile is anchored around a portfolio of proprietary, IP-led platforms layered on top of leading enterprise technology stacks, rather than a pure systems-integration model. The Group's flagship offering, the **Intelligent City Platform (ICP)** — a purpose-built local government software suite covering finance, rates, assets and citizen services — is complemented by a dedicated **Utility Billing & Revenue Management (UBR)** platform and **CAMS**, ITANZ's asset management offering, together giving ITANZ a vendor-agnostic systems-integration capability for councils, utilities and public-sector clients. This is reinforced by **iTANZ Accelerators**, a library of reusable delivery IP designed to compress implementation timelines, and a **Resource-as-a-Service** model that scales specialist delivery capability against client demand. A growing share of this portfolio is being built around **Agentic AI, data integration and advanced analytics**, enabling ITANZ to embed intelligent automation directly into client operations rather than deliver AI as a bolt-on, alongside dedicated **robotics and automation** capability. This sits alongside multi-vendor implementation capability across **Oracle, NetSuite and Salesforce** enterprise applications, **Informatica, Couchbase and MuleSoft** for data integration, and **AWS, Huawei, Cloudflare, Cisco and Fortinet** for cloud infrastructure and cybersecurity. The Group serves Government, Local Government, Utilities & Energy, Financial Services, Healthcare, Manufacturing, Defence and Agriculture clients, with a delivery presence spanning **more than 16 countries**, including Australia, Pakistan, the United Kingdom, the United States, the UAE, Saudi Arabia and New Zealand.

The initial rating assessment of the Company reflects its growing presence in Pakistan's IT and IT-enabled services sector, supported by a diversified product portfolio spanning IT services, software development and implementation, software licensing, and BPO. The assessment also takes into consideration the concentration of revenue within the Group: ITANZ Infinity has averaged 87% of total revenue over the last three years, with cash payments against this exposure of PKR 117 million over the period — around 10% of the value of services received — and the balance settled through accounting offsets related to the FY26 share-purchase transaction. Diversifying this revenue base across customers and geographies remains a key focus for the Company going forward.

FY26 profitability strengthened significantly, although the improvement was mainly supported by acquisition-related accounting gains, including notional interest income and gain on bargain purchase. Adjusted profitability remained broadly in line with FY25 levels. The acquisition has also increased leverage and introduced additional medium-term cash flow requirements through deferred consideration payable over five years. ITANZ's financial risk profile benefits from limited reliance on banking debt; however, liquidity and cash-flow coverage remain constrained, particularly after considering acquisition-related obligations and adjustments to FFO.

Going forward, the establishment of sustainable cash flows from ITANZ Infinity, together with greater customer and geographical diversification, will remain key rating considerations. **Australia** remains the Group's anchor market and delivery base — home to ITANZ Infinity and a track record spanning more than 20 cities across council, utility and enterprise transformation — and now underpins a widening international footprint across the Middle East and the United Kingdom that positions the Group for a materially larger addressable market over the medium term. In **Saudi Arabia**, ITANZ has registered a wholly owned entity, **ITANZ Perpetuum**, giving the Group a direct platform to deploy its full enterprise technology stack — spanning **Oracle, NetSuite and Salesforce** applications, **Agentic AI, data integration and analytics** (Informatica, Couchbase, MuleSoft), and **cloud and cybersecurity** capabilities (AWS, Huawei, Cloudflare, Cisco, Fortinet) — across **government, utilities & energy, financial services, healthcare and manufacturing**, in a market aligned with the Kingdom's Vision 2030 digital transformation agenda — one of the fastest-growing technology markets in the region. This is supported by newly secured international projects with an aggregate engagement value of approximately **US$10.6 million**, including a five-year **US$5 million digital transformation contract** with a leading wholesale distribution conglomerate in the United Arab Emirates, spanning an ERP backbone, a customer and supplier self-service platform, enterprise asset management and a mobile field-workforce solution; a **US$3.5 million IoT and analytics contract** for one of the region's largest telecom operators; and contracts with **Global Blue** and **eDF Group Dalkia (UAE)**. In the **United Kingdom**, the Company's association with the **NHS**, delivered through its UK partner **OvoTech (NW) Ltd** under active NHS-facing framework reference contracts, gives ITANZ an established foothold in one of the world's most rigorously governed healthcare markets, with exposure to a digital-health ecosystem expected to exceed **£32 billion by 2030**. The ability to translate these initiatives into contracted business, recurring revenues and positive cash flows, while reducing customer concentration, will remain important for assessing the sustainability of ITANZ's business profile and future rating trajectory.

For further information on this ratings announcement, please contact on 021-35311861-64 or email at info@vis.com.pk.

Applicable Rating Criteria:

Industrial Corporates — https://docs.vis.com.pk/docs/CorporateMethodology.pdf

VIS Issue/Issuer Rating Scale — https://docs.vis.com.pk/docs/VISRatingScales.pdf

---

ANNEXURE "B"

VIS Credit Rating Report

ITANZ Technologies Limited

Rating Report dated September 22, 2026

VIS
Credit Rating Company Limited

RATING REPORT

ITANZ TECHNOLOGIES LIMITED

Analyst:
Abdul Ahad Jamsa
ahad.jamsa@vis.com.pk

RATING DETAILS		
RATINGS CATEGORY	Initial Rating	
	Long-term	Short-term
ENTITY	BB+	B
RATING OUTLOOK/ WATCH	Stable	
RATING ACTION	Initial	
RATING DATE	September 22, 2026	

Shareholding (5% or More)	Other Information
General Public - 49%	Incorporated in 2023
Syed Ahmed Bilal - 45%	Public Limited Company
Syed Asim Zafar - 6%	Chief Executive: Mr. Syed Asim Zafar
	External Auditor: Alam and Aulakh Chartered Accountants

Applicable Rating Methodology

VIS Entity Rating Criteria Methodology – Corporates Ratings

https://docs.vis.com.pk/docs/CorporateMethodology.pdf

Rating Scale

https://docs.vis.com.pk/docs/VISRatingScales.pdf

Rating Rationale

The initial rating assessment of ITANZ Technologies Limited (‘ITANZ’ or the ‘Company’) reflects its growing presence in Pakistan’s IT and IT-enabled services sector, supported by a diversified product portfolio spanning IT services, software development and implementation, software licensing, and BPO. The assessment, also takes into consideration the concentration of revenue **within** the Group. The subsidiary, ITANZ Infinity, despite having averaged 87% of total revenue over the last three years, Itanz Infinity has only made payments of PKR 117m during this period, representing only 10% of the value of services received, with the balance amount settled through accounting offsets related to the purchase of shares transaction.

FY26 profitability strengthened significantly, although the improvement was mainly supported by acquisition-related accounting gains, including notional interest income and gain on bargain purchase. Adjusted profitability remained broadly in line with FY25 levels. The acquisition has also increased leverage and introduced additional medium-term cash flow requirements through deferred consideration payable over five years. ITANZ’s financial risk profile benefits from limited reliance on banking debt; however, liquidity and cash-flow coverage remain constrained, particularly after considering acquisition-related obligations and adjustments to FFO.

Going forward, the establishment of a steady cash flow stream from ITANZ Infinity against services rendered, along with diversification of revenue across customers and geographical regions, will remain key rating considerations.

Company Profile

ITANZ Technologies Limited is a Pakistan-based public limited company listed on the Pakistan Stock Exchange. During FY25, pursuant to a Scheme of Arrangement approved by the Lahore High Court, ITANZ Technology (Private) Limited was merged into Zahur Cotton Mills Limited with effect from October 1, 2023. Following the merger, Zahur Cotton Mills Limited changed its name to ITANZ Technologies Limited and transitioned its business to information technology and IT-enabled services.

During FY26, the Company acquired a 51% controlling equity stake in ITANZ Infinity Pty Ltd, an Australia-based company engaged in software development, digital transformation, consultancy, and related technology services.

ITANZ Technologies Limited is the holding company of the ITANZ Group, with operations and subsidiaries across Australia, New Zealand and the UAE. The Group is focused on providing information technology and IT-enabled services, including software development, IT consulting, business process outsourcing, software licensing, and related technology solutions.

Management and Governance

CEO & Chairman Profile

Syed Ahmed Bilal is the Chairperson and Non-Executive Director of ITANZ Technologies Limited. He is also a major shareholder and director of the Company and serves as the ultimate beneficial owner and director of ITANZ Infinity Pty Ltd, Australia. He holds a Bachelor's degree in Computer Science from the National University of Computer and Emerging Sciences (FAST-NUCES). His involvement extends across the Group's international operations, particularly its Australian technology business.

Syed Asim Zafar, Chief Executive Officer of ITANZ Technologies Limited, is a senior ICT professional with over 30 years of experience in the information and communication technology sector. He holds a degree in Nuclear Engineering from Purdue University, USA, and an MBA from Virtual University of Pakistan. He has extensive experience in technology services, software development, digital transformation and IT-enabled services.

Board & Senior Management

The Board comprises seven directors, including the Chief Executive Officer, with representation from executive, non-executive, and independent directors. The Board includes two independent directors and three female directors, providing a reasonable level of independence and diversity. The Board is supported by an Audit Committee and an HR & Remuneration Committee, both chaired by Independent Directors, providing oversight of audit, financial reporting, internal controls, and remuneration matters.

Audit Opinion

Alam and Aulakh Chartered Accountants audited the Company's financial statements for FY26 and issued an unqualified and unmodified opinion. The firm carries a satisfactory QCR rating from ICAP.

Business Risk

INDUSTRY UPDATE

The global IT sector remained on a strong growth trajectory through FY25 and FY26, supported by accelerating digital transformation and increasing adoption of artificial intelligence (AI), cloud computing, cybersecurity, data analytics, automation and software-as-a-service solutions. Businesses across sectors continue to increase technology spending to improve operational efficiency, automate processes and strengthen digital capabilities. The rapid adoption of AI is further creating opportunities for software development, IT consulting, data analytics, automation and cloud-based solutions, while rising cybersecurity threats continue to support demand for cybersecurity and managed IT services. These trends are expected to sustain demand for technology and IT-enabled services globally.

In Pakistan, the IT and IT-enabled services (IT/ITeS) sector continues to benefit from growing global demand for technology outsourcing and the country's expanding digital economy. IT/ITeS exports increased by 18.3% to USD 3.8bn in FY25 and further increased by around 20.7% to USD 4.6bn in FY26, reaching a record level. The growth reflects continued expansion in software development, IT services, IT-enabled services, consultancy and freelancing. The government's continued focus on promoting IT exports, developing digital infrastructure and strengthening the technology ecosystem is expected to provide further support to the sector. Under Budget FY27, the preferential 0.25% tax regime for qualifying IT/ITeS export proceeds has been extended through Tax Year 2029, while the advance tax on foreign card transactions has also been reduced, supporting the broader digital economy.

Going forward, the sector's growth prospects remain favourable, particularly across software development, AI-enabled solutions, cloud computing, cybersecurity, digital transformation, IT consulting and business process outsourcing (BPO). Pakistan's competitive cost base and growing technology talent pool provide opportunities for local IT companies to expand their international client base and increase export earnings. However, the sector remains exposed to constraints relating to the availability and retention of skilled professionals, digital infrastructure, policy and regulatory stability, global competition and evolving technology requirements. For export-oriented companies such as ITANZ, sustained growth in international demand for software, IT services and BPO provides a favourable operating environment, while reliance on overseas clients and concentration in specific markets remain key considerations.

SALES MIX

Business Segment (FY26)	PKR	%
Business Process Outsourcing	108,887,991	14%
IT Services	334,132,169	44%
Software Licensing	159,223,426	21%
Software development and implementation	163,538,687	21%
Total	**765,782,273**	**100%**

ITANZ generates revenue through BPO, IT services, software licensing, and software development and implementation, with IT services constituting the largest segment at 44% of FY26 gross revenue, followed by software development and implementation and software licensing at 21% each, and BPO at 14%. The Company is predominantly export-oriented, with exports accounting for 79% of gross revenue. ITANZ Infinity remained the largest customer, contributing PKR 606.6mn, or 79% of gross revenue, compared with PKR 411.1mn in FY25 and PKR 299.6mn in FY24. Other key customers include Bank of Azad Jammu and Kashmir and Directorate General Procurement (Army), Rawalpindi. Ongoing projects include PKR 100mn and PKR 225mn contracts with the latter two entities, expiring in 2027 and 2030, respectively.

PROFITABILITY

During FY25, ITANZ's revenue grew by 30.3% YoY, primarily driven by higher export sales to ITANZ Infinity, with exports accounting for 92% of gross revenue. Operating margin improved to 63.7% from 50.4%, supported by revenue growth and higher contribution from export-based IT services. The improvement in operating profitability supported a significant increase in PAT to PKR 344.8mn from PKR 158.3mn in FY24.

During FY26, revenue increased by 71.7% YoY, with sales to ITANZ Infinity remaining the dominant contributor and accounting for 79% of total revenue. Bank of Azad Jammu & Kashmir (BAJK) was the second-largest customer, contributing 17% of revenue, while DGP contributed 4%. Operating profit increased significantly to PKR 1.84bn in FY26 from PKR 281mn in FY25, with operating margin increasing to 242.0% from 63.7%, primarily reflecting the recognition of acquisition-related accounting gains. During the year, the Company acquired a 51% controlling stake in ITANZ Infinity for approximately PKR 4.2bn, with the consideration payable over five years. The acquisition resulted in recognition of approximately PKR 1.1bn of notional interest income on deferred acquisition consideration and a PKR 248mn gain on bargain purchase. Consequently, PAT increased significantly to PKR 1.75bn; however, the sharp improvement was largely attributable to these acquisition-related accounting gains rather than recurring operating performance. ITANZ Infinity itself recorded higher revenue during FY26, although its profitability was impacted by the recognition of notional interest expense on the deferred acquisition consideration.

Going forward, revenue visibility is supported by the BAJK and DGP contracts, alongside recently secured international projects across analytics, IoT, digital transformation and software solutions. The Company has secured projects with an aggregate engagement value of approximately USD 10.6mn. The Global Blue and eDF Group Dalkia-UAE engagements have terms of three and five years, respectively, while the Middle Eastern telecom project includes a 24-month deployment phase, with the deployment value payable in equal six-monthly phases, followed by three years of subscription and support. The UAE-based wholesale distribution project has a five-year term, with the initial phase expected to commence within 2026. The staggered delivery structure provides visibility over future revenue generation, subject to timely execution of the contracted projects.

Financial Risk

CAPITAL STRUCTURE

ITANZ's equity base increased significantly to PKR 2.65bn in FY26 from PKR 627mn in FY25, supported by higher retained earnings and an increase in issued share capital. Retained earnings increased to approximately PKR 2.39bn, with the increase mainly supported by the approximately PKR 1.351bn accounting income arising from the transaction for purchase of subsidiary. Equity was also supported by share deposit money of PKR 312m during the year. Total debt increased to PKR 1.77bn from PKR 102mn, largely reflecting recognition of the long-term payable arising from the acquisition of ITANZ Infinity. During FY26, the Company acquired a 51% controlling stake in ITANZ Infinity for total consideration of approximately PKR 4.2bn, payable in equal annual instalments over five years. Of the consideration, approximately PKR 1.3bn was settled through the transfer of trade receivables relating to sales generated over the preceding three years, representing a non-cash settlement of part of the acquisition consideration. The remaining gross payable stood at PKR 2.8bn at end-FY26, with the carrying value of the long-term payable at approximately PKR 1.7bn. The remaining gross payable implies annual instalments of around PKR 560mn, with projected cash generation from the Australian operations expected to support the scheduled acquisition payments. Consequently, gearing increased to 0.67x from 0.16x and leverage to 0.79x from 0.49x, reflecting the acquisition-related obligation being mostly offset by the higher equity levels (including non-cash adjustments), while leverage remained moderate in absolute terms. However, if the impact of the non-cash items on equity is adjusted, leverage would stand at 1.62x.

DEBT COVERAGE & LIQUIDITY

FFO increased to PKR 435.3mn in FY26 (FY25: PKR 256.3mn; FY24: PKR 180.4mn); however, the ratings take into account delays in payments related to intra-group transactions, which remain significant given the concentration of revenue from such transactions. Notwithstanding this, the Company's principal obligation is towards its subsidiary in the form of long-term intercompany payables.Given that approximately 90% of the Company's sales are generated from the subsidiary, there remains flexibility to manage these obligations through intercompany adjustments and offsets, as demonstrated historically. In addition, the Company has secured multiple projects aggregating approximately USD 10.6mn, expected to generate cash flows over the next 4–5 years, while its expansion into the GCC and UK markets and continued pursuit of new projects could further support revenue diversification and cash-flow generation.

FINANCIAL SUMMARY			(Rs. in millions)
BALANCE SHEET	**FY24**	**FY25**	**FY26**
Property, plant and equipment	2	2	57
Trade Debts	426	749	130
Cash & Bank Balances	0	27	22
Total Assets	517	933	4,759
Trade Payables	20	49	164
Long Term Debt	-	4	1,729
Short Term Debt	66	98	45
Total Debt	66	102	1,774
Total Liabilities	236	307	2,107
Paid Up Capital	99	99	1,078
Total Equity	281	627	2,652
INCOME STATEMENT	**FY24**	**FY25**	**FY26**
Net Sales	339	442	758
Gross Profit	208	299	490
Operating Profit	171	281	1,835
Profit Before Tax	164	272	1,816
Profit After Tax	158	345	1,747
RATIO ANALYSIS	**FY24**	**FY25**	**FY26**
Gross Margin (%)	61.5%	67.7%	64.6%
Operating Margin (%)	50.4%	63.7%	242.0%
Net Margin (%)	46.7%	78.1%	230.4%
Funds from Operation (FFO)	180.4	256.3	435.3
FFO to Total Debt*	2.73	2.50	0.25
FFO to Long Term Debt*	-	57.95	0.25
Gearing (x)	0.23	0.16	0.67
Leverage (x)	0.84	0.49	0.79
Debt Servicing Coverage Ratio* (x)	25.52	29.00	18.19
Adjusted Debt Servicing Coverage Ratio* (x)	(10.09)	(10.46)	(5.60)
Current Ratio (x)	1.90	2.63	0.58
(Stock in trade + trade debts) / STD (x)	6.46	7.65	2.91
Return on Average Assets* (%)	30.6%	47.5%	61.4%
Return on Average Equity* (%)	56.3%	76.0%	106.6%
Cash Conversion Cycle (days)	403	398	67

REGULATORY DISCLOSURES — Appendix II

Name of Rated Entity	**Itanz Technologies Limited**
Sector	**Information Technology**
Type of Relationship	**Solicited**
Purpose of Rating	**Entity Ratings**

Rating History

RATING TYPE: ENTITY				
Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
Sep 22, 2026	BB+	B	Stable	Initial

Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.
Disclaimer	Information herein was obtained from sources believed to be accurate and reliable; however, VIS does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. For conducting this assignment, analyst did not deem necessary to contact external auditors or creditors given the unqualified nature of audited accounts and diversified creditor profile. Copyright 2026 VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.

Due Diligence Meeting Conducted

S.No.	Name	Designation	Date
1	Ahmed Bilal	Chairperson/ Director	31st August 2026
2	Asim Zaffar	CEO	
3	Zain ul Abideen	Manager Audit & Accounts	
4	Amin Shakir	CFO	
5.	Saad Khan	Financial Controller	