



2021



**For the Quarter Ended
September 30, 2024**

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Company Profile

BOARD OF DIRECTORS

NAEEM ULLAH GHAURI

Chairman/Non-Executive Director

SALIM ULLAH GHAURI

Chief Executive Officer/Executive Director

VASEEM ANWAR

Non-Executive Director

ANWAAR HUSSAIN

Independent Director

ZESHAN AFZAL

Independent Director

HAMNA GHAURI

Non-Executive Director

OMAR SHAHAB GHAURI

Executive Director

| AUDIT COMMITTEE | LEGAL ADVISOR | CONTACT DETAILS |
|---|--|---|
| ANWAAR HUSSAIN Chairman | CORPORATE LAW ASSOCIATES 1st Floor Queen's Centre Shahra-e-Fatima Jinnah Lahor | REGISTERED OFFICE NETSOL IT Village (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. 54792, Pakistan Tel: +92-42-111-44-88-00, +92-42-35727096-7 Fax: +92-42-35701046, 35726740 |
| VASEEM ANWAR Member | SHARE REGISTRAR | |
| HAMNA GHOURI Member | VISION CONSULTING LIMITED 5-C, LDA Flats, 2nd Floor, Lawrence Road, Lahore. Tel: +92-42-36283096-97 Fax: +92-42-36312550 | |
| CHIEF FINANCIAL OFFICER BOO-ALI SIDDIQUI | BANKERS | RAWALPINDI OFFICE House No. 04, Safari Villas, Bahria Town, Rawalpindi Tel: +92-51-5707011 Fax: +92-51-5595376 |
| COMPANY SECRETARY SEHRISH | | KARACHI OFFICE 43/1/Q, Amna Villa # 1 Block # 03. P.E.C.H.S, Karachi-75400 Tel: +92-21-111-638-765 Fax: +92-21-3431-3464 |
| CHIEF INTERNAL AUDITOR MUHAMMAD ABDUL WAHAB HAFEEZ | <ul style="list-style-type: none"> ▪ Askari Bank Limited ▪ Samba Bank Limited ▪ Meezan Bank Limited ▪ Dubai Islamic Bank Pakistan Limited ▪ MCB Bank Limited ▪ Al Baraka Bank (Pakistan) Limited ▪ Habib Metropolitan Bank Limited ▪ Bank Alfalah Islamic Limited ▪ Bank Al Habib Limited ▪ Habib Bank Limited | PESHAWAR OFFICE C-7, C-8, 3rd floor, Jasmine Arcade, Fakhr e Alam Road, Peshawar Cantt. |
| AUDITORS Crowe Hussain Chaudhury & Co. Chartered Accountants 7th Floor, Gulmohar Trade Center, 8 F, Main Market, Gulberg II, Lahore 54600, Pakistan | | WEB PRESENCE www.netsolpk.com info@netsolpk.com corporate@netsolpk.com |

Director's Report

On behalf of the Board of Directors of NETSOL Technologies Limited (NETSOL or the Company), we are pleased to present the unaudited condensed financial statements of your company together with its consolidated accounts for the period ended September 30, 2024.

GENERAL OVERVIEW

The first quarter is marked with strategic initiatives and significant achievements made by the Company across key markets. NETSOL made notable progress with the launch of the Transcend platform, a unified digital retail and asset finance solution that underlines our commitment to innovation and seamless customer experiences. This period also saw the signing of new deals, including the deal with a prominent automaker to transform the digital car buying and leasing experience in the United States. Additionally, Charles & Dean Finance adopted our Apex Now products, Flex and Dock, further expanding our reach in digital finance solutions. Our associated entity in China also secured an expansion agreement with a major automaker, increasing the total contract value to over \$30 million. These successes reflect our strategic focus on delivering cutting-edge technology solutions and strengthening partnerships, setting a positive trajectory for continued growth and success.

NETSOL signs Multi-Million Agreement with Major Automaker to Revolutionize Digital Car Buying and Leasing Experience in the United States

NETSOL Technologies Americas, our associated company, signed a multi-million, five-year agreement with a major automaker to enhance U.S. dealership operations using its Otoz digital retail platform. The five-year contract involves customization, implementation, deployment and ongoing SaaS services, aimed at transforming car buying and leasing experiences. This partnership builds on NETSOL's successes in the U.S. market and showcases the company's ability to deliver flexible, API-driven technology that integrates seamlessly into dealership systems.

Charles & Dean Finance Subscribe to Apex Now Products Flex and Dock

A UK-based award-winning specialist finance brokerage Charles & Dean Finance has subscribed to our API-first products, Flex and Dock, from the Apex Now marketplace. The partnership aims to enhance efficiency for Charles & Dean by integrating NETSOL's versatile solutions into its business processes. This collaboration highlights the growing appeal of NETSOL's agile, quick-to-deploy technology for businesses in the finance and leasing sectors.

The flexibility and ease of our API-first solutions have proven transformative, enabling businesses to quickly adopt our products and gain immediate benefits.

NETSOL Signs Expansion Agreement with Major Automaker in China

Our associated entity in China, NETSOL Technologies (Beijing) Limited signed an expansion agreement with a major automaker, raising the total contract value to over \$30 million. The five-year deal extends NETSOL's support for the automaker's operations in China, including onsite services and maintenance. This agreement marks a new growth phase for NETSOL in the APAC region with a modest revenue growth in fiscal 2025. The partnership reaffirms NETSOL's market leadership and strong presence in China's auto finance sector.

FINANCIAL PERFORMANCE

Comparisons of un-audited separate as well as consolidated accounts for the quarter ended September 30, 2024 with the corresponding period of fiscal year 2024 are given below:

| STAND-ALONE FINANCIAL STATEMENTS | Jul-Sep 2024 | Jul-Sep 2023 |
|----------------------------------|--------------------|-----------------|
| | Rupees in millions | |
| Revenue | 1,898,880 | 2,256,098 |
| Gross profit | 640,186 | 901,380 |
| Net profit | 196,842 | 271,540 |
| EPS – basic (in PKR) | 2.24 | 3.09 |
| EPS – diluted (in PKR) | 2.21 | 3.09 |

During the first quarter of new fiscal year, the Company posted net revenue of PKR 1,899 million compared to PKR 2,256 million in the same quarter of last fiscal year. The generation of revenue for the current quarter is associated with services and subscription & support revenue streams. As the customers keeps on changing/enhancing their systems under their use through change request (an ongoing service), it triggered service revenue to clock at PKR 648 million in the current quarter in comparison of PKR 929 million posted in the same quarter of last fiscal year. In addition to this, the company was able to increase its subscription and support

revenue from PKR 1,148 million to PKR 1,250 million for the current quarter.

Gross Margins during the period clocked in at PKR 640 million as compared to the corresponding period where margins were recorded at PKR 901 million. The Company posted a net profit after tax of PKR 197 million compared to PKR 272 million in the comparable period. This profitability has translated basic and diluted earnings per share to clock in at PKR 2.24 & 2.21 in comparison of PKR 3.09 in the corresponding period.

The Company also consolidates financial results of its wholly owned subsidiary "NETSOL Innovation (Pvt) Limited" and its Dubai based wholly own subsidiary "NETSOL Ascent Middle East Equipment Trading LLC". NETSOL Innovation is mainly involved in the provision of professional services including Amazon Web Services. Net consolidated revenues for the quarter ended September 30, 2024 were PKR 1,926 million compared to PKR 2,324 million in fiscal 2024. Consolidated gross profit for the quarter was PKR 611 million as compared to PKR 901 million in the same period last year. On consolidated basis, the company posted net consolidated profit of PKR 141 million in the current quarter compared to PKR 213 million posted in the same period last year. Basic and diluted earnings per share for the quarter ended September 30, 2024 were PKR 1.61 and PKR 1.59 in comparison to PKR 2.42 in the same period of last fiscal year.

FUTURE OUTLOOK

As NETSOL looks towards the future, the company remains optimistic about the transformative opportunities ahead. Positioned as a leading technology solutions provider in the financial services industry, NETSOL is committed to leveraging AI and emerging technologies to drive innovation and create value for its global clientele. The financial services sector is undergoing significant changes, and NETSOL is poised to lead this evolution by adapting to the industry's shifting needs.

Customer-centricity is at the core of NETSOL's strategy. By prioritizing the unique requirements and aspirations of its diverse clients, the company tailors solutions that are both cutting-edge and directly aligned with customer needs. This approach ensures NETSOL remains agile, responsive, and deeply connected to the evolving landscape of client demands, ultimately delivering impactful solutions that drive business success.

The integration of AI is reshaping the financial services sector, enhancing efficiency, customer experiences, and strategic decision-making. NETSOL is committed to leading the AI revolution, investing heavily in research and development to not only keep pace but set new standards. The company's focus on AI extends beyond financial services to multiple industry verticals. Moving forward, NETSOL will continue to prioritize ethical AI practices, addressing concerns around data privacy, transparency, and fairness.

The financial services industry is characterized by rapid technological advancements and evolving client expectations. NETSOL's strategy to maintain a competitive edge involves continuous innovation, strategic partnerships, and a thorough understanding of market dynamics. Leveraging over four decades of industry expertise, the company aims to stay ahead by forging alliances and investing in next-generation technologies.

Innovation is at the heart of NETSOL's operations. Committed to ongoing R&D, the company strives to refine its offerings to meet the evolving demands of its global client base. By harnessing emerging technologies like AI, ML, and data analytics, NETSOL aims to revolutionize the financial services sector, driving progress and delivering exceptional value.

Active engagement in industry events remains a key element of NETSOL's strategy. Through participation in conferences, exhibitions, and summits across North America, Europe, and APAC, the company showcases its products, generates leads, and reinforces its global presence.

Sustainability continues to be a cornerstone of NETSOL's corporate strategy. Recognizing the importance of environmental responsibility, the company is dedicated to advancing sustainability goals, including energy efficiency, waste reduction, recycling, and eco-friendly practices. By embedding sustainability into its core operations, NETSOL aims to create long-term value for stakeholders while supporting global efforts to address climate change.

While confident in its strategic direction, NETSOL remains vigilant of the risks in the rapidly evolving technology landscape. The company actively addresses data security and is mindful of market risks, including potential economic shifts. NETSOL's adaptive strategy involves staying attuned to trends and continuously refining solutions to meet changing demands.

The future for NETSOL is bright, driven by a steadfast dedication to innovation, adaptability, and customer focus. By adhering to its core values, seizing emerging opportunities, and effectively implementing strategic initiatives, NETSOL is confident in its ability to sustain growth, provide value to stakeholders, and uphold its position as a leading technology provider to the global asset finance and leasing industry.

ACKNOWLEDGEMENT

The Board of Directors places on record its appreciation for the continued support by its shareholders, valued customers, government agencies and financial institutions which enabled the company to achieve these results. The board would also like to express its appreciation for the services, loyalty and efforts being continuously rendered by the executives and all the staff members of the company and hope that they will continue with the same spirit in future.

On behalf of the Board



Salim Ullah Ghauri
Chief Executive Officer



Omar Ghauri
Director

امریکریز رپورٹ

کس خوشی ہے کہ نیت سول بیکنا وجہ لیندی کے بورڈ آف ڈائریکٹریز کی جانب سے کمپنی کی 30 ستمبر 2024ء کو قائم ہونے والے عرصہ کے لئے غیر آڑ شدہ مالیٰ تیک گوشوارے بنوں مجموعی مالیٰ تیک گوشوارے پیش کر رہے

- 1 -

(General Overview)

لیں ساہی کو اتم مندوں میں کمپنی کے اسٹریچ گی اقدامات اور شاندار کامیابیوں سے منسوب کیا جاسکتا ہے نہیں سول نے ویکٹل اور ایسٹ کارپوریشن کے مشترک حل Transcend پیٹ فام کی آغاز سے قابل ذکر بیویوں، رفتہ کی جدت اور فناش سے پاک صاف تجربات کے ہمارے کام کا داد کرتا ہے۔ اس وارڈیمیں امریکہ میں کاروں کی ویکٹل خود اور لین-فیلٹ کو تجارتی کارے کے لئے ایک معروف آئونکر کا ساتھی ہے جسے کمپنی کی بے حد بے طلاقی میں مدد کے لئے۔ میر جیز، Charles & Dean Finance، Flex and Dock، Appex Now، ماری، Charles & Dean Finance اور اس کی شعبہ ادارے سے نہیں بھی یہی آئونکر کے ساتھی ہے جس کے باعث مارکیٹ کی ملکیت میں مالیات 30 میلین روپے تجاوز کر گئی۔ یہاں بیانوں پر عمل خلصہ ہے کہ ہمارے اسٹریچ گی عزم اور شراکت روپی و سبتوط کرنے کی کامیابی کی کوئی تحریک کی ہیں جس سے سلسلہ ترقی اور کامیابی کے لئے شروع رہیا۔

یہ سول نے امریکہ میں ڈیجیٹل کارخانہ اور لیز نگ تجربہ کی صفت میں انقلاب لانے کے لئے ایک بڑی آئو میکر کے ساتھ طیاری میں ڈالا کام ابتدی کیا

کامپنی کا اپنے Flex and Dock، روکش، Appex Now نے Charles & Dean Finance

اپنے چارچا اور اسی موقودت سے مل کر اتنا مال میں پہنچی تاکہ کرنے والے API-first Charles & Dean Finance کو مکمل طور پر مدد اور دعویٰ کرنے کے لئے اپنے Flex and Doc API پر پہنچ سکے۔

ارے API-first سلوشنز کی پہلی اور آسانی نے تغیری پری کو غافت کیا ہے جس سے کار و بار بھاری پروڈکٹس کو آسانی سے اپنائے اور ان سے فوری فوائد حاصل کرنے میں کامیاب ہوئے۔

پیش سال نے جنوب میں بڑے اسلامی تحریک کے ساتھ اسلامی حمایہ کا
 جنوب میں ہماری اسلامی نظریہ کی تین سالی پیشی اسلامی حمایہ کی وجہ سے ایک بڑی انوکھی کے ساتھ تحریکی محابا کیے جس سے محابا کی کل میلت 30 میلین داری تحریک زر بھی ہے۔ باقی سال میں محابا کیں میں انوکھی کے اپریل پیش کے تین سالی سکی سیدرت و رحیق کرتا ہے جس میں ان سالی سیدرت و رحیق کی محلات ہیں۔ اس محابے نے اپنی آمدی 2025 میں متحل آمنی کے ساتھ APAC اٹلی میں نیت سال کے لئے ترقی کی ایک ریاضی راہ مواردی سے شروع کر دیتی ہے۔ اس سال کا اسلامی اور اسلامی تحریک کا اپریل پیشی اسلامی حمایہ کی وجہ سے ایک بڑی تحریکی محابا کی کامیابی کی تحریکی میں شامل ہے۔

مالياتي کارکرديگي (Financial performance)

30 ستمبر 2024 کو ختم ہونے والی سماں میں 2023ء کی اسی مدت کے مالیاتی سال کے غیر آڈٹ شدہ مالیاتی گوشوارے کے نتائج کا موائزہ درج ذیل ہے۔

انفرادی مالیاتی گوشوارے

جولائی تا ستمبر 2024ء

| مخصوصات | نامه ملائمه | نفع ملائي | نامه نفع |
|-----------|-------------|-----------------------|----------|
| 2,256,098 | 1,898,880 | | |
| 901,380 | 640,186 | | |
| 271,540 | 196,842 | | |
| 3.09 | 2.24 | منافع في شخص ملائي | |
| 3.09 | 2.21 | منافع في شخص تخلص شده | |

ایسی سال کے 929 میلین روپے کے مقابلے میں 648 میلین روپے درج کی گئی۔ اس کے علاوہ، پہنچ موجودہ سماں کے لیے محصولات کی پیداوار خدمات پر سکھ پکن اور پھر محصولات کی ملٹے سے وابستہ ہے۔ پہنچ سرخ تبلیغی درخواست (ایک سارے سروں) کے ذریعے اتنا سال میں طبقاً ایک سکھ پکن اور پھر محصولات کی پیداوار خدمات پر سکھ پکن اور پھر محصولات کی پیداوار خدمات میں 1,250 میلین روپے کے مقابلے میں 1,148 میلین روپے کے مقابلے میں درج کی گئی۔

نہ مرت کو دروازہ جموں ناگر 640 میلین روپے پر بچک رہنگا جیسا کہ گذشتہ مت میں یہ مارچن 901 میلین روپے درج کیا جاتا تھا۔ کمپنی نے گذشتہ سال 272 میلین روپے کے مقابلے میں 197 میلین روپے کا بعد از ٹکسٹ نامہ

متقبل کا نتیجہ نظر Future Outlook

کوئی تحقیق پر می گیرے کہ اس کی نظر میں اس کے لئے اپنے بھائی کا سارے امور کو اپنے سامنے کرنا چاہیے۔ مالیاتی خدمات کے لئے اپنے بھائی کو مانع کرنے سے متعلق اپنے بھائی کی ملکیت سے بیرونی طور پر مانع کرنے کے لئے اپنے بھائی کو مانع کرنے کے لئے بڑا ہے۔ مالیاتی خدمات کے شعبہ میں بڑی تعداد میں اس صفت کی وجہ سے اس کو اپنے بھائی کو مانع کرنے کے لئے بڑا ہے۔ مالیاتی خدمات کے شعبہ میں بڑی تعداد میں اس صفت کی وجہ سے اس کو اپنے بھائی کو مانع کرنے کے لئے بڑا ہے۔

A کے integration سے مالی خدمات کے شعبہ کی سوتھ بکری بندی پری ہے جس کا کوئی معاشر تجارت اور اسلامی چیخ فلسفی سازی نہ کیا جائے گی۔ نیت سول AI انتاقا میں مفروضت رہتے ہے کہ لے چکنے کے عزم ہے اور اس فری ترقیاتی طبقات، کوئی ممکنہ تحریک کرنے کے لئے تحقیق و ترقی میانی سرمایہ کاری کو رہی ہے۔ کوئی AI تقدیر کے مالی خدمات کے شعبے کا عادو، مگر جیوں میں کوئی قدم جماعتی ہے۔ مستقبل میں نیت سول AI کی پاتر اخلاقی عملی کو ساری رکھی جائے گی۔ خلافت اور انصاف پر ایسا نہیں۔ ایضاً خلافت پر کوئی نظر کی جائے گی۔

ایرانی خدمات کشی خصوصیات میں یقیناً ترقیاتی تکنیک اور صرفی بدلے ہوئی ترقیات شامل ہیں۔ سماجی ساکھو کارکردگی کے لئے بسیاری کی محنت سول کی محنت علی ہے۔ ایک راجہت اسٹریٹ گرین کا شرکت رئیس نے اپنے ہمیشہ ایک اور جدید ترقیاتی تکنیک کے لئے کامیابی حاصل کی۔

ML، AI، Analytics اور دیگر تکنالوژیوں کا مبتدی تعلق R پر جاری مکانیکی ایجاد کرنے والے کام کے لئے بھروسہ ہے۔ R میں کام کے لئے بھروسہ ہے۔

نمودت کے ایسیں میں بھرپور حکمت نہیں کوئی حکمت عملی کا لزی جزو رہا ہے۔ عالمی امریک، یورپ اور APAC میں منعقدہ کافروں سونے میں حکمت کے دری یعنی کمپنی پر وکیل کی نمائش کرنی ہے، میں کہاں لا تی۔

(Acknowledgement) اعتراف

ساری رہیں۔

از طرف بورڈ آف دائریکٹر

۱۴۹

میر شہاب غوری

سلیم اللہ غوری
(جفہ، اگلے کٹھ آفسیز)

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Condensed Separate Financial Statements

For the Quarter Ended September 30, 2024

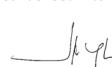
Condensed Interim Statement of Financial Position - Unaudited
As at September 30, 2024

| | NOTE | Sep-24 Unaudited | Jun-24 Audited |
|--|------|---------------------|-------------------|
| | | Rupees in Thousands | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property and equipment | 5 | 1,190,748 | 1,216,236 |
| Intangible assets | 6 | - | - |
| | | 1,190,748 | 1,216,236 |
| Long term investments | 7 | 537,218 | 537,218 |
| Long term contract assets | | 54,204 | 52,637 |
| Long term loans to employees | | 14,927 | 22,860 |
| | | 1,797,097 | 1,828,951 |
| CURRENT ASSETS | | | |
| Trade debts | 8 | 4,801,855 | 5,295,202 |
| Contract assets | | 1,433,843 | 1,745,245 |
| Loans and advances | 9 | 144,030 | 113,150 |
| Trade deposits & short term prepayments | 10 | 144,183 | 112,654 |
| Other receivables | 11 | 93,187 | 54,018 |
| Due from related parties | 12 | 559,531 | 540,612 |
| Prepaid tax asset | | 63,616 | 35,349 |
| Cash & bank balances | | 5,081,552 | 4,647,055 |
| | | 12,321,797 | 12,543,285 |
| TOTAL ASSETS | | 14,118,894 | 14,372,236 |
| EQUITY & LIABILITIES | | | |
| SHARE CAPITAL & RESERVES | | | |
| Authorized share capital | | | |
| 200,000 ordinary shares of Rs.10/- each | 13 | 2,000,000 | 2,000,000 |
| Issued, subscribed and paid-up capital | 13 | 898,369 | 898,369 |
| Share deposit money | | 13 | 13 |
| Reserves | 14 | 9,863,374 | 9,664,297 |
| | | 10,761,756 | 10,562,679 |
| NON-CURRENT LIABILITIES | | | |
| Long term financing | 15 | 1,377 | 2,696 |
| Long term advances | | 2,850 | 1,995 |
| | | 4,227 | 4,691 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 16 | 922,924 | 760,472 |
| Contract liabilities | | 834,864 | 1,446,474 |
| Short term borrowings | | 1,580,000 | 1,580,000 |
| Current portion of long term liabilities | | 11,299 | 14,096 |
| Unclaimed dividend | | 3,824 | 3,824 |
| | | 3,352,911 | 3,804,866 |
| CONTINGENCIES & COMMITMENTS | 17 | - | - |
| TOTAL EQUITY AND LIABILITIES | | 14,118,894 | 14,372,236 |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Profit or Loss - Unaudited
For the Quarter Ended September 30, 2024

| | NOTE | Jul-Sep 2024 | Jul-Sep 2023 |
|---|------|---------------------|------------------|
| | | Rupees in Thousands | |
| Revenue from contracts with customers - net | 18 | 1,898,880 | 2,256,098 |
| Cost of revenue | | (1,258,194) | (1,354,718) |
| Gross profit | | 640,686 | 901,380 |
| Selling and promotional expenses | | (183,977) | (160,711) |
| Administrative expenses | | (375,189) | (350,348) |
| | | (559,166) | (511,059) |
| Operating profit | | 81,520 | 390,321 |
| Other income | 19 | 380,786 | 148,401 |
| | | 462,306 | 538,722 |
| Other operating expenses | | (136,156) | (155,342) |
| Finance cost | | (68,765) | (79,309) |
| Profit before taxation | | 257,385 | 304,071 |
| Final tax / levies | 20 | (60,543) | (32,531) |
| Profit before income tax | | 196,842 | 271,540 |
| Income tax | | - | - |
| Profit after taxation for the period | | 196,842 | 271,540 |
| Earnings per share | | | |
| Basic - In Rupees | 21 | 2.24 | 3.09 |
| Diluted - In Rupees | 21 | 2.21 | 3.09 |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Comprehensive Income - Unaudited
For the Quarter Ended September 30, 2024

| | Jul-Sep 2024 | Jul-Sep 2023 | Rupees in Thousands |
|--|-----------------|-----------------|---------------------|
| Profit after taxation for the period | 196,842 | 271,540 | |
| Other comprehensive income | | | |
| Items that will not be reclassified subsequently to profit or loss: | - | - | |
| Items that may be reclassified to profit or loss in subsequent periods (net of tax): | - | - | |
| Total comprehensive income for the period | 196,842 | 271,540 | |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Cash Flows - Unaudited
For the Quarter Ended September 30, 2024

| | Jul-Sep 2024 | Jul-Sep 2023 |
|--|---------------------|-----------------|
| | Rupees in Thousands | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 257,385 | 304,071 |
| Adjustments for non cash charges and other items: | | |
| Depreciation - own assets | 74,518 | 92,613 |
| Amortization of right of use assets | 455 | 668 |
| Amortization of intangible assets | - | 40,386 |
| (Gain) on disposal of fixed assets | - | (5) |
| Foreign exchange (gain)/loss | (170,981) | 35,696 |
| Finance cost | 68,091 | 77,194 |
| Interest income | (209,280) | (147,871) |
| Employee share option compensation expense | 2,235 | 3,362 |
| Provision for expected credit losses | 37,524 | 26,329 |
| | (197,438) | 128,372 |
| <i>Cash generated from operations before working capital changes</i> | 59,947 | 432,443 |
| Working Capital Changes | | |
| Trade debts | 714,943 | 1,252,717 |
| Contract assets | 211,595 | (61,200) |
| Contract liabilities | (61,610) | (693,090) |
| Loans and advances | (22,947) | (30,030) |
| Trade deposits & short term prepayments | (31,529) | (14,522) |
| Other receivables | (39,169) | (6,444) |
| Due from related parties | (18,919) | (123,862) |
| Trade and other payables | 179,266 | 11,409 |
| <i>Cash generated from operations</i> | 381,630 | 334,978 |
| Income taxes paid | (88,810) | (38,891) |
| <i>Net cash generated from operations</i> | 352,767 | 728,530 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Property and equipment's purchased | (10,484) | (13,733) |
| Sales proceeds of fixed asset | - | 58 |
| Advances against capital expenditure | (39,001) | - |
| Interest received | 209,280 | 147,872 |
| <i>Net cash generated from investing activities</i> | 159,795 | 134,197 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Paid against lease liabilities | (763) | (6,536) |
| Long term loan | (4,184) | (9,858) |
| Short term borrowing | (73,973) | (65,854) |
| Long term advances | 855 | 2,175 |
| <i>Net cash (used in) financing activities</i> | (78,065) | (80,073) |
| <i>Net increase in cash and cash equivalents</i> | 434,497 | 782,654 |
| <i>Cash and cash equivalents at the beginning of the period</i> | 4,647,055 | 2,631,171 |
| <i>Cash and cash equivalents at the end of the period</i> | 5,081,552 | 3,413,825 |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity - Unaudited
For the Quarter Ended September 30, 2024

| Issued, subscribed and paid-up capital | Share deposit money | Capital Reserve | | | Revenue Reserve | Total |
|--|---------------------------|------------------------------|---|------------------|--------------------|------------|
| | | Treasury share reserve | Employee share option compensation reserve | Share premium | | |
| Rupees in Thousands | | | | | | |
| Balance as at June 30, 2023 | 898,369 | 13 | (184,739) | 253,701 | 304,167 | 7,895,923 |
| Net profit for the period | - | - | - | - | 271,540 | 271,540 |
| Other comprehensive income for the period | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | 271,540 | 271,540 |
| Amortization of employee share options | - | - | 3,362 | - | - | 3,362 |
| | - | - | 3,362 | - | 271,540 | 274,902 |
| Balance as at September 30, 2023 | 898,369 | 13 | (184,739) | 257,063 | 304,167 | 8,167,463 |
| Balance as at June 30, 2024 | 898,369 | 13 | (184,739) | 264,787 | 304,167 | 9,280,082 |
| Net profit for the period | - | - | - | - | 196,842 | 196,842 |
| Other comprehensive income for the period | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | 196,842 | 196,842 |
| Amortization of employee share options | - | - | 2,235 | - | - | 2,235 |
| | - | - | 2,235 | - | 196,842 | 199,077 |
| Balance as at September 30, 2024 | 898,369 | 13 | (184,739) | 267,022 | 304,167 | 9,476,924 |
| | | | | | | 10,761,756 |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Notes to the Condensed Interim Financial Statements - Unaudited

For the Quarter Ended September 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

NetSol Technologies Limited ("the Company"), incorporated in Pakistan on August 22, 1996 under the repealed Companies Ordinance, 1984, (Now Companies Act 2017) as a private company limited by shares, was later on converted into public limited company and subsequently listed on Pakistan Stock Exchange on August 26, 2005. The Company is domiciled in Pakistan and is principally engaged in the development and sale of computer software and allied services in Pakistan as well as abroad.

Geographical locations and addresses of its business units are as follows:

| Address/Location | Purpose |
|--|-------------------------------------|
| 1 NetSol IT Village,(Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. Pakistan. | Registered office and business unit |
| 2 43/1/Q, Amna Villa 1, Block-6, PECHS Housing Society Karachi. | Branch office |
| 3 House No. 4, Safari villas 1, Bahria town, Rawalpindi. Pakistan. | Branch office |
| 4 3rd floor Jasmin's Arcade Fakhar-e-Alam road, Peshawar Cantt. Pakistan. | Branch office |

NetSol IT Village, (Software Technology Park) also includes House No. 4, House No. 5, House No. 6 and House No. E-20, Cricketers Colony, NetSol IT Village (Software Technology Park), Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt.

The Company is also using the branch office of its parent company, situated at Sentral Senayan 2 Building, 16th Floor, Asia Afrika Street No. 8, Senayan, Kebayoran Baru, South Jakarta, DKI Jakarta, 10270, Indonesia.

The Company is a majority owned subsidiary of NetSol Technologies Inc., USA.

2. BASIS OF PREPARATION

2.1 Separate financial statements

These financial statements are separate condensed interim financial statements of the company. Condensed consolidated interim financial statements of the company are prepared separately.

2.2 Statement of compliance

These unconsolidated condensed interim financial statements (un-audited) are being submitted to the shareholders as required by section 237 of the Companies Act, 2017 (the "Act") and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

-International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

-Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements are unaudited and do not include all the disclosures and information required in the annual financial statements and should be read in conjunction with the preceding annual published financial statements of the company for the year ended June 30, 2024.

2.3 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except for revaluation of certain financial instruments at fair value as disclosed in respective accounting policies or notes. These accounts have been prepared under accrual basis of accounting.

2.4 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupee, which is the company's functional currency as well its presentation currency.

3. MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1.** The accounting policies adopted for the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2024.
- 3.2. Standards, interpretations and amendments to approved accounting standards that are effective in the current year:**

Certain standards, amendments and interpretations to approved accounting standards are also effective for accounting periods beginning on July 01, 2024, but are neither relevant nor have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in this condensed unconsolidated interim financial information.

- 3.3. Standards, interpretation and amendments to approved accounting standards that are not yet effective:**

There are certain other new and amended standards, interpretations and amendments that are mandatory for the company's accounting periods beginning on or after July 1, 2024 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not detailed in these condensed unconsolidated interim financial statements.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of condensed unconsolidated interim financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In preparing these condensed unconsolidated interim financial statements, the judgments, estimates and assumptions made by the management were the same as those that were applied to the preceding annual published financial statements of the Company for the year ended June 30, 2024.

| | NOTE | Sep-24 Unaudited | Jun-24 Audited | | | |
|--|-----------------------------|--------------------------|---------------------------|---------------------|--------------------------|--------------------|
| | | Rupees in Thousands | | | | |
| 5. PROPERTY AND EQUIPMENT | | | | | | |
| Net book value of owned assets | 5.1 | 1,144,964 | 1,208,998 | | | |
| Net book value of right of use assets | 5.2 | 3,649 | 4,104 | | | |
| Advances against capital expenditure | | 42,135 | 3,134 | | | |
| | | 1,190,748 | 1,216,236 | | | |
| 5.1 PROPERTY AND EQUIPMENT | | | | | | |
| Opening Balance - net book value | | 1,208,998 | 1,505,829 | | | |
| Additions | 5.1.1 | 10,484 | 119,677 | | | |
| | | 1,219,482 | 1,625,506 | | | |
| Less: | | | | | | |
| Disposals - net book value | 5.1.2 | - | (76,566) | | | |
| Depreciation & amortization | | (74,518) | (339,942) | | | |
| | | 1,144,964 | 1,208,998 | | | |
| 5.1.1 Following is the detail of addition / transfers : | | | | | | |
| Furniture & fixture | | 175 | 4,464 | | | |
| Vehicles | | 241 | 41,537 | | | |
| Office equipment | | 6,273 | 3,300 | | | |
| Computer equipment and installations | | 2,840 | 36,786 | | | |
| Air conditioners | | 955 | 1,060 | | | |
| Generator | | - | 4,675 | | | |
| Computer software | | - | 27,855 | | | |
| Total | | 10,484 | 119,677 | | | |
| 5.1.2 Following is the detail of disposals : | Sep-24 Unaudited | | Jun-24 Audited | | | |
| | Cost | Accumulated Depreciation | Written down value | Cost | Accumulated Depreciation | Written down value |
| | | | | Rupees in Thousands | | |
| Furniture & fixture | - | - | - | 19,113 | 18,931 | 182 |
| Vehicles | - | - | - | 136,745 | 60,414 | 76,331 |
| Computer equipment and installations | - | - | - | 340 | 287 | 53 |
| Total | - | - | - | 170,343 | 93,777 | 76,566 |
| 5.2 RIGHT OF USE ASSETS | | | | | | |
| Opening Balance - net book value | | 4,104 | 8,380 | | | |
| Additions | | - | - | | | |
| | | 4,104 | 8,380 | | | |
| Less: | | | | | | |
| Disposals - net book value | 5.2.1 | - | (2,030) | | | |
| Depreciation & amortization | | (455) | (2,246) | | | |
| | | 3,649 | 4,104 | | | |

5.2.1 Following is the detail of disposals:

| | Sep-24 Unaudited | | | Jun-24 Audited | | |
|--------------|---------------------|-----------------------------|--|-------------------|-----------------------------|-----------------------|
| | Cost | Accumulated Depreciation | Written down value Rupees in Thousands | Cost | Accumulated Depreciation | Written down value |
| Vehicles | - | - | - | 4,273 | 2,243 | 2,030 |
| Total | - | - | - | 4,273 | 2,243 | 2,030 |

| | NOTE | Sep-24 Unaudited | Jun-24 Audited |
|--|------|---------------------|---------------------|
| | | Rupees in Thousands | Rupees in Thousands |

6. INTANGIBLE ASSETS

| | | | |
|----------------------------------|--|---|----------|
| Opening Balance - net book value | | - | 40,386 |
| Additions | | - | - |
| | | - | 40,386 |
| Less: | | - | (40,386) |
| Amortization | | - | - |

6.1 NetSol Financial Suite and NFS - Ascent have been fully amortized, however, the Company is still generating revenues from the sale of its licenses, provision of allied services and maintenance.

7. LONG TERM INVESTMENTS

| Investment in subsidiaries - at cost- unquoted | | | |
|---|-----|---------|---------|
| NetSol Innovation (Pvt.) Limited | 7.1 | 515,000 | 515,000 |
| NetSol Ascent Middle East Computer Equipment Trading L.L.C. | 7.2 | - | - |
| | | 515,000 | 515,000 |
| Subscription money payable | 7.3 | 22,218 | 22,218 |
| | | 537,218 | 537,218 |

7.1 The wholly owned subsidiary is incorporated in Pakistan. The principal place of business of subsidiary is situated at NetSol IT Village, (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. Pakistan. Pakistan. Main objective of the company is to engage in the development and sale of computer software and allied services. The Company holds 51.5 million (2024: 51.5 million) fully paid ordinary shares of Rs. 10/- each i.e. 99.99% of Equity held (2024 : 99.999%).

7.2 This represents 300 ordinary shares of AED 1,000/- each, representing 100% (2024: 100%) shares in the wholly owned subsidiary NetSol Ascent Middle East Computer Equipment Trading L.L.C. The subsidiary is incorporated in Dubai (U.A.E). Main objective of the investee Company is to provide services related to computer systems and communication equipment and softwares. Principal place of business of the subsidiary is situated in Dubai (U.A.E)

7.3 This represents subscription money payable in respect of wholly owned subsidiary, NetSol Ascent Middle East Computer Equipment Trading L.L.C.

8. TRADE DEBTS

| | | | |
|--|-----|-----------|-----------|
| Considered good - unsecured | 8.1 | 4,801,855 | 5,295,202 |
| Considered doubtful - unsecured | | 180,994 | 280,597 |
| | | 4,982,849 | 5,575,799 |
| Less: Provision against expected credit losses | 8.2 | (180,994) | (280,597) |
| | | 4,801,855 | 5,295,202 |

8.1 It represents amount receivable from customers. It is unsecured but considered good by the management.

8.2 This is a provision for expected credit losses created by the company for any future doubtful trade debts.

| | NOTE | Sep-24 Unaudited | Jun-24 Audited |
|---|--|---------------------|-------------------|
| | | Rupees in Thousands | |
| 8.3 Amount receivable from related parties included in trade debts (from export sales) are as under: | | | |
| NetSol Technologies (Thailand) Limited | | 28,730 | 61,866 |
| NetSol Technologies (Beijing) Company Limited | | 2,353,306 | 3,267,132 |
| NetSol Technologies Australia Pty. Limited | | 783,469 | 715,896 |
| NetSol Technologies Americas Inc. | | 403,611 | 416,650 |
| NetSol Technologies Europe Limited | | 9,110 | 2,015 |
| Ascent Europe Limited | | 551,452 | 433,302 |
| Tianjin NuoJinZhiCheng Co., Ltd | | 27,488 | 26,593 |
| | | 4,157,166 | 4,923,454 |
| 9. LOANS AND ADVANCES - Unsecured | | | |
| Current maturity of loans to executives | | 15,355 | 14,171 |
| Advances | | | |
| - to employees | | 4,982 | 2,350 |
| - against expenses | 9.1 | 123,693 | 96,629 |
| | | 144,030 | 113,150 |
| 9.1 | The advances against expenses are given to meet business expenses and are settled as and when the expenses are incurred. | | |
| 10. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS | | | |
| Security deposits | | 3,674 | 3,589 |
| Prepayments | | 140,509 | 109,065 |
| | | 144,183 | 112,654 |
| 11. OTHER RECEIVABLES | | | |
| Guarantee margin | | 15,237 | 7,000 |
| Other receivable - considered good | | 77,950 | 47,018 |
| | | 93,187 | 54,018 |
| 12. DUE FROM RELATED PARTIES | | | |
| Considered good - unsecured | | | |
| Parent | | | |
| NetSol Technologies Inc. | | 96,245 | 96,687 |
| Associates | | | |
| NetSol Technologies Americas Inc. | | 113,486 | 103,556 |
| NetSol Technologies Europe | | 153 | - |
| NetSol Connect (Pvt) Ltd. | | 12,891 | 13,858 |
| NetSol Technologies (Thailand) Limited | | - | 27,938 |
| NetSol Technologies Beijing Ltd. | | 269,442 | 260,490 |
| OTOZ Thailand Ltd. | | 32,262 | 28,398 |
| Tianjin NuoJinZhiCheng Co., Ltd | | 29 | 70 |
| Wholly owned Subsidiary | | | |
| NetSol Innovation (Pvt.) Ltd | 12.2 | 35,023 | 9,615 |
| | | 559,531 | 540,612 |

12.1 These relate to normal course of business of the company and are interest free.

12.2 These relate to normal course of business of the Company and interest at the rate of 6 months KIBOR is charged on the outstanding balance at the end of each month.

13. SHARE CAPITAL
13.1 Authorized share capital

| Sep-24 | Jun-24 | | Sep-24 | Jun-24 |
|--|---------|--|-----------|-----------|
| Unaudited | Audited | | Unaudited | Audited |
| Number of shares in Thousands | | | | |
| 200,000 | 200,000 | Ordinary Shares of Rs. 10 each. | 2,000,000 | 2,000,000 |
| 13.2 Issued, subscribed & paid-up capital | | | | |
| 42,686 | 42,686 | Ordinary shares of Rs. 10 each fully paid in cash | 426,862 | 426,862 |
| 47,151 | 47,151 | Ordinary shares of Rs. 10 each issued as fully paid bonus shares | 471,507 | 471,507 |
| 89,837 | 89,837 | | 898,369 | 898,369 |

NetSol Technologies Inc. 16000 Ventura Boulevard STE 770 ENCINO CA 91436, USA, is the parent company holding 67.62% (2024 : 67.62%) of issued capital of the company.

The share capital includes 2,000,000 ordinary shares (Rs. 10 each as fully paid in cash) held as treasury shares by the company. These treasury shares are held in CDC blocked account in the freeze form. These are not entitled to any voting right, cash dividend or any other distribution made by the company. No sale or disposal of treasury shares has been made during the financial year.

14. RESERVES

| Capital reserve | | |
|--|-----------|-----------|
| Premium on issue of ordinary shares | 304,167 | 304,167 |
| Employee share option compensation reserve | 267,022 | 264,787 |
| Treasury share reserve | (184,739) | (184,739) |
| Revenue reserve | | |
| Un - appropriated profit | 9,476,924 | 9,280,082 |
| | 9,863,374 | 9,664,297 |

15. LONG TERM FINANCING

| | | |
|---|----------|----------|
| Loan obligations | 12,426 | 15,820 |
| Less: Current portion shown under current liabilities: | | |
| Current portion of Loan obligations | (11,049) | (13,124) |
| | 1,377 | 2,696 |

16. Trade and other payables includes Rs. 1.07 million (2024: Rs. 1.296 million) payable to related parties. This relates to normal course of the business and is interest free.

17. CONTINGENCIES & COMMITMENTS
17.1 Contingencies

The case titled 'Ahsan Zubair Vs. NETSOL Technologies Limited etc.' filed on January 26, 2013 relating to recovery of damages was partially allowed by the Learned Civil Court Lahore to the tune of PKR 200M. Against the decree and judgment of the Civil Court NETSOL filed an appeal before the Division Bench of Hon'ble Lahore High Court, Lahore and the Hon'ble Court vide Order dated October 03, 2024 was pleased to suspend the operation of decree and judgment passed against NETSOL against submission of surety equal to decretal amount which was provided to the Court in the shape of bank guarantee.

17.2 Commitments

Bank guarantees have been issued amounting Rs. 113.88 million (2024: Rs. 60.93 million) against performance of various contracts, to LESCO and to Standard Chartered Bank against its corporate credit cards.

The Company has a capital commitments of Rs. 79.44 million as at Sep 30, 2024. (2024: Rs. 1.32 million)

| | Jul-Sep 2024 | Jul-Sep 2023 | | |
|---|---------------------|-----------------|--|--|
| | Unaudited | | | |
| | Rupees in Thousands | | | |
| 18. REVENUE FROM CONTRACTS WITH CUSTOMERS | | | | |
| DISAGGREGATION OF REVENUE: | | | | |
| Set out below is the disaggregation of the Company's revenue from contracts with customers: | | | | |
| Export Revenue | | | | |
| License | - | 179,499 | | |
| Services | 642,300 | 908,122 | | |
| Subscription and Support | 1,241,248 | 1,136,080 | | |
| | 1,883,548 | 2,223,701 | | |
| Local Revenue | | | | |
| Services | 7,103 | 21,931 | | |
| Subscription and Support | 9,393 | 11,674 | | |
| | 16,496 | 33,605 | | |
| Sales tax | (1,164) | (1,208) | | |
| | 1,898,880 | 2,256,098 | | |
| 18.1 Timing of revenue recognition: | | | | |
| At a point in time | - | 179,499 | | |
| Over the time | 1,898,880 | 2,076,599 | | |
| | 1,898,880 | 2,256,098 | | |
| 19. OTHER INCOME | | | | |
| Income from financial assets | | | | |
| Profit on bank deposits & short term investments | 208,382 | 131,376 | | |
| Interest income from related party | 898 | 16,495 | | |
| | 209,280 | 147,871 | | |
| Income from non-financial assets | | | | |
| Gain on foreign currency translation | 170,981 | - | | |
| Gain on disposal of assets | - | 5 | | |
| Rental income | 525 | 525 | | |
| | 171,506 | 530 | | |
| | 380,786 | 148,401 | | |
| 20. TAXATION | | | | |
| For exporters of IT & IT enabled services, export income is taxable under FTR at 0.25% of the export remittances realized through normal banking channels. However tax as per applicable rates is charged to the income of the company generated from sources other than export income. | | | | |
| 21. EARNINGS PER SHARE | | | | |
| Basic | | | | |
| Profit after taxation for the period | 196,842 | 271,540 | | |
| Average number of ordinary shares in issue during the period | 87,837 | 87,837 | | |
| Basic - In Rupees | 2.24 | 3.09 | | |
| Diluted | | | | |
| Profit after taxation for the period | 196,842 | 271,540 | | |
| Average number of ordinary shares in issue during the period | 89,064 | 87,978 | | |
| Diluted - In Rupees | 2.21 | 3.09 | | |

22. TRANSACTION WITH RELATED PARTIES

Related parties comprise of holding company, subsidiary, associated undertakings, key management personnel of the company and post employment benefits. The company in its normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Parent, subsidiary and associated undertakings also have some common directorship.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows.

| Relationship with the Company | Nature of transactions | Jul-Sep 2024 | Jul-Sep 2023 |
|-------------------------------|---|---------------------|-----------------|
| | | Rupees in Thousands | |
| (i) Subsidiary | Rental income | 300 | 300 |
| | Admin and IT services | 600 | 600 |
| | Mark-up income | 898 | 16,495 |
| (ii) Associated undertaking | Rental income | 225 | 225 |
| | Provision of services | 666,654 | 710,457 |
| | Purchase of services | 11,382 | 11,607 |
| (iii) Post employment benefit | Contribution to defined contribution plan | 46,330 | 43,820 |
| (iv) Key management personnel | Salaries and benefits | 84,155 | 87,848 |
| | Retirement benefits | 3,491 | 3,509 |
| | Commission paid | 2,790 | 7,224 |

(v) There are no transactions with any key management personnel other than under the terms of employment.

23. CAPITAL MANAGEMENT

The primary objective of the Group's management is to ensure that it maintains a strong credit rating and healthy capital ratios while continue as going concern in order to support its business and maximize shareholders value.

There has been no change in the capital management policies during the period, consequently this condensed interim financial information does not include all information and disclosures as required in the annual financial statements.

24. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial risk factors

The Company's activities expose it to a variety of financial risks namely market risk (including currency risk, price risk and interest rate risk), credit risk, foreign exchange risk, liquidity risk and other price risks. There has been no change in the risk management policies during the period, consequently this condensed unconsolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements.

Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair value.

25. CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant re-arrangement / reclassifications have been made in these financial statements.

26. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 30, 2024 by the Board of Directors.

27. FIGURES

Figures have been rounded off to the nearest thousand rupee unless otherwise stated. Previously, the figures were rounded off to the nearest rupees. Due to the change in presentation of financials, there are slight changes in figures but they have no material impact. However, overall financial results remain unchanged.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER