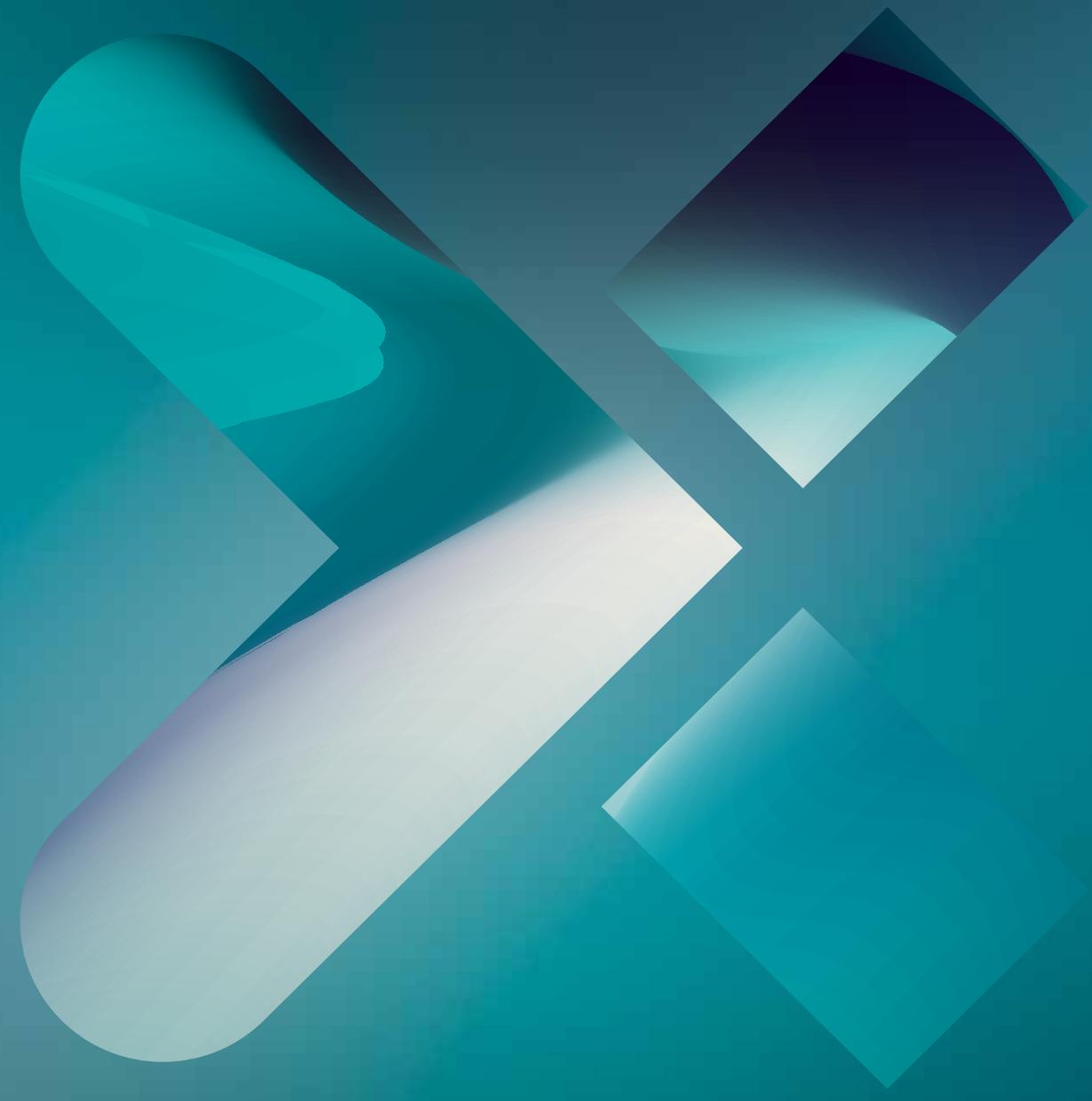


**SIEMENS**



Annual Report 2024  
**Pakistan**

[siemens.com.pk](https://www.siemens.com.pk)



# Contents

## 1

### Our Company

1.1	Company Information	3
1.2	Our Four Strategic Priorities	5
1.3	Who we are	7
1.4	Chairman's / Directors' Profile	8
1.5	Management Profile	12
1.6	Chairman's Review Report	13
1.7	Directors' Report	14
1.8	Board Committees and Terms of Reference	21

## 2

### Information for stakeholders

2.1	Key Operating and Financial Data	23
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## 3

### Corporate Social Responsibility

3.1	Sustainability	25
3.2	Corporate Citizenship	26
3.3	Diversity, Equity & Inclusion	27

## 4

### Financial Report

4.1	Auditor's Review Report	29
4.2	Statement of Compliance	30
4.3	Auditor's Report	33
4.4	Statement of Financial Position	37
4.5	Statement of Profit or Loss	38
4.6	Statement of Comprehensive Income	39
4.7	Statement of Cash Flows	40
4.8	Statement of Changes in Equity	41
4.9	Notes to the Financial Statements	42

## 5

### Shareholders' Information

5.1	Pattern of Shareholding	76
5.2	Categories of Shareholders	77
5.3	Notice of Annual General Meeting	78
5.4	ڈائریکٹرز رپورٹ	87
5.5	چیئرمین کی جائزہ رپورٹ	88
5.6	Proxy Form پراکسی فارم	
5.7	Dividend Mandate Form	
5.8	Request Form for Annual Report and Notices through E-mail	



# Company Information

## Registered & Head Office

Siemens (Pakistan) Engineering Company Limited  
B-72, Estate Avenue, S.I.T.E., Karachi-75700  
UAN: +92 (0)21 111-077-088  
<http://www.siemens.com.pk>

## Board of Directors

### Chairman of the Board

Karl Stefan Werner

### Non-Executive Directors

Oliver Spierling

Adnan Afridi

M. Usman Ansari

Silvia Oppus

(Appointed in place of Harald Griem with effect from October 1, 2024)

Harald Griem

(Resigned with effect from September 30, 2024)

### Independent Directors

Qazi Sajid Ali

Ayla Majid (Female Director)

### Executive Director

Syed Muhammad Daniyal

## Committees of the Board

### Audit Committee

Ayla Majid (Chairwoman)

Karl Stefan Werner

Adnan Afridi

M. Usman Ansari

### Human Resource and Remuneration Committee

Qazi Sajid Ali (Chairman)

Oliver Spierling

Karl Stefan Werner

### Nomination Committee

Oliver Spierling (Chairman)

Karl Stefan Werner

## Management

### Managing Director

Syed Muhammad Daniyal

### Chief Financial Officer

Syed Muhammad Ahsan Ghazali

## Other Information

### Company Secretary

Khurram Muhammad Siddique

### Auditors

A.F. Ferguson & Co., Chartered Accountants

State Life Building No. 1-C,

I.I. Chundrigar Road,

P.O. Box 4716, Karachi 74000,

Pakistan

Phone: +92(21)32426682-6 / 32426711-5

### Bankers

BNP Paribas (Dubai), UAE

Bank Alfalah, Afghanistan

Citibank N.A. Pakistan

Deutsche Bank AG Karachi

Habib Bank Limited

Habib Metropolitan Bank Limited

Meezan Bank Limited

Standard Chartered Bank, UAE

Standard Chartered Bank (Pakistan) Limited

### Tax Advisor

KPMG Taseer Hadi & Co.

### Legal Advisor

Ahmed & Qazi

### Registrar and Share Transfer Agent

THK Associates (Pvt.) Limited

Plot No. 32-C, Jami Commercial Street-2

D.H.A., Phase-VII, Karachi

Pakistan

UAN: +9221 111-000-322

### Trading Symbol

SIEM

# A leading technology company



**SIEMENS**

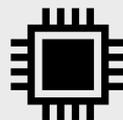
# Our four strategic priorities



## Customer impact

We anticipate what our customers need before they even know they need it.

---



## Technology with purpose

Innovative technology has been at the core of Siemens for more than 175 years and it will remain at the core of the future we're building.

---



## Empowered people

Driving progress by empowering our customers, partners and employees.

---



## Growth mindset

Rather than make yesterday last, we are committed to building tomorrow – by learning and being open to change.

---



**Syed Muhammad Daniyal**  
**Managing Director**



**Syed Muhammad Ahsan Ghazali**  
**Chief Financial Officer**



# Who we are

We combine the real and digital worlds like no other.

As a global technology leader, Siemens transforms everyday life for billions of people, helping to shape a world we want to live in.

Siemens is a technology company focused on infrastructure and industry. From more resource-efficient factories and resilient supply chains to smarter buildings and grids, we create technology with purpose, adding real value for our customers.

As the world is continuously changing, and so are the needs of our customers. They are looking for the right technologies to address their challenges, grow their businesses, and become more competitive, resilient, and sustainable.

Backed by global expertise, at Siemens Pakistan, our portfolio increasingly centers around electrification, automation, digitalization, and software, helping our customers make factories more efficient, operations more sustainable, and cities more livable. This approach enables us to unlock new opportunities and deliver sustainable growth, reinforcing our commitment to enhancing our presence in Pakistan.

# Chairman's / Directors' Profile



## Stefan Werner

Chairman

Mr. Stefan Werner began his career with Siemens 39 years ago where he spent 29 years working at Siemens Global and then later have moved to the middle east region as the CFO of Siemens Qatar then later, Saudi Arabia. He is currently the CFO of Siemens Lead Country, UAE. He has held various leadership positions throughout his career, from lead to commercial department, to head of business segments, and a CFO of different departments and sectors within Siemens.

Mr. Werner is passionate about Siemens' innovative solutions that places customers at the center and transforms their everyday, from healthcare, smart cities, to sustainable solutions. He is known to bring his athletic sports spirit of healthy competition and teamwork to his work at Siemens.

Mr. Werner completed Studies of Economics with Diploma from University of Erlangen, Nuremberg in 1992.



## Harald Griem

Director

(Resigned with effect from September 30, 2024)

Mr. Griem was head of Siemens Energy Assets.

Mr. Griem has a Masters in Mechanical Engineering from Technische Universität, Munich, and a Doctorate in Thermodynamics. He started his career with the house of Siemens in 1992 at Siemens KWU, Erlangen, in the area of Boiler Technology and then worked extensively in the Generation Service business in various capacities until 2009. During the period, he held various roles in the Products and Service domain, handling Sales & Marketing, Strategic Planning, Business Development, and an expanded portfolio in environmental protection. He is credited with leading cross-functional and cross-cultural teams in Europe and USA during various stints. In 2009, he took over as General Manager, Generator Products (20-2,000 MW), leading a business with operating units in Germany, USA, China, and India.

From the Power generation space, he then moved to the High Voltage transmission products business and took over responsibility as Global Head for High Voltage Products.

In 2015, he moved to India as Head of the Energy Management Division. The Division was the largest in Siemens Ltd. covering Transmission and Distribution with 12 state-of-the-art factories, and enjoying market leadership in most products in the areas of Electrification, Automation and Digitalisation. During that time, Mr. Griem successfully brought his rich global experience to drive the Division's strategic growth programme in the country's large energy landscape.



## Oliver Spierling

Director

Oliver Spierling set up the Siemens Legal Department in the United Arab Emirates upon joining the company in 2007. Since then, as the company's General Counsel for the Middle East, he has forged close links to customers and partners across the region.

In addition to this role, Spierling has served as the Chief Executive Officer of Siemens in Kuwait since October 2021.

Spierling has 25 years of experience in the region, having worked for a German law firm in Dubai before joining Siemens.



## M. Usman Ansari

Director

Mr. Ansari is currently serving as Siemens General Counsel for Qatar and also oversees the legal functions of Kuwait and Pakistan. He brings with him over 16 years of international experience. As an attorney, he has managed topics ranging from strategy, commercial and corporate transactions, and regulatory compliance in complex industries including aerospace, chemicals and pharmaceuticals. Prior to the practice of law, Mr. Ansari utilized his finance background in the internal audit and risk management fields, including experience at a Big 4 accounting firm. He joined Siemens Pakistan in 2018 as General Counsel & Company Secretary.

Mr. Ansari completed a Bachelor of Business Administration in Finance and Information Systems from the University of Cincinnati in 2002 and a Juris Doctor from the University of Toledo in 2010. He is a US-licensed attorney in the state of Ohio since 2011 and a certified Director in Pakistan since 2019. Mr. Ansari is an advocate for causes related to human and civil rights as well as disaster and humanitarian relief, and is also passionate about ensuring a culture of inclusion.



### Adnan Afridi

Director

Mr. Afridi has over 29 years' international experience in change management, business transformation, innovation and profitability enhancement in blue chip companies, public-sector and high growth situations. His industry experience includes Capital Markets, Private Equity, Financial Services, Real-Estate, Health Care, Natural Resources, Logistics, Large-Scale Manufacturing, Technology and Food sectors, operating in CEO roles with Board level experience.

Mr. Afridi currently serves as the Chairman and the Managing Director of National Investment Trust Limited (NITL), Pakistan's first and largest Asset Management Company. He has previously served as the Managing Director of the Karachi Stock Exchange Ltd and as the CEO of the Overseas Chamber of Commerce and Industry (OICCI) and Tethyan Copper Company as well as having served on the boards of Gul Ahmed Textile Mills, Trading Corporation of Pakistan, Central Depository Company (CDC) and National Clearing Company (NCCPL as Chairman of the Board). Mr. Afridi was also nominated by the Government of Pakistan as private sector nominee to the SECP Policy Board for a 4-year term that concluded in November 2022.

Mr. Afridi's contribution to social causes is well known. He is a key member of the Kidney Center Board (Chairman) and was previously the President of the Old Grammarians Society focusing on fund raising for education scholarships and a former board member of YPO Pakistan and is currently a Board member of YPO-Gold Pakistan.

In addition to NITL, Mr. Afridi serves as an independent director of the following companies:

#### Other Directorships and offices:

- Bank Al Habib Limited.
- Mari Petroleum Limited.
- International Industries Limited.
- Dynea Pakistan Limited.
- Lucky Core Industries Limited
- Biafo Industries Limited.
- Bulk Transport Company (Pvt) Limited

#### Member Board of Governors

- The Kidney Centre Institute
- Shaukat Khanum Memorial Trust



### Silvia Oppus

Director

(With effect from October 1, 2024)

As the Head of People & Organization at Siemens Middle East, Silvia leads a diverse team of HR professionals who support the growth and development of more than 2,500 employees across 8 countries. With more than 25 years of expertise in various strategic and operational HR roles, Silvia's priorities are focused on organizational development, HR strategy, and leadership coaching to foster collaboration, innovation, and excellence among teams. Her mission is to create a positive and inclusive culture in which everyone can unleash their full potential and contribute to the success of Siemens business.

Silvia holds a diploma in business administration, with specialization in management and marketing. She was born in Rio de Janeiro, lived and worked many years in Germany (Munich and Berlin) and is now based in the United Arab Emirates.



**Qazi Sajid Ali**  
Independent Director

Mr. Ali worked with BASF for 29 years, which includes 8 years as Director Finance and 12 years as Managing Director and Country Head. He retired from BASF in March 2014. His educational qualification is M.A., LLB. He joined Dadex Eternit Limited as Chief Executive Officer in May 2014 and has served on the Board of Dadex for 15 years, including 8 years as Chairman Audit Committee of Dadex. He left Dadex in June 2021.

Mr. Ali has attended several training seminars/ workshops/ courses from renowned national and international institutes and universities which includes: Advance Management from University of Connecticut, USA, M-21 (Management-21st Century) from Michigan Business School, Michigan, USA, BMP (Basic Management Program) from Singapore, AMP (Advance Management Program) from Singapore Executive Development Centre, USA and Hong Kong, LS Seminars, Germany. He has represented Pakistan at the I.L.O. & United Nation's Conferences at New Delhi and Manila, International Personnel Management Conference, Washington D.C. USA & Bangkok, American Society for Training & Development (ASTD), Boston, USA, International Eye Bank Conference, Colombo, International Eye Bank Association, Washington and New York, USA.

Mr. Ali is President and Founder Member of Pakistan Eye Bank Society which has established eye banks all over the country and now constructed Eye and General Hospital in North Karachi. He was elected twice as President of Pak German Business Forum. He also held the position of President IMPA (International Personnel Management Association, Pakistan Chapter). He was founder President of German Pakistan Chamber of Commerce and Industry and remained President for 4 years.

#### Other Directorships and offices:

- Chairman SWAN International Pakistan (Private) limited
- Director Pakistan Eye Bank Society
- PEBS Hospital



**Ayla Majid**  
Independent Director

Ms. Majid is the Founder & CEO of Planetive. She has over 20 years of experience in financial advisory, mergers & acquisitions, energy transition, infrastructure development and corporate governance. She is an internationally acclaimed speaker and often speaks at global platforms on: Energy Transition/Future of Energy, Emerging Market Project Funding, Sustainable & Climate Finance, Digital Transformation, Future of Work, Clean Tech, Governance, and Diversity & Inclusion.

Ms. Majid has recently been appointed as a President of ACCA Global.

Ms. Majid is a member of the Global Future Council of Energy Transition of the World Economic Forum; and World Economic Forum's Global Taskforce on Mobilizing Investment for Clean Energy in Emerging Economies where she is contributing to the sustainable energy transition policy, creating tools and frameworks, and advocacy realms. In addition, she is an Eisenhower Global Fellow 2021, and was selected as a Young Global Leader of the World Economic Forum in 2015.

Academically, Ms. Majid holds MBA from Lahore University of Management Sciences, LLB from University of London, and ACCA qualification. She is also alumna of Princeton University, Harvard Kennedy School; University of Oxford, Nanyang Technological University (Singapore) and National Defence University, Pakistan. She has attended the "Enhancing Board Effectiveness, Directors Training Programme" at the Lahore University of Management Sciences.

Ms. Majid is at the forefront of creating agile governance platforms while serving as board member for local and international organizations.

#### Other Directorships and offices:

- Director of Abbott Laboratories (Pakistan) Limited
- Director of TPL Insurance Limited
- Mobilink Microfinance Bank Limited
- Universal Services Fund

#### Member Board of Governors

- Global President of the Association of Chartered Certified Accountants (ACCA) - UK
- The Helpcare Society (a non-profit running "Teach a Child Schools" for under privileged children)

# Management Profile



**Syed Muhammad Daniyal**  
Managing Director

Syed Muhammad Daniyal is serving as the Managing Director / CEO at Siemens Pakistan Engineering Company Limited effective 17th May 2024, earlier he was officiating as Acting Managing Director / CEO for nearly one year.

Daniyal holds 24 years of industry experience wherein his association with Siemens is now for 21 years. During his tenure in Siemens, he has worked in various corporate functions and business segments of industry, oil & gas, power generation and services. He brings extensive experience of business excellence, strategy, business development, sales, and operational management.

He has been part of several growth initiatives within Siemens and represented Pakistan in Cross-Country project/assignment in Germany, China, Malaysia, Thailand, South Korea, Japan, and USA.

Prior to Siemens, his experience is in the field of quality & safety management consultancy and had a brief stint in automotive and lubricants industry.

Daniyal has an engineering degree in Mechanical Engineering from the NED University of Engineering & Technology, Karachi and MBA from the Institute of Business Administration, Karachi. He has attended extensive international management and leadership training programs by Siemens Learning Centre in Germany, Portugal, and China.



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer

Syed Muhammad Ahsan Ghazali is the Chief Financial Officer of Siemens Pakistan Engineering Company Limited.

Ghazali Joined Siemens Pakistan in 2009 and since then has held various positions in Siemens in Pakistan & Germany. He brings in rich Management Experience in Corporate Finance, Business Administration, Finance & Business Strategy and various other Commercial Functions in diverse Business Segments and Corporate Sections in the Region including his exposure in Corporate Accounting & Controlling, Energy Management, Industrial Automation and Software Businesses. He has also worked in Siemens Germany as part of talent / potential development, contributing to key governance and controlling functions of Medium Voltage & Systems Head Quarters.

He has been part of multiple Siemens Talent programs and has gone through various management trainings locally and internationally in UAE, Portugal, Netherlands and Germany. Ghazali has successfully participated in and completed two Global Certified Potential Development Programs in Siemens.

Before being appointed as the CFO, he served as the Head of Finance & Commercial Director of the Operating Company Digital Industries in Siemens Pakistan.

He completed his qualifications from ACCA(UK), CIMA(UK) and is also a graduate from the Oxford Brookes University (UK).

# Chairman's Review Report



I am pleased to present the Annual Report for Financial Year 2024 to the stakeholders of Siemens Pakistan Engineering Co. Limited.

The financial year 2024 has shown signs of recovery in terms of improved economic conditions with stable currency exchange rate, declining inflation rate and central bank's policy rate. However, country's growth rate remained at a modest 2.5% during the outgoing fiscal year. The upcoming year is predicted to be largely the same. The team is committed to capitalizing on all available opportunities and remaining agile to best serve its customers.

I can confirm that the current members of the Board have extensive expertise in the areas of business management, strategy, finance, corporate governance, legal and administration. Further, all members of the Board are cognizant of their fiduciary duty to the Company and its shareholders and have ensured that this obligation is always kept top of mind.

During the year under review, the Board performed its duties diligently to uphold the best interests of the shareholders of the Company. The Board continued to guide the affairs of the Company in an effective and efficient manner.

I take pleasure in welcoming Mr. Usman Ansari and Ms. Silvia Oppus to the board as they have been appointed to fill casual vacancies that arose on the board since last year and extend my best wishes to the outgoing members.

As Chairman of the Board, I affirm that all directors are encouraged to contribute and deliberate on strategic and governance-related topics, and that inputs from the independent directors, the director representing minority shareholders, and the directors having relevant expertise on such topics are consulted and given due consideration before taking any decision. The Board and its Committees' have ensured the evaluation and compensation of the Chief Executive, Chief Financial Officer and Company Secretary as well as the evaluation of the Head of Internal Audit.

The Board has clearly defined the terms of reference of its committees and the members are appointed after considering their requisite skills and experience. Further, the Board and its committees met regularly during the year and exercised their governance roles after due deliberation on each matter placed before them. The Board and its committees have in place a formal process for annual self-evaluation to ensure that the performance of the directors, collectively and individually, remains highly satisfactory.

On behalf of the Board, I take this opportunity to thank our employees, shareholders, customers, and other stakeholders for their utmost dedication, sustained support, and trust in the Company.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Karl Werner', written in a cursive style.

**Karl Stefan Werner**  
Chairman of the Board

# Directors' Report

## Dear Shareholders,

We, the undersigned, for and on behalf of the Board of Directors are pleased to present the Siemens (Pakistan) Engineering Co. Ltd. ("Company") annual report and the audited financial statements for the financial year ended September 30, 2024 ("FY 2024"), together with auditor's report thereon.

Due to improvements in macro-economic factors, easing of import restrictions and conversion of a healthy order back log, the Company has posted 20% growth in revenue from continuing operations. Some key performance trends are mentioned below:

- New orders of Rs. 26.1 billion were recorded, which includes orders secured by Energy business of Rs. 16.9 billion, Smart Infrastructure of Rs. 5.5 billion and Digital Industries of Rs. 3.4 billion.
- Sales for the year increased by Rs. 5.8 billion from continuing operations as compared to FY 2023. The increment in sales revenue was largely contributed by Industrial Business Segments (i.e. Smart Infrastructure and Digital Industries), which recorded an increase of Rs. 4.4 billion as compared to FY 2023.
- Despite of healthy topline, the Company has incurred a loss before levies and income tax of Rs. 1.8 billion. This was mainly caused by unrealized loss recorded on re-measurement of foreign currency embedded derivatives amounting to Rs. 2.6 billion arising due to appreciation of PKR against foreign currencies underlying the host contracts and net finance cost amounting to Rs. 2.0 billion arising on financing obtained for execution of large-scale projects in energy business.

An overview of the key indicators is presented here:

Key Performance Indicators	FY 2024	FY 2023
	<b>(Rupees in millions)</b>	
New Orders	26,079	38,027
Net sales and services (continuing and discontinued operations)	35,166	30,747
(Loss) / profit before income tax from continuing operations	(2,339)	1,813*
Net loss from discontinued operations	-	(446)
Net (loss) / profit for the year (continuing and discontinued operations)	(2,048)	971
(Loss) / earnings per share (Rupees)	(248.34)	117.72
(Loss) / earnings per share from continuing operations (Rupees)	(248.34)	171.78

\*Restated – please refer note 3.19 of the annual financial statements.

For movement in reserves please refer to 'Statement of Changes in Equity' in the financial statements.

## Dividend

Keeping in view the current year's loss and cash flow requirements of the Company, the Board has recommended no dividend for FY 2024.

## Company Principle Activities and Business Segments

The Company operates through the business portfolios Smart Infrastructure, Digital Industries and Energy focusing on the areas of power generation and distribution, smart grids and smart buildings, and automation and digitalization in the process and manufacturing landscape.

Smart Infrastructure intelligently connects energy systems, buildings and industries to enhance the way we live and work through greater efficiency and sustainability. Digital Industries helps its customers unlock their full potential as a partner providing cutting-edge technologies for the automation and digitalization of discrete and process industries. The Energy value chain includes generation, transmission, new energy business, industrial applications and renewables.

## Risks, Uncertainties and Mitigations

The Company is exposed, inter alia, to the following general risks which are mitigated through specific response plans:

### A) Operational risks

The operational risks are related to project management (such as timely completion of the projects and change in estimates/plan costs), EHS, and supply chain management.

The Company addresses these risks in the course of its business by dedicating resources with requisite skills and expertise. The management determines risk response strategies for such risks, which include an “avoid, transfer, reduce, or accept” strategy.

### B) Financial risks

Financial risk has been described in detail in note 50 of the attached financial statements that include market, credit, and liquidity risks.

### C) Compliance risk

The Company has a zero-tolerance policy for non-compliant activities and behaviors. The Company further understands that non-compliance with laws and regulations may result in imposition of penalties, debarment, black-listing, license cancellation, etc. To mitigate such risks, the Company has implemented a very comprehensive and effective compliance function.

Further, the Business Conduct Guidelines (BCG) clearly define the Company's expectations from all directors, executives and employees of the Company and from those with whom it conducts business. The Company encourages employees and business partners to report compliance violations that they encounter with confidence that there will be no adverse consequences for doing so. To facilitate the process, various reporting channels, such as the compliance helpdesk “Tell Us”, have been established on the Company's website.

## Environment, Health, and Safety (EHS)

Protecting the environment, conserving our natural resources, fostering the health and performance of our employees, as well as safeguarding their working conditions are core to our social and business commitment at Siemens. The challenges posed by the pandemic has led the Company to adopt the 'New Normal' to answer the challenges of our time and to improve the quality of life for generations to come.

At Siemens, we prioritize the mental well-being of our employees as an integral part of our commitment to their overall welfare. We deeply understand the pivotal role a healthy mental state plays in ensuring our employees' success and satisfaction. To facilitate this, we have established a partnership with Saaya Health for our Employee Assistance Program. Through this collaboration, we have taken proactive steps to actively engage with our employees by conducting various training and awareness sessions specifically focused on promoting mental health within the workplace. These sessions aim to equip our workforce with the knowledge and tools necessary to manage stress, maintain a positive work-life balance, and seek support when needed. Our ongoing efforts reflect our dedication to fostering a supportive and mentally healthy work environment for all our employees.

In this regard our focus is on the importance of the Degree Framework and Siemens EHS Essentials such as electrical safety, well-being of our employees and road safety. It constitutes a 360-degree approach for all stakeholders – our customers, our suppliers, our investors, our people, the societies we serve, and our planet. These topics remain crucial in our effort to achieve Zero Harm Culture and “Healthy and Safe@Siemens” which remain crucial EHS aspects. We firmly believe that ensuring and behaving in a safe manner demonstrates discipline, which in turn leads to sustainable development.

## Corporate Social Responsibility

Good corporate citizenship has been an integral component of the Company's philosophy since Werner Von Siemens founded the company in 1847. We have three focus areas for our corporate citizenship. Access to Technology, Access to Education and Sustaining Communities. At Siemens, we strive to transform the everyday for everyone, not only through our products and portfolio, but also by establishing partnerships and social initiatives that scale our societal impact. Working with partners who share our values enables us to realize new ways of encountering with our brand and creating credible narratives in an engaging context. Our activities in Corporate Citizenship also contribute to advances in the SDGs across the board.

In FY 2024, the Company has continued to work closely on initiatives for fulfilling its social responsibility. The Company has actively participated in various social initiatives, such as fostering the educational needs of children with special needs and creating an environment of inclusive learning by supporting Taaleem initiative of NOWPDP (Network of organizations working for people with disabilities Pakistan).

Moreover, we are proud to contribute to the advancement of education by donating the **Siemens Innovation Center**, a fully equipped laboratory to NED University. This initiative is designed to provide students with hands-on experience and access to cutting-edge technology, bridging the gap between academic learning and real-world industrial practices.

The Company also extended its support to the Indus Hospital & Health Network through a significant contribution aimed at acquiring essential medical equipment that will deliver critical treatment to patients in need. This donation reflects Siemens' unwavering commitment to enhancing healthcare access and improving the overall well-being of vulnerable communities across the country.

**"Shana Bashana" – Side by Side** is an integrated development partnership between the German Agency for International Cooperation (GIZ) and the Company, dedicated to promoting equality and addressing prevalent gender biases in vocational training throughout the country.

Comprehensive information can be viewed in the Sustainability and Corporate Citizenship section of the Annual Report.

## Adherence to Best Practices of Corporate Governance

The Company is determined to meet and, wherever possible, exceed all legal and ethical requirements and to conduct all business according to the highest standards and practices. The Board defines a path of continuous improvement by constantly challenging existing processes. It also requires the Company to embrace change so that the Company is well-positioned when new opportunities arise. This also means attracting the best talent in the marketplace and providing them with the skills and opportunities required to excel.

For the purpose of clause 5.6.4. of the Rulebook of PSX, the Board has defined the expression "executives" to mean Managing Director, Chief Financial Officer, Company Secretary, all direct reports of MD, CFO, and Company Secretary, relevant financial reporting staff involved in closing and reporting activities, and all employees whose basic salary exceeds PKR 3.6 million in a financial year.

## Composition of the Board and its Committees and number of Meetings and attendance during the Financial Year 2024

Composition of the Board and its committees, number of meetings of the Board and its committees, and attendance therein, is as follows:

Composition		Board Meeting held/ Attended	Audit Meeting held/ Attended	Human Resource and Remuneration Meeting held/ Attended	Nomination Meeting held/ Attended
Syed Muhammad Daniyal	MD/CEO Executive Director	5/5	N/A	N/A	N/A
Mr. Karl Stefan Werner	Non-Executive Director	5/5 (Chairman)	4/4	3/2*	1/1
Mr. Qazi Sajid Ali	Independent Director	5/5	N/A	3/3 (Chairman)	N/A
Ms. Ayla Majid	Independent Director	5/5	4/4 (Chairwoman)	N/A	N/A
Mr. Oliver Spierling	Non-Executive Director	5/5	N/A	3/3	1/1 (Chairman)
Mr. Harald Griem	Non-Executive Director	5/5	4/4	N/A	N/A
Mr. Adnan Afridi	Non-Executive Director	5/5	4/4	N/A	N/A
Mr. M. Usman Ansari	Non-Executive Director	5/5	N/A	N/A	N/A

\*As a result of vacancy in the Committee, Mr. Karl Stefan Werner joined as a member w.e.f January 25, 2024.

## Directors' Statements

We are pleased to state that:

- The financial statements, prepared by the management of the Company, fairly represent its state of affairs, including the result of its operations, cash flows and changes in equity;
- Proper books of account have been maintained by the Company;
- Appropriate accounting policies have been consistently applied in preparation of financial statements;
- The accounting estimates are based on reasonable and prudent judgment;
- International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs), as applicable in Pakistan, have been followed in preparation of financial statements;
- The system of internal control, including internal controls over financial reporting, is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the Company's ability to continue as a going concern; and
- There has been no material departure from the best practices of corporate governance, as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

## Statement of Compliance

The Company strictly adheres to the principles of corporate governance and has implemented all prescribed stipulations. The same have been summarized in the enclosed statement of compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 duly reviewed by the external auditors.

## Directors' Remuneration Policy

The Board has approved a Directors' Remuneration Policy, which describes in detail the policy's objectives and a transparent procedure for determination of the remuneration packages of individual directors for attending meetings of the board and its committees. Salient features, amongst others, of the Directors' Remuneration Policy are as follows:

- Level of remuneration shall be commensurate with the needs of the business, strategic alignment and the best interests of the Company and its shareholders.
- Level of remuneration shall be as per market practice of comparable companies/industry.
- While determining remuneration, no discrimination shall be made based on gender.
- Remuneration shall be sufficient to attract and retain qualified and skilled individuals on the board to govern the Company successfully.
- Remuneration shall justify the time and expertise that is required to be spent by the directors to fulfil their responsibilities.
- Remuneration shall be sufficient to encourage value addition.
- Remuneration shall not be at a level that could be perceived to compromise the independence of the directors.
- Managing Director/Chief Executive Officer, Executive Director and Directors representing the majority shareholder will not be entitled to any remuneration in accordance with the Articles of Association of the Company.
- Remuneration will be fixed for the entire term of the Board prior to each election of the directors (once every three years).
- Recommendation from Independent Consultant on level of remuneration to be fixed should be obtained for benchmarking.

## Directors' Remuneration

Details of aggregate amount of remuneration separately of executive and non-executive directors are disclosed in note 46 to the financial statements.

## Evaluation of the Board's Performance

The Board has approved a formal policy and a process has been put in place for conducting annual performance evaluation of the Board and its committees. The purpose of the evaluation is to ensure that the Board's performance is measured with reference to overall corporate objectives, governance structure of the Company, statutory and regulatory compliance, effectiveness, collaboration and value addition. Performance evaluation for FY 2024 was conducted as per the process approved by the Board, and overall performance and effectiveness of the Board is categorized as "strong". All members of the Board participated in performance evaluation and provided their feedback.

## Composition of Board of Directors

The total number of elected directors is seven (7) as per the following:

- Male: Six (6)
- Female: One (1)

The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Qazi Sajid Ali Ms. Ayla Majid
Non-Executive Directors	Mr. Adnan Afridi Mr. Oliver Spierling Mr. Karl Stefan Werner Mr. M. Usman Ansari *Ms. Silvia Oppus *Mr. Harald Griem
Executive Director	Syed Muhammad Daniyal - Managing Director

\* Ms. Silvia Oppus has been appointed as director with effect from October 1, 2024, in place of Mr. Harald Griem and in accordance with section 155(3) of the Companies Act, 2017.

## External Auditors

The current auditors, M/s. A. F. Ferguson & Co. (a member firm of PwC network, 'AFF'), Chartered Accountants, retire at the conclusion of the upcoming Annual General Meeting, and being eligible, offer themselves for reappointment as external auditors of the Company.

In line with the recommendation of the Audit Committee, the Board has proposed reappointment of AFF until the next annual general meeting at a fee to be mutually agreed.

## Corporate Status

The Company is a subsidiary of Siemens Aktiengesellschaft, Germany (Siemens AG), which is incorporated under the laws of the Republic of Germany and holds 74.65% shares of the Company as at September 30, 2024.

Subsequent to year-end the parent company:

- entered into a Share Purchase Agreement with National Investment Trust Limited ("NIT") for the purchase of all Company shares held by NIT and funds under its management; and
- purchased additional shares from other shareholders via NDM platform of the stock exchange.

As a result of above, the cumulative holding of the parent company stands at 92.1% of the paid-up share capital of the Company as at November 28, 2024.

## Pattern of Shareholding

The Company is listed on Pakistan Stock Exchange Limited. The detailed pattern and categories of its shareholding including shares held by directors and executives, if any, are annexed to the Annual Report.

## Investments in Retirement Benefits

The Company maintains provident and gratuity funds for its permanent employees, which are regulated through the respective board of trustees. The value of investments of these funds as per their respective audited financial statements, are as follows:

Rupees in millions			
	June 30, 2023	June 30, 2022	June 30, 2021
<b>Provident Fund</b>	<b>387.505</b>	6.378	669.301
	September 30, 2023	September 30, 2022	September 30, 2021
<b>Gratuity Fund</b>	-	-	217.215

## Post Balance Sheet Non-Adjusting Events and Significant Developments during FY 2024

There have been no material changes or events from September 30, 2024, to the date of this report, which have an impact on these financial statements.

The Board of Directors (the Board) in their meeting held October 11, 2024, have approved the sale and transfer of the Company's Energy Business Segment to a separate non-affiliated entity of Siemens Energy Group. Subsequently, this has also been approved by the shareholders in the Extra Ordinary General Meeting held on November 22, 2024. The final closure of the transaction is subject to other regulatory approvals.

## The Company's Future Outlook

Post carve-out the Company's business shall comprise of Smart Infrastructure and Digital Industries portfolio. During the year these businesses have generated profitable operations. The Company closely monitors challenges that can impact its progress. The current improvement in business environment presents an opportunity to consolidate its position in the market and deliver on its promises towards customers and stakeholders.

## Acknowledgement

We take this opportunity to thank our valued customers who have continued to place trust in our products and services and have provided sustained support in ensuring the progress of the Company. The Company is very proud of its employees for their committed and passionate efforts, loyalty and dedication. We also greatly value the support and cooperation of all stakeholders who are contributing towards the growth of our Company.

We would also like to extend our sincerest gratitude to our shareholders for the confidence and trust they have placed on us, and for their unwavering support.

### On behalf of the Board



**Qazi Sajid Ali**  
Director



**Syed Muhammad Daniyal**  
Managing Director

Karachi, November 28, 2024

## Notes and Forward Looking Statement

This document contains statements related to our future business and financial performance and future events or developments that may constitute forward-looking statements. These statements may be identified by words such as "expect," "look forward to," "anticipate," "intend," "plan," "believe," "seek," "estimate," "will," "project" or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders. Such statements are based on the current expectations and certain assumptions of management, of which many are beyond Siemens' control. These are subject to a number of risks, uncertainties and factors, including, but not limited to those described in this report. Should one or more of these risks or uncertainties materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. Siemens' neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

# Board Committees

## Terms of Reference of Audit Committee

The Terms of Reference for the Audit Committee shall be as follows:

1. Determination of appropriate measures to safeguard the company's assets;
2. Review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:
  - (i) major judgmental areas;
  - (ii) significant adjustments resulting from the audit;
  - (iii) going concern assumption;
  - (iv) any changes in accounting policies and practices;
  - (v) compliance with applicable accounting standards;
  - (vi) compliance with these regulations and other statutory and regulatory requirements; and
  - (vii) all related party transactions.
3. Review of preliminary announcements of results prior to external communication and publication;
4. Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
5. Review of management letter issued by external auditors and management's response thereto;
6. Ensuring coordination between the internal and external auditors of the company;
7. Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
8. Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
9. Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
10. Review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
11. Instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
12. Determination of compliance with relevant statutory requirements;
13. Monitoring compliance with these regulations and identification of significant violations thereof;
14. Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
15. Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof; and
16. Consideration of any other issue or matter as may be assigned by the board of directors.

### Terms of Reference of Human Resources and Remuneration Committee

The Terms of Reference for the Human Resource and Remuneration Committee shall be as follows:

1. Recommend to the board for consideration and approval of a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the board which shall normally include the first layer of management below the chief executive officer level;
2. Undertaking annually a formal process of evaluation of performance of the board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;
3. Recommending human resource management policies to the board;
4. Recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, company secretary and head of internal audit;
5. Consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer; and
6. Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company.

### Terms of Reference of the Nomination Committee

The Terms of Reference for the Nomination Committee shall be as follows:

1. Responsible for considering and making recommendations to the Board in respect of the Board committees and the chairmanship of the Board committees.
2. Responsible for keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.
3. Any other matter which is ancillary to the TOR mentioned above.

In case of any conflict in the Terms of Reference of the Nomination Committee with the terms of the Human Resource and Remuneration Committee, the matter shall be referred to the Board of Directors for decision.

# Key Operating and Financial data

Six Years Summary	2024	2023	2022	2021	2020	2019
	(Rupees in '000)					
<b>Trading Results</b>						
New orders	26,078,544	38,027,016	38,747,023	22,251,029	12,508,542	15,849,831
Net turnover	35,166,298	30,746,663	20,910,705	14,348,950	12,805,375	16,672,924
Export of goods and services	664,620	782,009	467,389	412,742	243,602	301,025
Contracts executed outside Pakistan	872	85,549	30,331	189,842	794,936	1,360,682
Gross profit	2,221,163	4,967,802	4,989,358	2,424,641	890,448	2,502,658
Operating profit / (loss)	156,396	2,073,635	2,612,529	1,112,280	(55,437)	1,431,148
(Loss) / profit before tax from continuing operations	(2,338,966)	1,813,007	2,580,292	1,142,204	(226,684)	1,198,487
(Loss) / profit before tax from discontinued operations	-	(523,986)	9,270	-	-	-
Gain on sale of business / sale of assets classified as held for sale - before tax	-	114,933	-	247,851	-	-
(Loss) / profit before tax	(2,338,966)	1,403,954	2,589,562	1,390,055	(226,684)	1,198,487
(Loss) / profit after tax	(2,048,087)	970,844	1,680,849	850,005	(496,015)	709,468
Earnings before interest, taxes, depreciation and amortisation (excluding one time gain on sale of business / sale of assets classified as held for sale)	370,989	2,253,105	2,805,342	1,324,293	146,895	1,600,862
Final dividend	-	-	379,364	379,364	82,470	379,364
<b>Financial Position</b>						
Share capital	82,470	82,470	82,470	82,470	82,470	82,470
Reserves and Retained Earnings	5,314,343	7,706,977	7,109,059	5,723,827	4,886,187	5,904,974
Property, plant and equipment	395,695	258,299	326,151	300,355	279,935	378,120
Net current assets	2,235,611	6,759,061	6,321,240	5,068,831	4,125,236	4,232,193
Long-term / deferred liabilities	969,471	584,488	491,672	642,437	858,151	90,033
<b>Investors Information</b>						
Gross profit ratio	6.32%	16.16%	23.86%	16.90%	6.95%	15.01%
EBITDA Margin to sales	1.05%	7.33%	13.42%	9.23%	1.15%	9.60%
Return on equity / capital employed	-37.95%	12.46%	23.37%	14.64%	-9.98%	11.85%
Inventory turnover ratio (in times)	3.15	2.88	4.25	4.03	3.49	2.95
Inventory turnover ratio (no. of days)	116	127	86	91	105	124
Debtor turnover ratio (in times)	2.44	2.44	1.90	1.56	1.49	1.97
Debtor turnover ratio (no. of days)	149	150	192	235	244	186
Creditor turnover ratio (in times)	1.73	1.99	2.32	1.94	2.00	2.09
Creditor turnover ratio (no. of days)	212	184	158	188	183	175
Operating cycle (no. of days)	54	93	120	137	166	135
Total assets turnover ratio (in times)	1.00	0.99	1.02	0.90	0.85	0.97
Fixed assets turnover ratio (in times)	107.54	105.22	66.75	49.45	38.92	43.52
Current ratio	1.09	1.22	1.41	1.45	1.51	1.41
Quick / acid test ratio	1.02	1.06	1.27	1.33	1.41	1.29
Cash dividend per share (Rs)	-	-	46	46	10	46
Dividend yield ratio	-	-	0.07	0.08	0.02	0.07
Interest cover ratio	(0.16)	6.78	44.66	42.25	(0.27)	6.01
Breakup value per share (Rs)	654.39	944.51	872.01	704.05	602.48	726.01
Market value per share (Rs)	465	636	700	582	585	645
<b>Share price during the year</b>						
High (Rs)	820	919	770	688	864	981
Low (Rs)	449	560	559	480	490	530
(Loss) / earnings per share (Rs)	(248.34)	117.72	203.81	103.07	(60.14)	86.03
(Loss) / profit before tax in percent to sales	-6.65%	6.19%	12.38%	9.69%	-1.77%	7.19%
(Loss) / profit after tax in percent of sales	-5.82%	3.16%	8.04%	5.92%	-3.87%	4.26%
<b>Cash Flows</b>						
Net cash flow from operating activities	3,910,072	(4,610,970)	(249,366)	2,017,041	890,897	942,633
Net cash flow from investing activities	(250,214)	258,565	(113,844)	176,507	(68,550)	(140,220)
Net cash flow from financing activities	3,728,080	(202,915)	(564,521)	(227,405)	(145,741)	(616,239)
Net change in cash and cash equivalents	7,387,938	(4,555,320)	(927,731)	1,966,143	676,606	186,174

# Sustainability and Corporate Citizenship



**SIEMENS**

# Sustainability

As a sustainable company, we aim to ensure profitable, long-term growth, lasting value for all our stakeholders, and a positive impact on the economy, society, and the environment. We are convinced that sustainability, with its various challenges throughout the world, creates many new business opportunities for Siemens. Managing sustainability within Siemens includes both the sustainable development of Siemens and of the countries and societies in which we operate, as well as the environment. It comes down to do business in a responsible manner by evaluating business decisions at an early stage so that possible risks can be mitigated responsibly, and potential opportunities can be supported. This is a company-wide endeavor that is embedded in our business purpose, our corporate culture, our code of business conduct (Business Conduct Guidelines). Our decisions and activities are designed to create long-term value for present and future generations.

## Our DEGREE framework sets clear and measurable ambitions

### **D**ecarbonization

support the 1.5°C target to fight global warming

### **E**thics

foster a culture of trust, adhere to ethical standards, and handle data with care

### **G**overnance

apply state-of-the-art systems for effective and responsible business conduct

### **R**esource efficiency

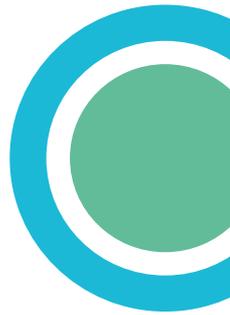
achieve circularity and dematerialization

### **E**quity

foster diversity, inclusion, and community development to create a sense of belonging

### **E**mployability

enable our people to stay resilient and relevant in a permanently changing environment



# Corporate Citizenship

Good corporate citizenship is a cornerstone of Siemens' social commitment. We are dedicated to enriching the communities where we operate, creating real and lasting impact. Through our Corporate Citizenship (CSR) initiatives, Siemens contributes to building sustainable communities, based on the core values of responsible, excellent and innovative.

Our efforts focus on three key areas: Access to Technology, Access to Education, and Sustaining Communities. We aim to empower individuals and foster partnerships that make a meaningful difference, creating long-lasting societal impact that benefits the communities we serve.

## Indus Hospital & Health Network

Siemens Pakistan is proud to extend its support to the Indus Hospital & Health Network through a significant contribution aimed at acquiring a lifesaving machine, an essential piece of medical equipment that will deliver critical treatment to patients in need. This donation reflects Siemens' unwavering commitment to enhancing healthcare access and improving the overall well-being of vulnerable communities across the country.

This initiative underscores the importance of collaboration in the healthcare sector, as we work together to ensure that everyone has access to the vital medical services they require.



Through this partnership, Siemens Pakistan is dedicated to fostering a future where quality healthcare is within reach for all, reaffirming its mission to make a meaningful impact on the lives of those who need it most.

## NED University of Engineering and Technology

Siemens Pakistan recognize the importance of fostering connections with the broader community for the sustainable advancement of society. Through our innovative technologies, local engagement, and thoughtful leadership, we strive to make a difference in the lives of those around us.

We engage with universities to promote incubation of innovative ideas and upskill students to become industry ready workforce.

We are proud to contribute to the advancement of education by establishing the Siemens Innovation Center, a fully equipped lab, at NED University. This initiative is designed to provide students with hands-on experience and access to cutting-edge technology, bridging the gap between academic learning and real-world industrial practices. By fostering an environment where students can engage with industry-grade equipment, Siemens Pakistan is committed to empowering the next generation of engineers and innovators, helping them develop the practical skills and knowledge needed to excel in today's fast-evolving industrial landscape.



# Diversity, Equity & Inclusion

At Siemens, we promote a culture of diversity equity & inclusion to support and empower our people.

The Company also promotes gender equality in terms of compensation framework which is structured strictly based on pay Levels, which are determined by non-discriminatory factors such as years of experience, role responsibilities, and job performance. This system ensures fair compensation for employees in equivalent roles regardless of gender, aligning with Siemens commitment to gender equality and inclusion. The Company's analysis for the financial year ended September 30, 2024, exhibits no material differentiation in pay structure across genders.

## Shana Bashana

“Shana Bashana” – Side by Side is an integrated development partnership between the German Agency for International Cooperation (GIZ) and Siemens Pakistan, dedicated to promoting gender equality and addressing prevalent gender biases in vocational training throughout the country. This partnership aims to elevate women within Pakistan's infrastructure landscape by integrating them into the workforce through Technical and Vocational Education and Training (TVET) and providing them with Workplace-Based Training (WBT). This unique program seeks to empower and enhance the employability of women through STEM education, particularly in a male-dominated field.



To support this objective, Siemens Pakistan has provided industry exposure through WBT to 44 remarkable women this year selected from the TVET sector. The updated training focus includes non-conventional trades.

We aspire to further promote this ongoing partnership by inviting collaboration with industry partners for long-term sustainability, aiming to advance a gender-neutral industry. This includes providing gender-sensitive teaching and learning materials (TLM) through WBT.

## Network of Organizations Working For People With Disabilities Pakistan

Siemens Pakistan partnered with NOWPDP (Network of organizations working for people with disabilities Pakistan) to support the Taaleem initiative, which aims to enhance educational access for children with special needs. Siemens contributed to the construction of a dedicated classroom for these underserved communities.

This initiative reflects our commitment to diversity, equity, and inclusion, as we empower individuals and strengthen community ties. By focusing on the educational needs of children with special needs, Siemens Pakistan strives to create a lasting impact and foster an inclusive environment where every individual's potential is recognized.



The presence of these children made our Independence Day celebration particularly meaningful, as they joined our employees in performing the national anthem in sign language. Through these efforts, we reaffirm our dedication to driving positive change and building a brighter future for all.

# Financial Report 2024



**SIEMENS**



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Siemens (Pakistan) Engineering Co. Ltd.

### Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Siemens (Pakistan) Engineering Co. Ltd. (the Company) for the year ended September 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2024.

**A. F. Ferguson & Co**  
**Chartered Accountants**  
**Karachi**

**Date: December 20, 2024**  
**UDIN: CR202410056r4ES5sGif**

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▪ KARACHI ▪ LAHORE ▪ ISLAMABAD

# Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 Siemens (Pakistan) Engineering Co. Ltd.

For the year ended September 30, 2024

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (here-in-after referred as 'Regulations') in the following manner:

- The total number of directors (including Managing Director) as at September 30, 2024 is eight (8) as per the following:
  - Male: Seven (7)
  - Female: One (1)
- The composition of the Board during the year ended September 30, 2024 remained as follows:

Category	Name
Independent Directors	Mr. Qazi Sajid Ali Ms. Ayla Majid (Female Director)
Non-Executive Directors	Mr. Adnan Afridi Mr. Oliver Spierling Mr. Karl Stefan Werner Mr. M. Usman Ansari Mr. Harald Griem ( <i>Resigned w.e.f. September 30, 2024</i> )
Executive Director	Syed Muhammad Daniyal

Further, Ms. Silvia Oppus has been appointed as director upon the resignation of Mr. Harald Griem with effect from October 01, 2024 in accordance with section 155(3) of the Companies Act, 2017 (the Act).

NOTE: For the purpose of the rounding up of the fraction in connection with compliance with clause 6 of the Regulations, the Company has not rounded up the fraction as one since as it currently stands, the Board has adequate skill set.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- The Company has prepared a Code of Conduct named as "Business Conduct Guidelines" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Act and the Regulations.
- The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
- The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
- Five directors are duly certified from approved institutions as per the Directors' Training requirements. While other directors have extensive senior management experience.
- The Board has approved the appointment of Head of internal audit including his remuneration and terms and conditions as well as change in remuneration of Chief Financial Officer and Company Secretary. The Board has complied with relevant requirements of the Regulations.
- Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed following Committees comprising of following members as at September 30, 2024 :

Members of Audit Committee	Designation
Ms. Ayla Majid	Chairwoman (Independent Director)
Mr. Adnan Afridi	Non-Executive Director
Mr. Karl Stefan Werner	Non-Executive Director
Mr. M. Usman Ansari**	Non-Executive Director

Members of Human Resource and Remuneration Committee	Designation
Mr. Qazi Sajid Ali	Chairman (Independent Director)
Mr. Oliver Spierling	Non-Executive Director
Mr. Karl Stefan Werner*	Non-Executive Director

Members of Nomination Committee	Designation
Mr. Oliver Spierling	Chairman (Non-Executive Director)
Mr. Karl Stefan Werner*	Non-Executive Director

\*As a result of relinquishment of Mr. Markus Strohmeier from the position of Director, there arose a vacancy in the Human Resource and Remuneration Committee and Nomination Committee, which was duly filled with the nomination of Mr. Karl Stefan Werner w.e.f. January 25, 2024.

\*\*As a result of resignation of Mr. Harald Griem from the position of Director w.e.f. September 30, 2024, there arose a vacancy in the Audit Committee, which was duly filled with the nomination of Mr. M. Usman Ansari in the Audit Committee with effect from October 01, 2024.

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committees during the year ended September 30, 2024 were as per following:
- Audit Committee: Four
  - Human Resource and Remuneration Committee: Three
  - Nomination Committee: One
15. The Board has set up an effective internal audit function which is managed by the employees of Siemens AG who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard,
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for compliances planned for next year in respect of non-mandatory requirements issued during the year by

## Statement of Compliance

Securities and Exchange Commission of Pakistan, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Matter	Regulation No.	Explanation
<p><b><u>Significant Policies</u></b></p> <p>The significant policies may include but not limited to the anti-harassment policy to safeguard the rights and well-being of employees, incorporating the mechanism as prescribed under the Protection Against Harassment of Women at the Workplace Act 2010 and the respective provincial laws on the protection against harassment of women at workplace for the time being in force.</p>	10(4)	<p>The Company's Code of Conduct covers the element of workplace harassment. In addition, the requirements introduced recently by SECP through its notification dated June 12, 2024 are being incorporated in an independent anti-harassment policy.</p>
<p><b><u>Environmental, Social and Governance (ESG) matters</u></b></p> <p>The Board is responsible for setting the company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a dedicated sustainability committee having at least one female director.</p>	10(A)	<p>At present the Board provides governance and oversight in relation to the Company's initiatives on Environmental, Social and Governance (ESG) matters. In addition, the requirements introduced recently by SECP through notification dated June 12, 2024 will be complied with in due course.</p>



**Karl Stefan Werner**  
Chairman

## INDEPENDENT AUDITOR'S REPORT

**To the members of Siemens (Pakistan) Engineering Co. Ltd.**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the annexed financial statements of Siemens (Pakistan) Engineering Co. Ltd. (the Company), which comprise the statement of financial position as at September 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2024 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	<p><b>Accounting for execution of contracts</b></p> <p>(Refer notes 2.4, 3.14 and 29 to the annexed financial statements)</p> <p>The Company recognised Rs 20,415.748 million i.e., 58% of its revenue from execution of contracts in accordance with IFRS 15 ‘Revenue from Contracts with Customers’, under the percentage-of-completion method as the customer obtains control of the goods or services over the time. Percentage of completion of a contract is determined by applying ‘cost-to-cost method’ by reference to the proportion that contract cost incurred to date bears to the total estimated contract cost.</p> <p>The recognition of revenue on execution of contracts involves management’s assessments regarding costs of completion of contracts in progress.</p> <p>These estimates are based on the prices of materials and services applicable at that time, forecasted increases and expected completion date at the time of such estimation. Such estimates are reviewed at regular intervals. Any subsequent changes in the prices of materials and services compared to forecasted prices and changes in the time of completion affect the results of the subsequent periods.</p> <p>We have identified this as a key audit matter due to involvement of significant management’s estimate and judgments regarding costs of completion of contracts in progress.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• We obtained understanding of the Company’s accounting policy and methods used to recognise the revenue and controls and estimates involved in assessment of costs of completion of contracts in progress and any changes therein.</li> <li>• We inspected the sample of contracts and their terms and conditions including contractually agreed delivery of goods and services.</li> <li>• We carried out inquiries from project management personnel with respect to the development and amendments of the projects, reasons for deviations between planned and actual costs, and the current estimated costs to complete the contracts and related correspondence with the customers. Further, we recalculated the revenue impacts on account of changes in cost estimates.</li> <li>• We considered the adequacy of the Company’s disclosures in accordance with applicable financial reporting framework.</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

### Other Matter

The financial statements of the Company for the year ended September 30, 2023 were audited by another firm of Chartered Accountants who through their report dated December 18, 2023 expressed an unmodified opinion thereon.

The engagement partner on the audit resulting in this independent auditor's report is Osama Moon.

**A. F. Ferguson & Co**  
**Chartered Accountants**  
**Karachi**

**Date: December 20, 2024**  
**UDIN: AR202410056xveVrRpHn**

# Statement of Financial Position

As at September 30, 2024

	Note	2024 (Rupees in '000)	2023
<b>Equity and liabilities</b>			
<b>Share capital and reserves</b>			
<b>Share capital</b>			
- Authorised		200,000	200,000
20,000,000 (2023: 20,000,000) Ordinary shares of Rs 10 each			
- Issued, subscribed and paid-up	6	82,470	82,470
<b>Reserves</b>			
Capital	7	624,192	624,192
Revenue	7	4,690,151	7,082,785
		5,314,343	7,706,977
<b>Total equity</b>		<b>5,396,813</b>	<b>7,789,447</b>
<b>Non-current liabilities</b>			
Lease liabilities	8	-	21,856
Deferred liabilities	9	863,634	496,219
Retention money		105,837	66,413
		969,471	584,488
<b>Current liabilities</b>			
Trade and other payables	10	15,175,613	20,002,471
Contract liabilities	11	4,105,624	4,270,483
Current portion of lease liabilities	8	20,079	23,212
Short-term borrowings	12	4,000,497	4,048,937
Provisions	13	960,212	1,208,441
Taxation - net		839,375	642,834
Unpaid dividend		-	250,752
Unclaimed dividend		29,828	29,911
		25,131,228	30,477,041
<b>Total liabilities</b>		<b>26,100,699</b>	<b>31,061,529</b>
<b>Contingencies and commitments</b>			
	14		
<b>Total equity and liabilities</b>		<b>31,497,512</b>	<b>38,850,976</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	395,695	258,299
Right-of-use assets	16	14,265	36,742
Intangible assets	17	6,329	-
Long-term loans and trade receivables	19	2,253,196	952,109
Deferred tax asset - net	20	1,461,188	367,724
		4,130,673	1,614,874
<b>Current assets</b>			
Inventories	21	1,857,824	4,923,408
Trade receivables	22	15,189,763	13,588,379
Contract assets	23	3,026,608	9,446,457
Loans and advances	24	365,783	130,301
Deposits and short-term prepayments	25	172,529	434,323
Derivative financial instruments	26	764,944	5,532,505
Other receivables	27	1,682,190	2,212,532
Cash and bank balances	28	4,307,198	968,197
		27,366,839	37,236,102
<b>Total assets</b>		<b>31,497,512</b>	<b>38,850,976</b>

The annexed notes 1 to 57 form an integral part of these financial statements.



**Syed Muhammad Daniyal**  
Managing Director



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer



**Qazi Sajid Ali**  
Director

Siemens (Pakistan) Engineering Co. Ltd.  
**Statement of Profit or Loss**

For the year ended September 30, 2024

		2024	2023 (Restated - note 3.19)
	Note	(Rupees in '000)	
<b>Continuing operations</b>			
<b>Net sales and services</b>	29	35,166,298	29,351,725
Cost of sales and services	30	(30,348,382)	(27,059,417)
Unrealised (loss) / gain on derivatives - net	26.3	(2,596,753)	3,093,691
<b>Gross profit</b>		<b>2,221,163</b>	<b>5,385,999</b>
Marketing and selling expenses	31	(1,503,331)	(1,109,631)
Allowance for expected credit losses	32	(316,047)	(1,289,942)
General administrative expenses	33	(273,297)	(408,443)
		<b>(2,092,675)</b>	<b>(2,808,016)</b>
Other income	34	30,394	14,048
Other operating expenses	35	(2,486)	(37,330)
Net other operating income / (expenses)		<b>27,908</b>	<b>(23,282)</b>
<b>Operating profit</b>		<b>156,396</b>	<b>2,554,701</b>
Financial income	36	48,946	43,977
Financial expenses	37	(2,019,069)	(329,260)
Net financial expenses		<b>(1,970,123)</b>	<b>(285,283)</b>
<b>(Loss) / profit before levy and income tax from continuing operations</b>		<b>(1,813,727)</b>	<b>2,269,418</b>
Levy	38	(525,239)	(456,411)
<b>(Loss) / profit before income tax from continuing operations</b>		<b>(2,338,966)</b>	<b>1,813,007</b>
Income tax	39	290,879	(396,331)
<b>Net (loss) / profit for the year from continuing operations</b>		<b>(2,048,087)</b>	<b>1,416,676</b>
<b>Discontinued operations</b>			
Net loss for the year from discontinued operations	4	-	(445,832)
<b>Net (loss) / profit for the year</b>		<b>(2,048,087)</b>	<b>970,844</b>
Basic and diluted (loss) / earnings per share (Rupees)	40	(248.34)	117.72
Basic and diluted (loss) / earnings per share for continuing operations (Rupees)	40	(248.34)	171.78

The annexed notes 1 to 57 form an integral part of these financial statements.



**Syed Muhammad Daniyal**  
Managing Director



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer



**Qazi Sajid Ali**  
Director

# Statement of Comprehensive Income

For the year ended September 30, 2024

	2024	2023
Note	(Rupees in '000)	
Net (loss) / profit for the year	(2,048,087)	970,844
Other comprehensive (loss) / income for the year that will not be reclassified to statement of profit or loss in subsequent periods:		
Recognition of remeasurement loss on defined benefit plan	(331,215)	(10,251)
Deferred tax thereon	(13,332)	16,689
Other comprehensive (loss) / income for the year - net of tax	(344,547)	6,438
Total comprehensive (loss) / income for the year	<u>(2,392,634)</u>	<u>977,282</u>

The annexed notes 1 to 57 form an integral part of these financial statements.



**Syed Muhammad Daniyal**  
Managing Director



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer



**Qazi Sajid Ali**  
Director

# Statement of Cash Flows

For the year ended September 30, 2024

	2024	2023	
	(Rupees in '000)		
Cash flows from operating activities	Note		
Cash generated from / (used in) operations	41	6,471,524	(3,390,613)
Payment to gratuity fund	9.1.1	(64,882)	(61,156)
Payment to Workers' Profit Participation Fund (WPPF)		(24,000)	(9,112)
Payment to Workers' Welfare Fund (WWF)		(53,281)	(24,040)
Financial expenses paid		(1,274,674)	(267,552)
Levy and income tax paid		(1,144,615)	(858,497)
Net cash generated from / (used in) operating activities		3,910,072	(4,610,970)
<b>Cash flows from investing activities</b>			
Capital expenditure incurred		(296,266)	(49,068)
Proceeds from sale of property, plant and equipment		10,213	10,408
Proceeds from sale of business		-	266,431
Financial income received		35,839	30,794
Net cash (used in) / generated from investing activities		(250,214)	258,565
<b>Cash flows from financing activities</b>			
Dividends paid		(250,835)	(127,593)
Repayment of long-term financing		-	(34,222)
Proceeds from short-term loans		4,000,497	-
Repayment of lease liabilities	8	(21,582)	(41,100)
Net cash generated from / (used in) financing activities		3,728,080	(202,915)
Net increase / (decrease) in cash and cash equivalents		7,387,938	(4,555,320)
Cash and cash equivalents at beginning of the year		(3,080,740)	1,474,580
Cash and cash equivalents at end of the year	42	4,307,198	(3,080,740)

The annexed notes 1 to 57 form an integral part of these financial statements.



**Syed Muhammad Daniyal**  
Managing Director



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer



**Qazi Sajid Ali**  
Director

# Statement of Changes in Equity

For the year ended September 30, 2024

	Issued, subscribed and paid-up share capital	Capital reserves			General reserves	Revenue reserves		Total
		Share premium	Treasury shares reserve	Other capital reserve		Remeasurement loss on defined benefit plan - net of tax	Accumulated profits	
----- (Rupees in '000) -----								
<b>Balance as at September 30, 2022</b>	82,470	619,325	567	4,300	4,523,026	(196,148)	2,157,989	7,191,529
<b>Transaction with owners</b>								
Final dividend @ Rs 46/- per Ordinary share of Rs 10/- each for the year ended September 30, 2022	-	-	-	-	-	-	(379,364)	(379,364)
<b>Total comprehensive income for the year</b>								
Net profit for the year ended September 30, 2023	-	-	-	-	-	-	970,844	970,844
Other comprehensive income for the year	-	-	-	-	-	6,438	-	6,438
	-	-	-	-	-	6,438	970,844	977,282
<b>Balance as at September 30, 2023</b>	<b>82,470</b>	<b>619,325</b>	<b>567</b>	<b>4,300</b>	<b>4,523,026</b>	<b>(189,710)</b>	<b>2,749,469</b>	<b>7,789,447</b>
<b>Total comprehensive loss for the year</b>								
Net loss for the year ended September 30, 2024	-	-	-	-	-	-	(2,048,087)	(2,048,087)
Other comprehensive loss for the year	-	-	-	-	-	(344,547)	-	(344,547)
	-	-	-	-	-	(344,547)	(2,048,087)	(2,392,634)
<b>Balance as at September 30, 2024</b>	<b>82,470</b>	<b>619,325</b>	<b>567</b>	<b>4,300</b>	<b>4,523,026</b>	<b>(534,257)</b>	<b>701,382</b>	<b>5,396,813</b>

The annexed notes 1 to 57 form an integral part of these financial statements.



**Syed Muhammad Daniyal**  
Managing Director



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer



**Qazi Sajid Ali**  
Director

# Notes to the Financial Statements

For the year ended September 30, 2024

## 1. LEGAL STATUS AND OPERATIONS

**1.1** Siemens (Pakistan) Engineering Co. Ltd. (the Company) was incorporated in Pakistan in the year 1953 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in the execution of projects under contracts and in manufacturing, sale and installation of electronic and electrical capital goods. The Company's registered office is situated at B-72, Estate Avenue, S.I.T.E., Karachi. The geographical location of other offices and plant is given in note 54 to these financial statements.

## 1.2 Discontinued operations

In the prior year, the Board of Directors of the Company in its meeting held on October 4, 2022, approved, in principle, the sale of the Company's ERP value added reselling solution and service business (the business) to TMC (Private) Limited. The requisite regulatory approvals were obtained and the sale of the business stood complete on April 1, 2023. Consequently, the business was economically transferred to TMC (Private) Limited. However, in case of certain contracts where legal transfer is pending (pending contracts), the Company will continue to manage such contracts and the related receivable and payable balances on behalf of TMC (Private) Limited.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

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

### 2.2 Basis of measurement

These financial statements have been prepared under the 'historical cost' convention except as mentioned in the respective notes to these financial statements.

### 2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees (Rs) which is the functional currency of the Company and figures are rounded off to the nearest thousand of rupees, unless otherwise specified.

### 2.4 Use of estimates, assumptions and judgments

The preparation of financial statements in conformity with accounting standards as applicable in Pakistan requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

These estimates are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In preparing these financial statements, the significant estimates, assumptions and judgments made by the management in applying accounting policies include:

- Refund liabilities (note 3.2)
- Provision for warranty obligations and losses on sales contracts (note 3.3)
- Contingent liabilities (note 3.3)
- Method of depreciation and amortisation, residual values, useful lives and impairment on property, plant and equipment (note 3.5)
- Allowance for expected credit losses (loss allowance) on doubtful contract assets, deposits, trade and other receivables (note 3.6.1)
- Provision for taxation and deferred taxation (note 3.8)
- Provisions against inventories (note 3.9)
- Actuarial assumptions for the gratuity scheme and provision thereagainst (note 3.1.1 and 9.1)
- Costs of completion of contracts in progress (notes 3.14 and 29.1)
- Derivative financial instruments (note 3.16) and
- Share based payment transactions (note 3.18)

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below:

#### 3.1 Employees' retirement benefits

The Company's retirement benefit plans comprise of defined benefit plans and a defined contribution plan.

##### 3.1.1 Defined Benefit Plans

The Company operates an approved funded and unfunded gratuity scheme for all its regular permanent employees.

Provisions are made in the financial statements to cover obligations on the basis of actuarial valuation carried out annually under the Projected Unit Credit method and are recognised in the statement of profit or loss. Remeasurement gains / losses are recognised directly to equity through other comprehensive income (OCI) and are not reclassified to profit or loss in subsequent periods.

All past service costs are recognised at the earlier of when the amendments or curtailment occurs and when the Company has recognised related retirement or termination benefits. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income in the statement of profit or loss.

##### 3.1.2 Defined Contribution Plan

The Company also operates a provident fund scheme for all its regular permanent employees. Equal monthly contributions are made to the fund, both by the Company and the employees at the rate of 10 percent of the aggregate of basic salary and cost of living allowance, wherever applicable.

#### 3.2 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation under the contract.

It also includes refund liabilities arising out of customers' right to claim amounts that the Company ultimately expects it will have to return to the customer on account of contractual delays in delivery of performance obligations and incentive on target achievements for dealers. The Company updates its estimates of refund liabilities at the end of each reporting period.

#### 3.3 Provisions and contingent liabilities

A provision is recognised in the statement of financial position when the Company has a present (legal or constructive) obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The expense relating to a provision is presented in the statement of profit or loss.

The Company accounts for its warranty obligations when the underlying products or services are sold or rendered. The provision is estimated based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

The Company recognises the provision for losses on sales contracts when the unavoidable costs (directly attributable costs of fulfilling the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

### 3.4 Non-current assets (or disposal group) classified as held for sale and Discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets (or disposal groups) are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A discontinued operation is a component of the Company's business that has been discontinued or disposed off or is held-for-sale. Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative period.

### 3.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for capital-work-in-progress which are stated at cost less accumulated impairment losses, if any. Cost in relation to self manufactured assets includes direct cost of materials, labour and applicable manufacturing overheads. If the cost of certain components of an item of property, plant and equipment are significant in relation to the total cost of the item, they are accounted for and depreciated separately.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of assets are taken to statement of profit or loss.

Capital-work-in-progress consist of expenditure incurred in respect of operating fixed assets in the course of their acquisition, construction and installation and advances made thereagainst. These are transferred to respective items of property, plant and equipment on becoming available for use.

Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Company.

Depreciation is charged to statement of profit or loss applying the straight-line method whereby, the cost of an asset is written off over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use and on disposals upto the month of deletion, if not already fully depreciated. The residual value, depreciation method and the useful lives of each class of property, plant and equipment are reviewed, and adjusted if appropriate, at each reporting date.

### 3.6 Impairment

#### 3.6.1 Financial assets

The Company recognises an impairment for lifetime expected credit losses (loss allowance) for all financial assets, other than those held at fair value through profit or loss. The Company applies a simplified approach to assess the loss allowance from trade receivables, contract assets and other receivables by applying their lifetime expected credit losses. Loss allowances are set up representing a forward-looking estimate of future credit losses involving significant judgment. Loss allowance is the gross carrying amount less collateral, multiplied by the probability of default derived from internal rating grades and a factor reflecting the loss in the event of default. Loss allowances are not recognised when the gross carrying amount is sufficiently collateralised. However, in certain cases, the Company has also considered a financial asset to be in default when there is an objective evidence of impairment including internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For other assets such as bank balances, deposits, etc., the Company also applies a low credit risk simplification and evaluates whether these assets consider to have low credit risk using all reasonable and supportable information that is available without undue cost and efforts including external credit ratings assesses by reputable agencies, etc.

### 3.6.2 *Non-Financial assets*

The carrying values of non-financial assets other than inventories and deferred tax assets are assessed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the recoverable amount is estimated. An impairment loss is recognised, as an expense in statement of profit or loss, for the amount by which an asset's carrying amount exceeds its recoverable amount. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

### 3.7 **Levy of income tax**

As per the IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, the Company recognises minimum tax or final tax paid, if any, on gross amount of revenue or other basis as levy within the scope of IFRIC 21 / IAS 37 and recognise it as an operating expense. Any excess over the amount designated as levy is then recognised as current income tax expense falling under the scope of IAS 12.

### 3.8 **Taxation**

#### 3.8.1 *Current*

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with Income Tax Ordinance, 2001. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

#### 3.8.2 *Deferred*

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and the tax laws that have been enacted or substantively enacted by the date of statement of financial position.

Deferred tax liability is recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and unused tax credits. A deferred tax asset is recognised only when it is probable that future taxable profits (which is sensitive to certain key assumptions such as progress of executory projects, sales volume, gross margin percentage, product pricing and inflation rates etc.) will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax charged is recognised in profit or loss, however deferred tax relating to items recognised in OCI / Equity is recognised directly in OCI / Equity.

#### 3.8.3 *Offsetting*

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 3.9 **Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost of finished goods, both manufactured and purchased, raw material and components is determined on weighted average basis. The cost of work-in-process and finished goods includes direct materials, labour and applicable production overheads. Inventories in transit are stated at invoice price plus directly attributable charges incurred thereon up to the reporting date.

The Company reviews the carrying amount of inventories on an on-going basis and as appropriate, inventory is written down to its net realisable value or provision is made for obsolescence if there is any change in usage pattern and / or physical form of related inventory.

Net realisable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessarily to be incurred to make the sale.

### 3.10 **Contract assets**

Contract assets arise on long term construction contracts when the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due for the earned consideration that is conditional. It is measured at cost plus profit recognised to date less progress billing and recognised losses; and any related loss allowance thereagainst. Cost includes all expenditures related directly to specific projects and an allocation of fixed and variable overheads incurred.

The Company generally becomes entitled to invoice customers for execution of construction contract based on achieving a series of performance-related milestones as per the respective contracts.

### 3.11 Cash and cash equivalents

Cash and cash equivalents are stated at cost and comprise of cash in hand, cheques in hand and deposits held with banks subject to an insignificant risk of changes in value with less than three months maturity from the date of acquisition. Running finance facilities availed by the Company, which are repayable on demand and form an integral part of the Company's cash management are considered as part of cash and cash equivalents for the purpose of statement of cash flows.

### 3.12 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly loans and borrowings and related expenses, cash and bank balances and related income, corporate assets and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

### 3.13 Foreign currencies

Foreign currency transactions are translated into Pakistani Rupees at exchange rates prevailing on the date of transaction. All monetary assets and liabilities in foreign currencies are re-translated at the rates of exchange prevailing at the reporting date. Exchange gains and losses are included in statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

### 3.14 Revenue recognition and other income

#### (a) Revenue from contract with customers

Revenue from sale of goods is recognised at a point in time when the customer obtains control of the goods or services.

Service revenue is recognised over the contractual period or as and when services are rendered to customers.

The Contract revenue generated from execution of long term construction-type contracts is accounted for under the percentage-of-completion method as the customer obtains control of the goods or services over the time. Contract revenue and contract costs relating to such contracts are recognised as revenue and expenses respectively by reference to stage of completion of contract activity at the reporting date. Stage of completion of a contract is determined by applying 'cost-to-cost method' by reference to the proportion that contract cost incurred to date bears to the total estimated contract cost. Contract revenue on construction contracts valuing less than Rs 10 million and / or duration upto six months is recognised using completed contract method.

On contract inception and at each reporting date, the variable consideration element in a contract arising from penalty on account of contractual delays (liquidated damages) is assessed. The resultant variable consideration, being below a particular threshold of the total contract value, is charged to cost of sales and services. Correspondingly, a refund liability is recognised against the expected liquidated damages up to the contract completion.

When it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

Contract modifications which may be a change in the scope or price (or both) are included in contract revenue to the extent that they have been agreed with the customer and create enforceable rights and obligations.

#### (b) Other income

- Financial income is recognised as it accrues, using the effective mark-up rates.
- All other incomes are recognised on an accrual basis.

### 3.15 Financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through OCI or fair value through profit or loss. This classification depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures all financial assets at cost, which is the fair value of consideration given. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost, the financial asset gives rise on specified dates to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding and the Company holds such financial assets with an objective to collect contractual cash flows. Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss (FVTPL) include financial assets held for trading (including derivatives unless they are designated as effective hedging instruments), financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. These are carried in the statement of financial position at fair value with net changes in fair value recognised in statement of profit or loss.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit or loss, loans and borrowings, payables, or as derivatives, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. These are subsequently measured at fair value or amortised cost as the case may be. Gains or losses are recognised in statement of profit or loss.

The Company derecognises the financial assets and financial liabilities when it ceases to be a party to contractual provisions of such instruments.

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

### 3.16 Derivative financial instruments

The Company uses derivative financial instruments to cover its exposure to foreign exchange arising from operational activities, if possible. Any unrealised gain or loss from re-measuring the derivative financial instrument at fair value is recognised in statement of profit or loss.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are used as economic hedges and are not designated as hedging instruments in hedge relationships as defined by IFRS 9. These are recognised in the statement of financial position at estimated fair value with corresponding effect to the statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

### 3.17 Dividends

Dividend is recognised as a liability in the period in which it is approved.

### 3.18 Share based payment transactions

The fair value of the amount payable in cash to employees in respect of share based schemes is recognised as an expense, with a corresponding increase in liabilities, over the period that the employees become entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as salaries, wages and employee welfare expense in statement of profit or loss.

### 3.19 Amendments to approved accounting and reporting standards effective during the year

The Company has adopted the following amendments to IFRSs for financial reporting which became effective during the current year:

#### Amendments to approved accounting and reporting standards

IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)
IAS 8	Definition of Accounting Estimates (Amendments)
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)
IAS 12	International Tax Reform – Pillar Two Model Rules (Amendments)

The adoption of the above amendments to the approved accounting and reporting standards did not have any material effect on the Company's financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

Further, during the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). The said guidance requires the Company to recognise minimum tax or final tax on gross amount of revenue or other basis as levy within the scope of IFRIC 21 / IAS 37 as an operating expense. Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors', which is as follows:

Effect on statement of profit or loss	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
<b>For the year ended September 30, 2024</b>			
Levy	-	525,239	525,239
Loss before income tax	(1,813,727)	(525,239)	(2,338,966)
Income Tax	(234,360)	525,239	290,879
<b>For the year ended September 30, 2023</b>			
Levy	-	499,331	499,331
Profit before income tax	1,903,285	(499,331)	1,403,954
Income Tax	(932,441)	499,331	(433,110)

The related changes to the statement of cash flows with respect to the amount of (loss) / profit before taxation have been made, however there has been no effect on the Statement of Financial Position, net (loss) / profit for the year or (loss) / earnings per share and Statement of Changes in Equity.

### 3.20 Standards and amendments to published accounting and reporting standards that are not yet effective

The following amendments to published accounting and reporting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or amendments:

Amendments	Effective date (annual periods beginning on or after)
IAS 1 Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments)	January 01, 2024
IAS 7 / IFRS 7 Disclosures: Supplier Finance Arrangements (Amendments)	January 01, 2024
IFRS 16 Lease Liability in a Sale and Leaseback (Amendments)	January 01, 2024
IAS 21 Lack of exchangeability (Amendments)	January 01, 2025
IFRS 7 / IFRS 9 Amendments to the Classification and Measurement of Financial Instruments (Amendments)	January 01, 2026
IFRS 10 / IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised

The above amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 First time adoption of IFRSs	January 01, 2004
IFRS 17 Insurance Contracts	January 01, 2023
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability	January 01, 2027

The Company is in the process of assessing the impact of these new standards on the Company's financial statements.

#### 4. DISCONTINUED OPERATIONS

4.1 As stated in note 1.2 to these financial statements, the results of the disposal group are presented below:

Discontinued operations	Note	2024 (Rupees in '000)	2023 (Restated - note 3.19)
<b>Net sales and services</b>		-	1,394,938
Cost of sales and services		-	(1,722,657)
Unrealised loss on derivatives		-	(90,478)
<b>Gross loss</b>		-	(418,197)
Marketing and selling expenses		-	(72,060)
Reversal of allowance for expected credit losses		-	4,711
		-	(67,349)
Other income		-	4,502
Other operating expenses		-	(22)
Net other operating income		-	4,480
<b>Loss before levy and gain on sale of business</b>		-	(481,066)
Levy		-	(42,920)
<b>Loss before gain on sale of business</b>		-	(523,986)
Gain on sale of business - net of income tax		-	78,154
<b>Net loss for the year</b>		-	(445,832)
Basic and diluted loss per share (Rupees)	40	-	(54.06)

4.2 The net cash flows from the disposal group are, as follows:

#### Cash flows from discontinued operations

Net cash flows from operating activities	-	(853,588)
Net cash flows from investing activities	-	148,938
Net cash flows from discontinued operations	-	(704,650)

#### 5. OPERATIONS IN AFGHANISTAN

Effective December 31, 2015, the Company ceased to participate in further business in Afghanistan due to withdrawal of sales rights by Siemens AG for the Afghanistan territory. However, the Company will continue to execute the orders in hand as at September 30, 2024 amounting to Rs 50.437 million (2023: Rs 51.315 million). The execution of the orders in hand is subject to removal of global sanctions and revocation of suspension due to force majeure event.

#### 6. ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARE CAPITAL

Ordinary shares of Rs 10/- each			2024	2023
2024	2023		(Rupees in '000)	
(No. of shares)				
6,217,780	6,217,780	Issued for cash	62,178	62,178
81,700	81,700	Issued for consideration other than cash	817	817
1,526,800	1,526,800	Issued as bonus shares	15,268	15,268
(56,683)	(56,683)	Treasury shares	(567)	(567)
477,440	477,440	Issued under a scheme of amalgamation	4,774	4,774
<u>8,247,037</u>	<u>8,247,037</u>		<u>82,470</u>	<u>82,470</u>

6.1 Siemens Aktiengesellschaft (Siemens AG, the parent company) held 6,156,782 Ordinary shares (2023: 6,156,782 Ordinary shares) of Rs 10/- each, constituting 74.65% of the issued share capital of the Company as at September 30, 2024.

6.2 Voting rights, board selection, right of first refusal and block voting are in proportion to the respective shareholding.

7. RESERVES	Note	2024 (Rupees in '000)	2023
<b>Capital</b>			
Share premium	7.1	619,325	619,325
Treasury shares reserve	7.2	567	567
Other capital reserve		4,300	4,300
		<u>624,192</u>	<u>624,192</u>
<b>Revenue</b>			
General reserves		4,523,026	4,523,026
Remeasurement loss on defined benefit plan - net of tax		(534,257)	(189,710)
Accumulated profits		701,382	2,749,469
		<u>4,690,151</u>	<u>7,082,785</u>

**7.1** This represents premium of Rs 50/- per share on the issue of 186,340 Ordinary shares of Rs 10/- each and Rs 70/- per share on the issue of 223,608 Ordinary shares of Rs 10/- each during the years ended September 30, 1988 and 1990, respectively, and premium of Rs 1,277/- per share on the issue of 477,440 Ordinary shares of Rs 10/- each under the scheme of amalgamation during the year ended September 30, 2007. This amount was reduced by Rs 15.334 million on account of 56,683 Ordinary shares of Rs 10/- each bought back by the Company during the year ended September 30, 2003.

**7.2** This represents the amount by which the share capital of the Company was reduced on the buy back of 56,683 Ordinary shares of Rs 10/- each and transferred from the distributable profits of the Company to treasury shares during the year ended September 30, 2003. This reserve was created to comply with the requirements of Section 95A of the repealed Companies Ordinance, 1984.

8. LEASE LIABILITIES	Note	2024 (Rupees in '000)	2023
Balance at beginning of the year		45,068	80,325
New leases during the year		-	17,876
Accretion of interest during the year	37	3,458	7,258
Payments during the year		(21,582)	(41,100)
Terminations during the year		(6,865)	(19,291)
Balance at end of the year		<u>20,079</u>	<u>45,068</u>
Less: Current maturity of lease liabilities		<u>(20,079)</u>	<u>(23,212)</u>
		<u>-</u>	<u>21,856</u>

**8.1** The expense recognised during the year relating to short-term lease arrangements amounted to Rs 20.518 million (2023: Rs 18.593 million).

9. DEFERRED LIABILITIES	Note	2024 (Rupees in '000)	2023
Defined benefit plan - gratuity fund	9.1	835,060	453,209
Share based benefits	47	12,374	27,144
Others		16,200	15,866
		<u>863,634</u>	<u>496,219</u>

#### 9.1 Defined benefit plan - gratuity fund

As stated in note 3.1.1 to these financial statements, the Company operates two retirement benefit plans (the plans) namely approved funded gratuity scheme for all its permanent employees in Pakistan and an unfunded gratuity scheme for all its permanent employees in Afghanistan.

Plan assets held in trust are governed by local regulations which mainly includes Trust Act, 1882, Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the Plan. Responsibility for governance of the Plans, including investment and funding decisions and contribution schedules lies with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

The latest actuarial valuation was carried out on September 30, 2024 using the Projected Unit Credit Method, using the following significant financial assumptions:

- Discount rate of 12.5% (2023: 17.35%) per annum compound.
- Expected rate of increase in salaries 15% (2023: 15%) per annum.
- For Pakistan SLIC (2001-05) mortality table was considered.

The amounts recognised in the statement of financial position are as follows:

		2024			2023		
		Pakistan Funded	Afghanistan Unfunded	Total	Pakistan Funded	Afghanistan Unfunded	Total
<b>Note</b>		(Rupees in '000)					
Fair value of plan assets	9.1.1	355,472	-	355,472	291,706	-	291,706
Present value of defined benefit obligation	9.1.2	(1,190,532)	-	(1,190,532)	(725,856)	(19,059)	(744,915)
Deficit - recognised as liability in the statement of financial position	9.1.3	(835,060)	-	(835,060)	(434,150)	(19,059)	(453,209)
<b>9.1.1 Movement in the fair value of plan assets</b>							
Opening balance		291,706	-	291,706	326,041	-	326,041
Interest income		50,306	-	50,306	41,572	-	41,572
Contributions made by the Company		64,882	-	64,882	61,156	-	61,156
Benefits paid		(60,921)	-	(60,921)	(144,711)	-	(144,711)
Remeasurement gain	9.1.4	9,499	-	9,499	7,648	-	7,648
		355,472	-	355,472	291,706	-	291,706
<b>9.1.2 Movement in the present value of defined benefit obligation</b>							
Opening balance		725,856	19,059	744,915	708,472	15,535	724,007
Current service cost		64,882	-	64,882	61,156	1,595	62,751
Settlement loss		-	-	-	3,300	-	3,300
Interest expense		120,001	-	120,001	79,740	1,929	81,669
Benefits paid		(60,921)	(19,059)	(79,980)	(144,711)	-	(144,711)
Remeasurement loss	9.1.4	340,714	-	340,714	17,899	-	17,899
		1,190,532	-	1,190,532	725,856	19,059	744,915
<b>9.1.3 Movement in net liability in the statement of financial position is as follows:</b>							
Opening balance of liability		434,150	19,059	453,209	382,431	15,535	397,966
Expense recognised for the year	9.1.5	134,577	-	134,577	102,624	3,524	106,148
Contributions made by the Company		(64,882)	-	(64,882)	(61,156)	-	(61,156)
Benefits paid		-	(19,059)	(19,059)	-	-	-
Net remeasurement loss for the year recognised in OCI	9.1.4	331,215	-	331,215	10,251	-	10,251
		835,060	-	835,060	434,150	19,059	453,209
<b>9.1.4 Remeasurement loss / (gain) recognised in statement of other comprehensive income:</b>							
Remeasurement of present value of defined benefit obligation		303,775	-	303,775	(35,063)	-	(35,063)
Financial assumptions		36,939	-	36,939	52,962	-	52,962
Experience adjustments		340,714	-	340,714	17,899	-	17,899
Remeasurement of fair value of plan assets		(9,499)	-	(9,499)	(7,648)	-	(7,648)
		331,215	-	331,215	10,251	-	10,251
<b>9.1.5 The following amounts have been charged in the statement of profit or loss in respect of these benefits:</b>							
Current service cost		64,882	-	64,882	61,156	1,595	62,751
Settlement loss		-	-	-	3,300	-	3,300
Interest expense		120,001	-	120,001	79,740	1,929	81,669
Interest income on plan assets		(50,306)	-	(50,306)	(41,572)	-	(41,572)
		134,577	-	134,577	102,624	3,524	106,148

9.1.6 Major categories / composition of plan assets are as follows:

	Pakistan - Funded		Afghanistan - Unfunded	
	2024	2023	2024	2023
	-----%-----			
Treasury bills	14	-	-	-
Cash and cash equivalents	86	100	-	-
	100	100	-	-

9.1.7 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation			
	Pakistan		Afghanistan	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
	----- (Rupees in '000) -----			
Effect of change in discount rate	(39,490)	41,910	-	-
Effect of change in future salary increases	40,789	(38,820)	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

9.1.8 Expected maturity analysis of undiscounted cashflows

2024 2023  
(Rupees in '000)

Less than one year	93,004	68,412
Between one to two years	93,695	76,171
Between two to five years	479,557	376,650
Between five to ten years	1,288,307	1,038,388
	1,954,563	1,559,621

9.1.9 The expected interest income on plan assets is taken as weighted average of expected investment return on different assets of the gratuity fund.

9.1.10 During the year ending September 30, 2025, the Company plans to contribute to the defined benefit plan of Pakistan as per the recommendation of the actuary amounting to Rs 105.566 million.

9.1.11 The defined benefit plans expose the Company to the actuarial risks such as:

Withdrawal and mortality risks - Withdrawal risk is the risk of higher or lower withdrawal experience than assumed. Mortality risk is the risk that the actual mortality experience is different. Both risks depend on the beneficiaries' service / age distribution and the benefit.

Investment risk - The risk of the investment underperforming and not being sufficient to meet the liabilities. The risk is mitigated by closely monitoring the performance of investments.

Longevity risk - The risk arises when the actual lifetime of retirees is longer than expectation. The risk is measured at the plan level over the entire retiree population.

9.1.12 The weighted average duration of the defined benefit obligations is 7 years.

<b>10. TRADE AND OTHER PAYABLES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Trade creditors [including retention money of Rs 455.800 million (2023: Rs 413.159 million)]	10.1	9,601,086	17,857,230
Accrued liabilities		2,385,413	1,529,180
Payable against pending contracts	10.2	560,835	-
Accrued interest		986,856	245,919
Workers' Profit Participation Fund (WPPF)		38,269	-
Workers' Welfare Fund (WWF)		131,921	244,985
Derivative financial instruments	26.1	1,381,281	26,336
Withholding tax payable		38,610	50,147
Other liabilities		51,342	48,674
		<u>15,175,613</u>	<u>20,002,471</u>

**10.1** These include sums aggregating to Rs 3,114.859 million (2023: Rs 3,870.036 million) due in respect of related parties.

**10.2** This represents the net balance payable to TMC (Private) Limited (September 30, 2023: net receivable of Rs 122.697 million) on account of pending contracts as mentioned in note 1.2 to these financial statements.

<b>11. CONTRACT LIABILITIES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Advances from customers			
- for goods		1,035,674	937,129
- for projects and services	11.1	2,473,499	2,761,298
	11.2	3,509,173	3,698,427
Refund liabilities		596,451	572,056
		<u>4,105,624</u>	<u>4,270,483</u>

**11.1** This includes advance from a related party, Rousch (Pakistan) Power Limited having aggregate amount due of Rs 194.321 million (2023: Rs 166.006 million) as per the contractual payment terms.

**11.2** This includes billings in excess of Rs 1,845.408 million (2023: Rs 2,678.760 million) as per the contractual milestones.

<b>12. SHORT-TERM BORROWINGS</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
<b>Secured</b>			
Short-term running finances	12.1	-	4,048,937
Short-term loans	12.2	4,000,497	-
		<u>4,000,497</u>	<u>4,048,937</u>

**12.1** Facilities for secured bank overdraft arranged with commercial banks in Pakistan aggregated to Rs 12,800 million (2023: Rs 12,618 million) at interest rate ranging from 19.80% to 23.16% per annum (2023: 15.71% to 23.41% per annum). These are secured against joint hypothecation charges over inventories and trade receivables of the Company and a stand-by letter of credit arranged by Siemens AG (parent company) through the bank. As of reporting date, these remained fully unutilized by the Company.

**12.2** These represent loans for a period ranging from six to ten months under facilities obtained during the year under Islamic mode from a commercial bank in Pakistan at mark-up rate ranging from 19.93% to 22.11% per annum. These are secured against hypothecation charges over inventories and trade receivables of the Company.

**12.3** Facility for unsecured bank overdraft arranged with a commercial bank in the United Arab Emirates (UAE) aggregated to Rs 190.329 million (2023: Rs 196.535 million) at interest rate ranging between 7.46% to 9.20% per annum (2023: 7.95% to 9.08% per annum). As of reporting date, this remained fully unutilized by the Company.

**12.4** Facility is available from Siemens Financial Services (SFS) of Siemens AG, in respect of the projects in the United Arab Emirates (UAE). The mark-up on this facility ranging between 5.99% and 6.30% per annum (2023: 2.93% and 6.20% per annum). As of reporting date, this remained fully unutilized by the Company.

	Warranties	Losses on sales contracts	Total
	(Rupees in '000)		
<b>13. PROVISIONS</b>			
<b>2024</b>			
Balance at beginning of the year	641,274	567,167	1,208,441
Additional provision	438,882	4,417	443,299
Cost incurred	(37,543)	(472,884)	(510,427)
Reversal of unutilised amounts	(162,483)	(18,618)	(181,101)
Balance at end of the year	<u>880,130</u>	<u>80,082</u>	<u>960,212</u>
<b>2023</b>			
Balance at beginning of the year	502,960	146,192	649,152
Additional provision	349,429	556,711	906,140
Cost incurred	(41,509)	(103,813)	(145,322)
Reversal of unutilised amounts	(169,606)	(31,923)	(201,529)
Balance at end of the year	<u>641,274</u>	<u>567,167</u>	<u>1,208,441</u>

## 14. CONTINGENCIES AND COMMITMENTS

### 14.1 Contingencies

There are no material contingencies requiring disclosure in these financial statements as of reporting date.

### 14.2 Commitments

**14.2.1** As at September 30, 2024, capital expenditure contracted for but not incurred amounted to Rs 57.981 million (2023: Rs 67.517 million).

	2024	2023
	(Rupees in '000)	
<b>14.2.2</b> Guarantees		
- limit	<u>21,044,930</u>	21,288,688
- utilised portion	<u>19,355,211</u>	20,084,784
- unutilised portion	<u>1,689,719</u>	1,203,904

<b>14.2.3</b> Letters of credit		
- limit	<u>10,447,674</u>	7,810,886
- utilised portion	<u>5,955,631</u>	5,239,492
- unutilised portion	<u>4,492,043</u>	2,571,394

**14.2.4** The aggregate amount of commitments against various short-term lease arrangements for rental premises:

	2024	2023
	(Rupees in '000)	
- Not later than one year	<u>13,494</u>	10,806

<b>14.2.5</b> Other commitments		
- guarantees issued by Siemens AG (parent company) on behalf of the Company	<u>1,245,326</u>	-

	Note	2024	2023
		(Rupees in '000)	
<b>15. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	15.1	<u>370,024</u>	258,016
Capital-work-in-progress		<u>25,671</u>	283
		<u>395,695</u>	<u>258,299</u>

## 15.1 Operating assets

	As at October 1, 2023		During the year ended September 30, 2024		As at September 30, 2024		Depreciation rates			
	Cost	Accumulated depreciation	Net book value	Additions / (deletions)	Depreciation / (on deletions)	Net book value of disposals		Cost	Accumulated depreciation	Net book value
Leasehold improvements	81,769	38,449	43,320	- (14,577)	21,908 (14,577)	-	67,192	45,780	21,412	20, 25, 33.33 & 50
Plant and machinery	336,014	254,816	81,198	3,535 (18,305)	15,844 (17,097)	1,208	321,244	253,563	67,681	10
Furniture and fixtures	187,429	145,143	42,286	12,372 (6,589)	18,957 (6,466)	123	193,212	157,634	35,578	20 & 25
Office equipment	147,307	103,084	44,223	102,574 (32,466)	43,964 (31,365)	1,101	217,415	115,683	101,732	20 & 33.33
Vehicles	211,682	176,988	34,694	- (10,588)	17,882 (10,588)	-	201,094	184,282	16,812	25
Tools and patterns	398,029	385,734	12,295	143,958 (16,435)	29,370 (16,361)	74	525,552	398,743	126,809	20
<b>2024</b>	<b>1,362,230</b>	<b>1,104,214</b>	<b>258,016</b>	<b>262,439</b> <b>(98,960)</b>	<b>147,925</b> <b>(96,454)</b>	<b>2,506</b>	<b>1,525,709</b>	<b>1,155,685</b>	<b>370,024</b>	

----- (Rupees in '000) -----  
----- % -----

	As at October 1, 2022		During the year ended September 30, 2023		As at September 30, 2023			Depreciation rates		
	Cost	Accumulated depreciation	Net book value	Additions / (deletions)	Depreciation / (on deletions)	Net book value of disposals	Cost		Accumulated depreciation	Net book value
	(Rupees in '000)									
										%
Leasehold improvements	73,225	36,716	36,509	24,237 (15,693)	16,440 (14,707)	986	81,769	38,449	43,320	20, 25, 33.33 & 50
Plant and machinery	336,617	240,844	95,773	2,175 (2,778)	16,609 (2,637)	141	336,014	254,816	81,198	10
Furniture and fixtures	186,282	143,410	42,872	17,727 (16,580)	17,179 (15,446)	1,134	187,429	145,143	42,286	20 & 25
Office equipment	177,094	127,502	49,592	30,373 (60,160)	24,605 (49,023)	11,137	147,307	103,084	44,223	20 & 33.33
Vehicles	218,112	163,970	54,142	- (6,430)	19,448 (6,430)	-	211,682	176,988	34,694	25
Tools and patterns	401,634	384,242	17,392	4,144 (7,749)	9,241 (7,749)	-	398,029	385,734	12,295	20
2023	1,392,964	1,096,684	296,280	78,656 (109,390)	103,522 (95,992)	13,398	1,362,230	1,104,214	258,016	

**15.1.1** Operating fixed assets include items having an aggregate cost of Rs 834.951 million (2023: Rs 880.863 million) which have been fully depreciated and are still in use of the Company.

16. RIGHT-OF-USE ASSETS	Note	2024	2023
		(Rupees in '000)	
Opening net book value		36,742	68,339
Right-of-use assets recognised during the year		-	17,876
Depreciation for the year		(15,612)	(31,971)
Right-of-use assets disposed off during the year		(6,865)	(17,502)
Closing net book value	16.2	14,265	36,742
<b>16.1 Gross carrying value basis</b>			
Cost		125,086	131,951
Accumulated depreciation		(110,821)	(95,209)
Net book value		14,265	36,742
Depreciation rates per annum		16% - 20%	16% - 20%

16.2 The right-of-use assets comprise of properties leased by the Company for its operations.

## 17. INTANGIBLE ASSETS

	As at October 1, 2023			During the year ended September 30, 2024			As at September 30, 2024			Amortisation rate
	Cost	Accumulated amortisation	Net book value	Additions / (deletions)	Amortisation / on deletion	Net book value of deletions	Cost	Accumulated amortisation	Net book value	
	(Rupees in '000)									%
<b>2024</b>										
<b>Software</b>	58,897	58,897	-	8,439	2,110	-	67,336	61,007	6,329	33.33
	As at October 1, 2022			During the year ended September 30, 2023			As at September 30, 2023			Amortisation rate
	Cost	Accumulated amortisation	Net book value	Additions / (deletions)	Amortisation / on deletion	Net book value of deletions	Cost	Accumulated amortisation	Net book value	
	(Rupees in '000)									%
2023										
Software	58,897	58,897	-	-	-	-	58,897	58,897	-	33.33

17.1 Intangible assets include items having an aggregate cost of Rs 58.897 million (2023: Rs 58.897 million) which have been fully amortised and are still in active use of the Company.

18. Depreciation and amortisation have been allocated as follows:	Note	2024			2023
		Depreciation	Amortisation	Total	Total
		(Rupees in '000)			
Cost of sales and services	30.1	129,632	1,673	131,305	104,559
Marketing and selling expenses	31	27,963	360	28,323	24,944
General administrative expenses	33	5,942	77	6,019	5,990
		163,537	2,110	165,647	135,493

<b>19. LONG-TERM LOANS AND TRADE RECEIVABLES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
<b>Loans</b>			
Due from employees	19.1	2,527	3,247
Less: Due within one year shown under current assets	24	(1,506)	(1,655)
Long term portion		1,021	1,592
Discounting to present value		(176)	(244)
		<b>845</b>	<b>1,348</b>
<b>Trade receivables</b>			
Considered good		2,252,351	950,761
Considered doubtful		1,140,898	493,994
	22.2	3,393,249	1,444,755
Loss allowance		(1,140,898)	(493,994)
		<b>2,252,351</b>	<b>950,761</b>
		<b>2,253,196</b>	<b>952,109</b>

**19.1** These represent interest free loans as per the Company's policy, payable over a period of one to four years. Any outstanding amount due from an employee at the time of leaving the service of the Company is adjustable against the final dues including the retirement benefits.

<b>20. DEFERRED TAX ASSET - NET</b>	<b>2024</b> (Rupees in '000)	2023
Debit / (credit) balance arising in respect of:		
Unused tax credits	-	225,836
Provisions	495,237	446,405
Loss allowance	748,132	767,505
Defined benefit plan	46,176	51,481
Decelerated tax depreciation and amortisation	28,327	34,992
Lease liabilities	4,625	9,497
Derivative financial instruments	141,977	-
	<b>1,464,474</b>	<b>1,535,716</b>
Derivative financial instruments	-	(1,160,250)
Right-of-use assets	(3,286)	(7,742)
	<b>(3,286)</b>	<b>(1,167,992)</b>
	<b>1,461,188</b>	<b>367,724</b>

**20.1** Deferred tax expense of Rs 13.332 million (2023: Deferred tax income of Rs 16.689 million) routed through other comprehensive income relates to remeasurement loss on post-employment benefits. All other movements for deferred tax income / expense have been routed through profit or loss.

<b>21. INVENTORIES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Raw materials and components		664,548	1,203,005
Work-in-process		1,129,978	2,937,071
Finished goods		367,528	465,781
		<b>2,162,054</b>	<b>4,605,857</b>
Provision for slow moving and obsolete items		(515,622)	(243,483)
		<b>1,646,432</b>	<b>4,362,374</b>
Goods-in-transit		211,392	561,034
		<b>1,857,824</b>	<b>4,923,408</b>

<b>22. TRADE RECEIVABLES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
<b>Considered good</b>			
Due from related parties	22.1	6,675	992,484
Due from others		15,183,088	12,595,895
		<b>15,189,763</b>	<b>13,588,379</b>
Considered doubtful		1,435,474	2,333,293
	22.2	16,625,237	15,921,672
Loss allowance		(1,435,474)	(2,333,293)
		<b>15,189,763</b>	<b>13,588,379</b>

**22.1** Represents amounts due from Rousch (Pakistan) Power Limited and Siemens Energy affiliates having aggregate amounts of Rs 6.675 million (2023: Rs 1.256 million) and nil (2023: Rs 991.228 million) respectively. Further, the maximum aggregate amounts due at the end of any month during the year from Rousch (Pakistan) Power Limited was Rs 97.909 million (2023: Rs 40.070 million). During the year, Siemens Energy and its affiliated companies ceased to be related parties of the Company.

**22.2** Information relating to trade receivable ageing is presented in note 50.2 to these financial statements.

<b>23. CONTRACT ASSETS</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Considered good		3,026,608	9,446,457
Considered doubtful		491,386	652,128
		<u>3,517,994</u>	<u>10,098,585</u>
Loss allowance		(491,386)	(652,128)
		<u>3,026,608</u>	<u>9,446,457</u>

## **24. LOANS AND ADVANCES**

Current portion of loans due from employees	19	1,506	1,655
Advances to:			
Suppliers		349,232	122,809
Employees		15,045	5,837
		<u>364,277</u>	<u>128,646</u>
		<u>365,783</u>	<u>130,301</u>

## **25. DEPOSITS AND SHORT-TERM PREPAYMENTS**

### **Deposits**

Considered good		168,181	428,874
Considered doubtful		40,176	35,110
		<u>208,357</u>	<u>463,984</u>
Loss allowance		(40,176)	(35,110)
		<u>168,181</u>	<u>428,874</u>
<b>Prepayments</b>		<u>4,348</u>	<u>5,449</u>
		<u>172,529</u>	<u>434,323</u>

## **26. DERIVATIVE FINANCIAL INSTRUMENTS**

This represents the derivative contracts embedded in foreign currency host construction contracts entered into by the Company with its customers and suppliers which are used as economic hedges and are not designated as hedging instruments in hedge relationships. The economic characteristics and risks of such embedded contracts are not closely related to those of the host contracts and therefore are accounted for as separate derivatives and are carried at fair value though profit or loss. Fair values of embedded foreign currency derivatives are based on forward exchange rates for the due dates of the respective embedded derivatives.

<b>26.1 Fair value of embedded foreign currency derivatives</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Embedded foreign currency derivatives asset		764,944	5,532,505
Embedded foreign currency derivatives liability	10	(1,381,281)	(26,336)
	26.2	<u>(616,337)</u>	<u>5,506,169</u>

**26.2** Below is the reconciliation for change in fair value measurement of embedded derivatives net (liability) / asset position:

<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Fair value of embedded foreign currency derivatives - at the beginning of the year (net)	5,506,169	1,780,775
<b>Net (loss) / gain in fair value during the year - net of reversal on realisation</b>		
Continuing operations	(6,122,506)	3,815,872
Discontinued operations	-	(90,478)
	<u>(6,122,506)</u>	<u>3,725,394</u>
Fair value of embedded foreign currency derivatives - at the end of the year (net)	<u>(616,337)</u>	<u>5,506,169</u>

- 26.3** This includes net unrealised loss on sales contracts of Rs 2,603.001 million (2023: net unrealised gain of Rs 4,227.784 million) and unrealised gain on purchase contracts of Rs 6.248 million (2023: unrealised loss of Rs 1,134.093 million) recognised in respect of change in fair value of embedded foreign currency derivatives due to appreciation of Pak Rupees during the year vis a vis foreign currencies underlying the host contracts.

<b>27. OTHER RECEIVABLES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
Considered good			
Due from related parties	27.1	5,457	1,836
Costs reimbursable from customers		203,189	614,662
Sales tax refundable		1,382,592	1,381,063
Interest accrued		81,686	68,579
Receivable against pending contracts	10.2	-	122,697
Others		9,266	23,695
		<u>1,682,190</u>	<u>2,212,532</u>
Considered doubtful			
Costs reimbursable from customers		40,483	38,361
Others		96,679	86,816
		<u>137,162</u>	<u>125,177</u>
		<u>1,819,352</u>	<u>2,337,709</u>
Loss allowance		<u>(137,162)</u>	<u>(125,177)</u>
		<u>1,682,190</u>	<u>2,212,532</u>

- 27.1** Represents amount due from Siemens Industry Software (Private) Limited having an aggregate amount due of Rs 5.457 million (2023: Rs 1.836 million). Further, the maximum aggregate amount due at the end of any month during the year from Siemens Industry Software (Private) Limited was Rs 13.054 million (2023: Rs 12.667 million).

<b>28. CASH AND BANK BALANCES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
With banks in			
Current accounts		540,933	567,544
Deposit accounts	28.1	3,766,123	400,475
		<u>4,307,056</u>	<u>968,019</u>
Cash in hand		142	178
		<u>4,307,198</u>	<u>968,197</u>

- 28.1** Include amounts in deposit accounts having effective interest rates as disclosed in note 50.1 to the financial statements.

<b>29. NET SALES AND SERVICES</b>	<b>Note</b>	<b>2024</b> (Rupees in '000)	2023
<b>Sales disaggregation by type of contracts</b>			
Execution of contracts		20,415,748	19,993,059
Sale of goods		9,044,135	5,791,407
Rendering of services		5,706,415	3,567,259
	29.1	<u>35,166,298</u>	<u>29,351,725</u>
Sales tax		7,926,500	3,633,698
Gross sales and services		<u>43,092,798</u>	<u>32,985,423</u>
Sales tax		<u>(7,926,500)</u>	<u>(3,633,698)</u>
		<u>35,166,298</u>	<u>29,351,725</u>

- 29.1** The transaction price is generally fixed as per the contract with customers. Any variable consideration is estimated by using the most likely amount which is the single most likely amount in a range of possible consideration amounts.

In some cases, the transaction price needs to be allocated on the basis of relative stand-alone selling prices among the distinct performance obligations. The best evidence of a stand-alone selling price is the observable price of goods or services when the Company sells those goods or services separately in similar circumstances and to similar customers.

The revenue generated from execution of contracts is accounted for under the percentage-of-completion method wherein, the plan costs are estimated. These estimates are based on the prices of materials and services applicable at that time, forecasted increases and expected completion date at the time of such estimation. Such estimates are reviewed at regular intervals. Any subsequent changes in the prices of materials and services compared to forecasted prices and changes in the time of completion affect the results of the subsequent periods.

The payment terms are governed by the contractual rights and obligations as defined in the contracts with customers. Generally, in case of sales of goods and rendering of services, the Company has the present right to payment when the same has been delivered, rendered or accepted. Whereas, in case of execution of contracts, the right to payment is established on achieving performance-related contractual milestones.

**29.2** Revenue recognised during the year from the contract liability balance at the beginning of the year is Rs 1,735.929 million (2023: Rs 2,536.684 million).

**29.3** The following shows the most appropriate maturity time bands of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting year:

	Note	2024 (Rupees in '000)	2023
Subsequent 1st year		24,906,687	26,148,480
Subsequent 2nd year		5,855,477	13,563,504
Beyond 2nd year		9,625,836	10,022,316
		<u>40,388,000</u>	<u>49,734,300</u>

### 30. COST OF SALES AND SERVICES

Opening inventory of finished goods	21	465,781	211,621
Cost of goods manufactured and services rendered	30.1	26,235,862	23,826,312
Finished goods purchased		4,014,267	3,487,265
		<u>30,715,910</u>	<u>27,525,198</u>
Closing inventory of finished goods	21	(367,528)	(465,781)
		<u>30,348,382</u>	<u>27,059,417</u>

#### 30.1 Cost of goods manufactured and services rendered

Opening inventories			
Raw materials and components	21	1,203,005	520,569
Work-in-process	21	2,937,071	1,168,531
Goods-in-transit	21	561,034	414,011
		<u>4,701,110</u>	<u>2,103,111</u>
Purchase of goods and services		16,997,594	21,579,657
Salaries, wages and employees welfare	30.1.1	2,392,971	1,675,219
Gratuity		104,385	62,331
Provident fund contribution		55,010	45,223
Royalty	30.1.2	55,300	13,475
Research and development		5,906	3,814
Commission		9,351	47,515
Fuel, power and water		192,935	146,139
Repairs and maintenance		76,323	74,649
Rent, rates and taxes		127,102	99,043
Liquidated damages on contracts		204,122	205,399
Provision for warranty - net		276,399	178,428
(Reversal of provision) / provision for losses on sales contracts - net		(14,201)	524,788
Insurance		28,690	26,367
Provision for slow moving and obsolete items of inventories - net		272,139	72,021
Inventories (written back) / written off		(8,756)	42,631
IT, networking and data communication		318,387	333,730
Depreciation and amortisation	18	131,305	104,559
Travelling and conveyance		392,283	298,957
Transportation		797,592	739,100
Stationery, telex and telephone		54,926	32,253
Security		108,384	76,185
Exchange loss / (gain) - net		829,208	(41,954)
Legal and professional		27,960	5,103
Bank charges		173,548	158,412
Others		1,373	2,814
		<u>28,311,346</u>	<u>28,608,969</u>
Closing inventories			
Raw materials and components	21	(664,548)	(1,203,005)
Work-in-process	21	(1,129,978)	(2,937,071)
Goods-in-transit	21	(211,392)	(561,034)
		<u>(2,005,918)</u>	<u>(4,701,110)</u>
		<u>26,305,428</u>	<u>23,907,859</u>
Sale of scrap		(69,566)	(81,547)
		<u>26,235,862</u>	<u>23,826,312</u>

## Notes to the Financial Statements

**30.1.1** This includes employee separation costs amounting to Rs 542.187 million (2023: nil) on account of ongoing business remodeling in Smart Infrastructure business segment.

**30.1.2** Represents royalty payable to the parent company, Siemens AG, having registered office in Wittlesbacherplatz 2, 80333 Munich, Germany.

<b>31. MARKETING AND SELLING EXPENSES</b>	<b>Note</b>	<b>2024</b>	2023
		(Rupees in '000)	
Salaries and employees welfare		715,796	595,779
Gratuity		26,443	38,598
Provident fund contribution		27,772	25,156
Business support services		202,854	70,504
Fuel, power and water		20,344	23,444
Repairs and maintenance		9,973	18,022
Rent, rates and taxes		10,855	11,110
Advertising and sales promotion		34,789	13,569
Insurance		12,667	5,855
Trade, other receivables and deposits written off		9,990	2,240
Discounting of long-term loans - net		(68)	(245)
IT, networking and data communication		202,016	175,553
Depreciation and amortisation	18	28,323	24,944
Travelling and conveyance		56,678	34,458
Transportation		4,818	6,884
Stationery, telex and telephone		18,560	11,144
Security		11,829	21,276
Legal and professional		58,269	4,778
Bank charges		28,331	9,756
Fees and purchased services		30,351	23,597
		<u>1,510,590</u>	<u>1,116,422</u>
Commission income		<u>(7,259)</u>	<u>(6,791)</u>
		<u>1,503,331</u>	<u>1,109,631</u>
<b>32. ALLOWANCE FOR EXPECTED CREDIT LOSSES</b>			
Loss allowance on trade receivables - net		459,311	1,157,048
(Reversal of loss allowance) / loss allowance on contract assets - net		(160,742)	120,538
Loss allowance on deposits and other receivables - net		17,478	12,356
		<u>316,047</u>	<u>1,289,942</u>
<b>33. GENERAL ADMINISTRATIVE EXPENSES</b>			
Salaries and employees welfare	33.1	177,326	293,753
Gratuity		3,749	1,632
Provident fund contribution		2,379	1,563
Fuel, power and water		5,183	8,813
Repairs and maintenance		7,999	4,924
Rent, rates and taxes		2,601	4,136
Insurance		3,030	2,429
IT, networking and data communication		1,007	2,737
Depreciation and amortisation	18	6,019	5,990
Donations	33.2	7,609	2,500
Auditor's remuneration	43	16,095	9,454
Travelling and conveyance		14,753	26,407
Stationery, telex and telephone		1,830	2,654
Security		6,022	5,103
Legal and professional		2,280	19,056
Fees and purchased services		15,415	17,292
		<u>273,297</u>	<u>408,443</u>

**33.1** This includes employee separation costs amounting to Rs 14.776 million (2023: nil) on account of ongoing business remodeling in Smart Infrastructure business segment.

**33.2** Recipients of donations do not include any donee in which a director or their spouse had any interest. Donations include the following donees to whom donation exceeds 10% of total donation or Rs 1 million, whichever is higher:

	2024	2023 (Restated - note 3.19)
Note	(Rupees in '000)	
NED University of Engineering and Technology	4,609	-
The Indus Hospital & Health Network	2,000	-
NOWPDP	1,000	-
Sindh Flood Relief Fund	-	2,500
	<u>7,609</u>	<u>2,500</u>
<b>34. OTHER INCOME</b>		
Gain on sale of property, plant and equipment - net	7,707	6,709
Liabilities no longer payable written back	22,687	5,483
Gain on termination of leases	-	1,789
Insurance and other claims	-	67
	<u>30,394</u>	<u>14,048</u>
<b>35. OTHER OPERATING EXPENSES</b>		
Workers' Profit Participation Fund (WPPF)	62,269	-
Workers' Welfare Fund (WWF) - net	(59,783)	37,330
	<u>2,486</u>	<u>37,330</u>
<b>35.1</b> This includes reversal of provision of Rs 140.097 million (2023: nil).		
<b>36. FINANCIAL INCOME</b>		
Interest on other receivables	13,107	13,183
Income on amounts placed with banks under deposit accounts	35,839	30,794
	<u>48,946</u>	<u>43,977</u>
<b>37. FINANCIAL EXPENSES</b>		
Interest on short-term borrowings	2,001,815	307,210
Interest on lease liabilities	3,458	7,258
Interest on other payables	13,796	14,792
	<u>2,019,069</u>	<u>329,260</u>
<b>38. LEVY</b>		
Minimum tax	518,511	447,667
Final tax levy	6,728	8,744
	<u>525,239</u>	<u>456,411</u>
<b>39. INCOME TAX</b>		
Current		
For the year	901,852	262,979
For prior year	(85,935)	127,513
	815,917	390,492
Deferred	(1,106,796)	5,839
	<u>(290,879)</u>	<u>396,331</u>
<b>39.1 Reconciliation of income tax</b>		
Accounting (loss) / profit	(2,338,966)	1,813,007
Enacted tax rate	29%	29%
Tax on accounting profit at enacted rate	(678,300)	525,772
Tax impact of Levy	(289,648)	125,784
Effect of change in tax rate	324,957	(286,087)
Effect of super tax	398,014	4,414
Prior year tax	(85,935)	127,513
Effect of discontinued operations	-	(136,815)
Others	40,033	35,750
	<u>(290,879)</u>	<u>396,331</u>

**40. BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE**

There is no dilutive effect on the basic (loss) / earnings per share of the Company, which is based on:

	2024	2023
	(Rupees in '000)	
Net (loss) / profit for the year from continuing operations	(2,048,087)	1,416,676
Net loss for the year from discontinued operations	-	(445,832)
Net (loss) / profit for the year	<u>(2,048,087)</u>	<u>970,844</u>
	(No. of shares)	
Weighted average number of Ordinary shares	<u>8,247,037</u>	<u>8,247,037</u>
	(Rupees)	
Continuing operations	(248.34)	171.78
Discontinued operations	-	(54.06)
Basic and diluted (loss) / earnings per share	<u>(248.34)</u>	<u>117.72</u>

**41. CASH GENERATED FROM / (USED IN) OPERATIONS**

	Note	2024	2023 (Restated - note 3.19)
		(Rupees in '000)	
(Loss) / profit before income tax		(2,338,966)	1,403,954
<b>Adjustment for non-cash items and other items:</b>			
Levy		525,239	499,331
Depreciation and amortisation	18	165,647	135,493
Provision for slow moving and obsolete items of inventories - net	30.1	272,139	72,021
Loss allowance on trade receivables - net	50.2	459,311	1,154,709
Trade, other receivables and deposits written off		9,990	3,680
Inventories (written back) / written off	30.1	(8,756)	42,631
(Reversal of loss allowance) / loss allowance on contract assets - net	50.2	(160,742)	117,276
Loss allowance on deposits and other receivables - net	50.2	17,478	13,246
Provision for warranty - net		276,399	179,823
(Reversal of provision) / provision for losses on sales contracts - net	30.1	(14,201)	524,788
Discounting of long-term loans - net	31	(68)	(245)
(Reversal of provision) / provision for Workers' Welfare Fund (WWF)		(59,783)	39,676
Provision for Workers' Profit Participation Fund (WPPF)	35	62,269	-
Liabilities no longer payable written back		(22,687)	(9,985)
Loss / (gain) on derivative financial instruments - net	26.2	6,122,506	(3,725,394)
Gratuity	9.1.5	134,577	106,148
Financial expenses	37	2,019,069	329,260
Financial income	36	(48,946)	(43,977)
Gain on sale of property, plant and equipment - net		(7,707)	(6,687)
Gain on termination of leases	34	-	(1,789)
Gain on sale of business		-	(149,800)
		<u>7,402,768</u>	<u>684,159</u>
Working capital changes	41.1	<u>1,010,750</u>	<u>(3,525,689)</u>
		<u>8,413,518</u>	<u>(2,841,530)</u>
Long-term loans and trade receivables		(1,947,923)	(613,937)
Long-term deposits and prepayments		-	830
Retention money payable		39,424	63,151
Other non-current liabilities		(33,495)	873
		<u>6,471,524</u>	<u>(3,390,613)</u>

41.1 Working capital changes	Note	2024 (Rupees in '000)	2023
<b>(Increase) / decrease in current assets</b>			
Inventories		2,802,201	(3,000,775)
Trade receivables		(1,422,656)	(2,955,516)
Contract assets		6,580,591	(6,209,172)
Loans and advances		(235,482)	359,882
Deposits and short-term prepayments		256,728	92,138
Other receivables		529,912	(1,900,533)
		<u>8,511,294</u>	<u>(13,613,976)</u>
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payables		(6,825,258)	10,966,523
Contract liabilities		(164,859)	(763,565)
Provisions		(510,427)	(114,671)
		<u>(7,500,544)</u>	<u>10,088,287</u>
		<u>1,010,750</u>	<u>(3,525,689)</u>

#### 42. CASH AND CASH EQUIVALENTS

Cash and bank balances	28	4,307,198	968,197
Short-term running finances	12	-	(4,048,937)
		<u>4,307,198</u>	<u>(3,080,740)</u>

#### 43. AUDITOR'S REMUNERATION

Audit fee		9,124	6,154
Fee for certifications, review of half yearly interim financial information, code of corporate governance and audits of retirement funds		5,771	2,300
Out of pocket expenses		1,200	1,000
		<u>16,095</u>	<u>9,454</u>

#### 44. PROVIDENT FUND

Investments out of provident fund have been made in accordance with the provisions of the Section 218 of the Act and the rules formulated for this purpose.

#### 45. EMPLOYEES

	2024	2023
Total number of employees as of reporting date	487	498
Average during the year	497	527

#### 46. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration and benefits of the chief executive and executives of the Company are as follows:

	Chief Executive		Executives	
	2024	2023	2024	2023
	(Rupees in '000)			
Salaries and allowances - fixed	22,321	103,065	1,654,859	1,462,033
Salaries and allowances - bonus	4,872	46,323	469,441	396,273
Retirement benefits and Company's contribution to provident fund	2,437	959	121,483	104,347
Perquisites and benefits:				
- Medical / social security	164	9	28,963	21,972
- Share based benefits	1,651	14,416	18,634	26,529
- Club membership	-	-	-	28
	<u>31,445</u>	<u>164,772</u>	<u>2,293,380</u>	<u>2,011,182</u>
	<u>1</u>	<u>2</u>	<u>313</u>	<u>285</u>

46.1 The Chief Executive has been provided with car along with security in accordance with the entitlements.

46.2 The aggregate amount charged in these financial statements in respect of directors' fee paid to three non-executive directors (2023: three) was Rs 4.675 million (2023: Rs 6.725 million).

- 46.3** One of the executives of the Company is also provided with free use of Company's car and security in accordance with the entitlements.
- 46.4** An amount of Rs 65.48 million (2023: Rs 208.969 million) was incurred on account of compensation to key management personnel, the details of which are as follows:

	<b>2024</b>	2023
	(Rupees in '000)	
Short-term benefits	57,735	183,282
Post-employment benefits	3,730	1,327
Share based benefits	4,015	24,360
	<u>65,480</u>	<u>208,969</u>

**47. SHARE BASED BENEFITS**

Certain employees are entitled to participate in the share based payment plans of Siemens AG. Siemens AG grants stock awards as a form of share-based payment to the employees. These awards are subject to a restriction period of three to four years. Stock awards forfeit if the employment with the Company terminates prior to the expiration of the restriction period and can not be transferred, sold, pledged or otherwise encumbered.

The allocation of stock awards as a share-based payment has been increasingly tied to corporate performance criteria. The target achievement for the performance criteria ranges between 0% and 200%.

Further, the Share Matching Plan gives employees an opportunity to invest in Siemens AG's shares. After a holding period of three years, the Company will match every three shares bought with one free share.

These stocks are remeasured to their fair value at each reporting date. Details of stock awards are as follows:

	<b>2024</b>	2023
	(Rupees in '000)	
Balance as at beginning of the year	7,615	7,251
Granted during the year	1,846	4,425
Expired / paid during the year	(4,692)	(4,061)
Balance as at end of the year	<u>4,769</u>	<u>7,615</u>

Total expenses for share based benefits during the year ended September 30, 2024 was Rs 47.487 million (2023: Rs 98.688 million). The liabilities as of September 30, 2024 aggregated to Rs 65.883 million (2023: Rs 86.391 million) and is reported under accrued and deferred liabilities.

**48. TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of Siemens AG (parent company), its subsidiaries and associates and other companies with common directorship with significant influence on other companies, employees retirement benefit funds and key management employees. Transactions with related parties are carried at agreed terms as approved by the Board of Directors of the Company. Transactions with related parties can be summarised as follows:

	<b>Note</b>	<b>2024</b>	2023
		(Rupees in '000)	
<b>Parent company</b>			
Sales of goods and rendering of services		-	5,833
Purchases of goods and receipt of services		3,194,641	4,184,873
Dividend appropriated		-	283,212
<b>Associated companies</b>			
Sales of goods and rendering of services		542,322	1,756,392
Purchases of goods and receipt of services		4,541,999	5,431,476
Commission and allowances earned		7,259	6,791
Costs reimbursements		26,679	19,038
Financial income		1,353	1,440
<b>Key management personnel</b>			
Dividend appropriated		-	649
Compensation to key management personnel	46.4	65,480	208,969
Sale of office equipment		-	1,084
<b>Others</b>			
Contribution to employees' retirement benefit funds		150,043	137,662

- 48.1** Amounts due from, due to and arrangements with related parties, amounts due from executives and remuneration of the Chief Executive, directors and executives are disclosed in the relevant notes to these financial statements.
- 48.2** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The Company considers the chief executive officer, chief financial officer and directors (executive and non-executive), to be key management personnel.
- 48.3** During the year, the Company entered into various transactions, arrangements or agreements with related parties, including those incorporated outside Pakistan. The Company has no shareholdings in any of the below mentioned companies.

#### **Name and Country of Incorporation**

##### Parent Company

Siemens AG, Germany

##### Affiliated Companies

Dresser Rand SAS, France  
 Innomotics GmbH, Germany  
 Innomotics LLC, USA  
 Rousch (Pakistan) Power Limited, Pakistan  
 Siemens Aktiengesellschaft, Austria  
 Siemens Capital Middle East Limited, UAE  
 Siemens Circuit Protection System, China  
 Siemens Corporation, USA  
 Siemens Electrical Drives Limited, China  
 Siemens Energy Global GmbH & Co KG, Germany  
 Siemens Energy Inc., USA  
 Siemens Energy LLC, Oman  
 Siemens Energy LLC, UAE  
 Siemens Energy S.R.L, Italy  
 Siemens Healthcare (Private) Limited, Pakistan  
 Siemens High Voltage Switchgear, China  
 Siemens Industrial Business Co., Kuwait  
 Siemens Industrial LLC, Egypt  
 Siemens Industrial LLC, Oman  
 Siemens Industrial LLC, UAE  
 Siemens Industry Inc., USA  
 Siemens Industry Software (Private) Limited, Pakistan  
 Siemens Industry Software Pte Ltd., Singapore  
 Siemens Ltd., Saudi Arabia  
 Siemens Ltd., Vietnam  
 Siemens Malaysia Sdn. Bnd, Malaysia  
 Siemens Middle East Ltd., UAE  
 Siemens Nederland N.V., Netherlands  
 Siemens PLC, United Kingdom  
 Siemens Pte. Ltd, Singapore  
 Siemens s.r.o., Czech Republic  
 Siemens SA, Portugal  
 Siemens Sanayi VE Ticaret AS, Turkey  
 Siemens Schweiz AG, Switzerland  
 Siemens Standard Motors Ltd., China  
 Siemens WLL, Qatar  
 Trench Austria GmbH, Austria

	Capacity	Actual Production 2024	Actual Production 2023
49. PLANT CAPACITY AND ACTUAL PRODUCTION			
Switchgears (in numbers)	2,200	1,305	811

49.1 The utilisation is based on market demand.

## 50. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities mainly comprise of lease liabilities, trade and other payables and short-term borrowings. The main purpose of financial liabilities is to raise finance for the Company's operations. The Company's financial assets comprise deposits, loans, trade and other receivables, contract assets and cash and bank balances. The Company is exposed to market risk, credit risk and liquidity risk. No changes were made to policies, procedures and objectives of the Company during the year ended September 30, 2024.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

### 50.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company manages its foreign currency risk by hedging its exposure to fluctuations on the translations into Rupees through derivatives such as forward covers against its foreign currency denominated payables and receivables, where possible in line with the regulations of State Bank of Pakistan. However, as of reporting date there were no such contracts.

The Company's exposure to foreign currency risk in major currencies at their gross values is as follows:

	2024	2023
	(AED in '000)	
Trade and other receivables	4,964	6,260
Cash and bank balances	1,686	2,477
Trade and other payables	-	(668)
	<u>6,650</u>	<u>8,069</u>
	2024	2023
	(EUR in '000)	
Trade and other receivables	5,737	9,489
Trade and other payables	(13,023)	(13,427)
	<u>(7,286)</u>	<u>(3,938)</u>
	2024	2023
	(USD in '000)	
Trade and other receivables	9,659	12,241
Cash and bank balances	2,456	2,044
Trade and other payables	(6,118)	(13,010)
	<u>5,997</u>	<u>1,275</u>

Sensitivity of the Company's (loss) / profit before tax to a reasonably possible change in exchange rate of currencies applied to foreign currency assets and liabilities as at September 30, 2024 keeping all other variables constant is as follows:

	2024	2023
Change in exchange rate	± 1%	1%
Effect on (loss) / profit before tax (Rs '000)	± <u>2,892</u>	<u>5,969</u>

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings.

The Company's policy is to keep its short-term borrowings at the lowest level by effectively utilising the positive cash and bank balances. Further, the Company also minimises the interest rate risk by investing in fixed rate investments like short-term Deposit Receipts and / or bank deposits, where possible.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2024 Effective rates (%)	2023	2024 (Rupees in '000)	2023 (Rupees in '000)
<b>Financial Assets</b>				
Bank balances (PKR)	19.96	17.17	<u>3,521,892</u>	<u>146,685</u>
<b>Financial Liabilities</b>				
Short-term borrowings (PKR)	21.96	19.81	<u>4,000,497</u>	<u>4,048,937</u>

A change of 100 basis points (1%) in interest rates at the reporting date would have changed the Company's (loss) / profit before tax for the year by the amount shown below, with all other variables held constant.

	2024	2023
Effect on (loss) / profit before tax (Rs '000)	± <u>85,395</u>	<u>15,982</u>

### Equity price risk

Equity price risk is the risk of loss arising from movements in prices of equity investments. The Company is not exposed to any equity price risk, as the Company does not have any investment in equity shares.

## 50.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted. It mainly comprise of trade and other receivables, contract assets, trade deposits and bank balances. The Company's maximum exposure to credit risk at the reporting date is as follows:

	2024 (Rupees in '000)	2023 (Rupees in '000)
<b>Financial assets - at amortised cost</b>		
Deposits	168,181	428,874
Trade receivables	17,442,114	14,539,140
Contract assets	3,026,608	9,446,457
Other receivables	299,598	831,469
Bank balances	<u>4,307,056</u>	<u>968,019</u>
	<u>25,243,557</u>	<u>26,213,959</u>

**Concentration of credit risk**

The sector wise analysis of receivables including trade receivables, contract assets, trade deposits and other receivables based on their gross values is given below:

	2024		2023	
	(Rupees in '000)	%	(Rupees in '000)	%
<b>Government sector</b>				
Energy	8,449,588	34	8,826,514	30
Housing	402,896	2	417,601	2
Aviation	391,178	2	413,657	2
Engineering	235,914	1	389,210	1
Petroleum	167,539	0	392,959	1
Civil works	101,034	0	129,248	1
Finance	15,662	0	50,417	0
Health and Education	1,307	0	4,180	0
Others	233,242	1	116,818	0
Sub-total	9,998,360	40	10,740,604	37
<b>Private sector</b>				
Energy	11,858,594	48	15,694,472	55
Civil works	938,112	4	440,990	2
Fertilizer	253,319	1	499,408	2
Engineering	229,524	1	42,762	0
Finance	134,875	1	393,318	1
Housing	79,799	0	78,607	0
Sugar	69,996	0	72,787	0
Cement	24,839	0	51,339	0
Dealers and agents	19,264	0	25,817	0
Steel	9,353	0	2,374	0
Petroleum	7,169	0	86,188	0
Others	558,393	5	756,976	3
Sub-total	14,183,237	60	18,145,038	63
Total	24,181,597	100	28,885,642	100

**Trade receivables**

To mitigate the credit risk against trade receivables, the Company has a system of assigning credit limits to its customers based on an extensive credit rating scorecards. Outstanding customer receivables are regularly monitored. The Company endeavors to cover the credit risks on trade receivables, where possible, by restricting credit facility to the projects which are financed by multilateral financial institutions and / or financed by special allocation of funds by the provincial / federal governments. Business with customers is also secured by way of letters of credits, where possible. As at September 30, 2024, trade receivables amounting to Rs 2,617.745 million (2023: Rs 1,769.495 million) were secured through letters of credit and bank guarantees.

The ageing of trade receivables at the reporting date is as follows:

	2024	2023
	(Rupees in '000)	
<b>Related parties</b>		
Not yet due	6,078	350,081
Past due 1-180 days	597	160,440
Past due 181-360 days	-	479,774
Past due 361-720 days	-	4,047
Past due 721-1080 days	-	445
	6,675	994,787
<b>Others</b>		
Not yet due	15,217,122	11,064,952
Past due 1-180 days	3,208,683	2,207,928
Past due 181-360 days	169,134	1,115,389
Past due 361-720 days	208,241	333,992
Past due 721-1080 days	228,792	256,424
Over 1080 days	979,839	1,392,955
	20,011,811	16,371,640
Less: Loss allowance	(2,576,372)	(2,827,287)
	17,442,114	14,539,140

The movement in the loss allowance in respect of trade receivables during the year was as follows:

	2024	2023
	(Rupees in '000)	
Balance at beginning of the year	2,827,287	1,680,420
Loss allowance during the year - net	459,311	1,154,709
Write offs	(710,226)	(7,842)
Balance at end of the year	<u>2,576,372</u>	<u>2,827,287</u>

The loss allowance in respect of trade receivables include nil (2023: Rs 2.303 million) held against trade receivables due from related parties.

As per the Company's policy disclosed in note 3.6.1 to the financial statements, the general loss allowance rate in relation to different internal rating grades ranges from 0.01% to 19.16% (2023: 0.01% to 17.51%).

### Contract assets

	2024	2023
	(Rupees in '000)	
The movement in the loss allowance in respect of contract assets during the year was as follows:		
Balance at beginning of the year	652,128	534,852
(Reversal of loss allowance) / loss allowance during the year - net	(160,742)	117,276
Balance at end of the year	<u>491,386</u>	<u>652,128</u>

### Trade deposits and other receivables

	2024	2023
	(Rupees in '000)	
The movement in the loss allowance in respect of trade deposits and other receivables during the year was as follows:		
Balance at beginning of the year	162,912	276,326
Loss allowance during the year - net	17,478	13,246
Write offs	(427)	(126,660)
Balance at end of the year	<u>179,963</u>	<u>162,912</u>

### Bank balances

The Company keeps its surplus funds with the banks having credit ratings of A1+ and P-1 as assigned by PACRA / Moody's.

## 50.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the Company's business, the treasury maintains flexibility in funding by maintaining availability under control committed credit lines. The facilities available to the Company have been detailed in notes 12.1 to 12.4 to these financial statements.

The table below summarises the maturity profile of the Company's financial liabilities as at the reporting date:

	Carrying amount	Less than 12 months	1 to 2 years	2 to 5 years
----- (Rupees in '000) -----				
<b>Financial liabilities - at amortised cost 2024</b>				
Lease liabilities	20,079	20,079	-	-
Retention money	105,837	-	58,857	46,980
Short-term borrowings	4,000,497	4,000,497	-	-
Trade and other payables	14,966,813	14,966,813	-	-
Unclaimed dividend	29,828	29,828	-	-
	<u>19,123,054</u>	<u>19,017,217</u>	<u>58,857</u>	<u>46,980</u>
Carrying amount		Less than 12 months	1 to 2 years	2 to 5 years
----- (Rupees in '000) -----				
<b>Financial liabilities - at amortised cost 2023</b>				
Lease liabilities	45,068	23,212	21,856	-
Retention money	66,413	-	66,413	-
Short-term borrowings	4,048,937	4,048,937	-	-
Trade and other payables	19,707,339	19,707,339	-	-
Unpaid dividend	250,752	250,752	-	-
Unclaimed dividend	29,911	29,911	-	-
	<u>24,148,420</u>	<u>24,060,151</u>	<u>88,269</u>	<u>-</u>

## 51. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The carrying values of all financial assets and liabilities are estimated to approximate their fair values. As at September 30, 2024, the Company's derivative financial instruments have been valued under level 2 of fair valuation hierarchy which requires inputs other than quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

## 52. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base.

The Company manages its capital structure by monitoring return on net assets and makes adjustment to it in the light of changes in economic conditions.

The Company is not subject to externally imposed capital requirements.

As of the date of statement of financial position, the Company does not have any long-term interest bearing loan.

## 53. INFORMATION ABOUT OPERATING BUSINESS SEGMENTS

The Company is operating through three business portfolios, namely Smart Infrastructure, Digital Industries and Energy focusing on the areas of intelligent infrastructure for buildings and distributed energy systems, automation and digitalization in the process and manufacturing and power generation and distribution.

## 53.1 The details of information about operating business segments is as follows:

Segment	(Rupees in '000)					Company as a whole
	Smart Infrastructure	Digital Industries (note 53.2)	Energy	Others	Eliminations	
<b>2024</b>						
<b>REVENUE</b>						
Sales to external customers	6,824,583	2,401,029	25,468,306	472,380	-	35,166,298
Inter-segment sales	2,125,978	210,250	13,714	-	(2,349,942)	-
Total revenue	8,950,561	2,611,279	25,482,020	472,380	(2,349,942)	35,166,298
Sales disaggregation by type of contracts (major stream)	Sale of goods	Sale of goods	Execution of contracts	Sale of goods		
Segment result	63,264	256,218	(146,993)	(16,782)	-	155,707
Financial expenses						(2,005,273)
Financial income						35,839
Levy and income tax						(234,360)
Net loss for the year						(2,048,087)
<b>OTHER INFORMATION</b>						
Capital expenditure	69,978	19,030	157,972	639		
Depreciation and amortisation	32,071	16,897	51,511	178		
Non-cash items other than depreciation and amortisation	4,316	2,478	(30)	232		
<b>ASSETS AND LIABILITIES</b>						
Segment assets	3,627,397	1,082,901	19,443,126	293,880	-	24,447,304
Segment liabilities	4,326,996	2,064,058	12,257,401	258,414	-	18,906,869
<b>2023</b>						
<b>REVENUE</b>						
Sales to external customers	3,169,272	3,071,354	24,506,037	-	-	30,746,663
Inter-segment sales	1,117,124	144,261	6,646	-	(1,268,031)	-
Total revenue	4,286,396	3,215,615	24,512,683	-	(1,268,031)	30,746,663
Sales disaggregation by type of contracts (major stream)	Sale of goods	Rendering of services	Execution of contracts			
Segment result	(1,388,070)	(373,769)	4,131,766	(296,867)	-	2,073,060
Financial expenses						(315,502)
Financial income						30,794
Gain on sale of business - net of income tax						78,154
Levy and income tax						(895,662)
Net profit for the year						970,844
<b>OTHER INFORMATION</b>						
Capital expenditure	10,841	5,539	11,645	-		
Depreciation	24,462	12,778	27,130	189		
Non-cash items other than depreciation	487	(7,632)	2,492	8		
<b>ASSETS AND LIABILITIES</b>						
Segment assets	6,554,917	1,676,192	27,696,573	59,592	-	35,987,274
Segment liabilities	4,852,114	3,061,410	17,032,996	147,630	-	25,094,150

**53.2** This includes discontinued operations as mentioned in note 4 to these financial statements.

**53.3 Geographical information**

	2024	2023
	(Rupees in '000)	
<b>Revenues</b>		
Pakistan	34,500,806	29,879,105
Libya	159,345	183,431
United Arab Emirates	160,479	164,563
Nigeria	14,968	158,318
Iraq	159,969	139,497
Qatar	39,125	58,939
Oman	50,445	31,015
Others	81,161	131,795
	<u>35,166,298</u>	<u>30,746,663</u>

The revenue information above is based on the location of customers.

**Non-current assets**

Pakistan	2,669,430	1,246,873
Afghanistan	55	277
	<u>2,669,485</u>	<u>1,247,150</u>

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and other long-term assets except for deferred tax asset (net).

**53.4** Transfer prices between operating segments are on commercial terms and conditions.

**53.5 Segment assets and liabilities**

Reportable segments' assets are reconciled to total assets as follows:

	2024	2023
	(Rupees in '000)	
Assets for reportable segments	24,447,304	35,987,274
Corporate assets	1,281,822	1,527,781
<b>Unallocated</b>		
Deferred tax asset - net	1,461,188	367,724
Cash and bank balances	4,307,198	968,197
Total assets as per statement of financial position	<u>31,497,512</u>	<u>38,850,976</u>

Reportable segments' liabilities are reconciled to total liabilities as follows:

Liabilities for reportable segments	18,906,869	25,094,150
Corporate liabilities	1,943,768	863,754
<b>Unallocated</b>		
Trade and other payables	410,190	411,854
Short-term borrowings	4,000,497	4,048,937
Taxation - net	839,375	642,834
Total liabilities as per statement of financial position	<u>26,100,699</u>	<u>31,061,529</u>

Segment assets include all operating assets used by a segment and consist principally of receivables, inventories and property, plant and equipment, net of impairment and provisions but do not include deferred taxes. Segment liabilities include all operating liabilities and consist principally of accounts payable, advances, lease liabilities, accrued and other liabilities.

**53.6** Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit, marketing and selling expenses, profit from operations and free cash flows.

**53.7** Financial income and expense (other than directly attributable to a contract) are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Company.

**53.8** Two (2023: two) of the Company's customers contributed Rs 17,151.698 million (2023: Rs 14,321.517 million) and each customer individually exceeded 10% of the revenue.

**54.** The geographical location of Company's offices and plant are given below:

**Karachi**

Head Office & Plant  
B-72 Estate Avenue, S.I.T.E.

**Lahore**

15-A, 2nd floor, State Life Building  
Davis Road

**Dubai**

Office No. 2006, 2nd floor  
Al Waha Community Building  
Nad Al Hamar Road

**Islamabad**

2nd Floor, PIDC Building,  
Constitution Avenue,  
Sector F-5/1, Islamabad

**Afghanistan**

House No. 635, Street No. 11  
Dar-ul-Aman Road, District 6  
Kartahe Seeh, Kabul

**55. EVENTS OCCURRING AFTER BALANCE SHEET DATE**

In line with the Spin-off of the Energy Business by Siemens AG (parent company) in 2020, pursuant to an in-principle approval of the Board of Directors (the Board) in its meeting held on March 10, 2023, the Board has approved in its meeting held on October 11, 2024 the sale and transfer of the Company's Energy Business Segment (hereinafter referred as the 'Energy Business') on a going concern basis to a non-affiliated Siemens Energy Group Entity i.e. Siemens Gamesa Renewable Energy (Private) Limited (the buyer) for an aggregate consideration of Rs 17,819 million as at the valuation date i.e. March 31, 2024. The net book value of Energy Business as at valuation date was Rs 17,612 million.

The determination of cash to be received from the buyer and gain / loss on the transaction is subject to computation based on net book value as of Effective Date (i.e. Transaction Closure Date) and certain other contractual subsequent events in accordance with the terms and conditions of the agreement to be executed with the buyer. The closure of the transaction shall remain subject to applicable regulatory approvals. Since the criteria stated in IFRS-5 'Non-current Assets Held for Sale and Discontinued Operations' have not been fully met till the reporting date, accordingly, the afore-mentioned business has not been classified and presented as 'Held for Sale' in these financial statements.

**56. CORRESPONDING FIGURES**

Certain corresponding figures have been reclassified and rearranged for the purpose of better presentation and comparison of transactions in the financial statements of the Company, the effect of which is not material.

**57. DATE OF AUTHORISATION**

These financial statements were authorised for issue by the Board of Directors of the Company in the meeting held on November 28, 2024.



**Syed Muhammad Daniyal**  
Managing Director



**Syed Muhammad Ahsan Ghazali**  
Chief Financial Officer



**Qazi Sajid Ali**  
Director

## Pattern of holding of the Shares held by the Shareholders

As at September 30, 2024

Number of Shareholder	Shareholding		Total Shares Held
	From	To	
924	1	100 shares	25,229
458	101	500 shares	111,902
91	501	1,000 shares	69,213
103	1001	5,000 shares	206,612
11	5001	10,000 shares	74,212
3	10,001	15,000 shares	36,130
1	15,001	20,000 shares	18,823
1	20,001	25,000 shares	20,210
1	25,001	30,000 shares	27,100
1	30,001	35,000 shares	32,700
1	35,001	40,000 shares	36,253
1	70,001	75,000 shares	70,031
1	85,001	90,000 shares	86,308
1	105,001	110,000 shares	109,030
1	145,001	150,000 shares	148,131
1	705,001	710,000 shares	705,662
1	1,015,001	1,020,000 shares	1,018,371
1	5,450,001	5,455,000 shares	5,451,120
<b>1602</b>			<b>8,247,037</b>

# Siemens (Pakistan) Engineering Co. Ltd.

## Categories of Shareholders

As at September 30, 2024

Particulars	Shares held	Percentage
<b>DIRECTORS</b>	1,050	0.01%
Mr. Qazi Sajid Ali	500	
Ms. Ayla Majid	550	
<b>Associated companies, undertakings and related parties</b>		
Siemens AG, Germany*	6,156,782	74.65%
<b>NIT and ICP</b>		
National Investment Trust**	1,038,581	12.59%
<b>Banks</b>	11,809	0.14%
MCB Bank Limited	11,280	
National Bank of Pakistan	529	
<b>Insurance Companies</b>		
Adamjee Insurance Co. Limited	148,131	1.80%
<b>Modarabas and Mutual Funds</b>		
CDC-Trustees NIT-Equity Market Opportunity Fund	109,030	1.32%
<b>Public Sector Companies</b>		
Pakistan National Shipping Corporation	6,930	0.08%
<b>General Public</b>	519,180	6.30%
Local	469,590	
Foreign	49,590	
<b>Others</b>	255,544	3.10%
Trustee National Bank of Pakistan Employees Pension Fund	86,308	
Trustee National Bank of Pakistan Employees Benevolent Fund Trust	3,029	
IGI Investments (Private) Limited	70,031	
Salim Sozer Securities (Private) Limited	2,500	
Amin Tai (Private) Limited	27,100	
Acacia Partners LP	32,700	
Acacia Conservation Master Fund (Offshore) LP	6,682	
Acacia Institutional Partners LP	3,400	
Acacia II Partners LP	500	
Memon Securities (Private) Limited	18,823	
United Trading & Manufacturing (Private) Limited	1,500	
Trustees Al-Badar Welfare Trust	864	
FDM Capital Securities (Private) Limited	500	
Fikrees (Private) Limited	250	
NCC - Pre Settlement Delivery Account	1,200	
MRA Securities Limited-MF	150	
NH Capital (Private) Limited	5	
Maple Leaf Capital Limited	1	
IGI Finex Securities Limited	1	
<b>Total</b>	<b>8,247,037</b>	<b>100.00%</b>

Note: \*The cumulative holding of the parent company stands at 92.1% of the paid-up share capital of the Company as at November 28, 2024.

\*\* Subsequent to year-end, the parent company entered into a Share Purchase Agreement with National Investment Trust Limited ("NIT") for the purchase of all Company shares held by NIT and funds under its management.

# Notice of Annual General Meeting

Notice is hereby given that the Seventy-two (72<sup>nd</sup>) Annual General Meeting (“**Meeting**”) of the Members of Siemens (Pakistan) Engineering Company Limited (the “**Company**”) will be held on **Tuesday, January 14, 2025, at 11:00 a.m.** at the Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8, Clifton, Karachi to transact the following business:

## ORDINARY BUSINESS

1. To confirm the minutes of the Extraordinary General Meeting held on November 22, 2024.
2. To receive, consider and adopt the audited financial statements of the Company for the financial year ended September 30, 2024, together with the Directors’ and Auditor’s Reports thereon and Chairman’s Review Report.

As required under Section 223 of the Companies Act, 2017 (the “Act”). Financial Statements of the Company have been uploaded on the website of the Company, which can be downloaded from the following link and/or QR enable code:

<https://www.siemens.com/pk/en/investorrelations/annual-report.html>



3. To appoint M/s. A. F. Ferguson & Co; Chartered Accountants, as external auditors of the Company till conclusion of next annual general meeting and to fix their remuneration for the financial year ending September 30, 2025. The present auditors M/s. A. F. Ferguson & Co; Chartered Accountants, being eligible, have offered themselves for reappointment.
4. To elect seven Directors of the Company as fixed by the Board of Directors in its meeting held on November 28, 2024, in accordance with the provisions of the Section 159 of the Companies Act, 2017 for a term of three (3) years commencing immediately after the conclusion of this annual general meeting. The following directors of the Company shall retire at the end of the meeting.

i.	Mr. Karl Stefan Werner	v.	Mr. M. Usman Ansari
ii.	Mr. Oliver Spierling	vi.	Mr. Qazi Sajid Ali
iii.	Ms. Silvia Oppus	vii.	Ms. Ayla Majid
iv.	Mr. Adnan Afridi		

5. To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

## By order of the Board of Directors

**Khurram Muhammad Siddique**  
Company Secretary

**Karachi: December 23, 2024**

## Notes:

### Share Transfer Book Closure:

The Share Transfer Books of the Company shall remain closed from January 8, 2025 to January 14, 2025 (both days inclusive). Transfers received in order at the office of the Company’s Share Registrar, THK Associates (Pvt.) Limited, Plot No.C-32, Jami Commercial Street-2 D.H.A., Phase-VII, Karachi, by the close of business (5:00 pm) on January 7, 2025, will be considered in time for the purpose of Annual General Meeting.

### Procedure and requirement for attending the Meeting and Appointing Proxies

Central Depository Company (“**CDC**”) account holders are required to follow the guidelines as laid down in Circular No.1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (“**SECP**”) and shall comply with following requirements to the extent applicable.

A Member entitled to attend, and vote may appoint another Member as his/her proxy to attend and vote on his/her behalf. A Member shall not be entitled to appoint more than one proxy. Duly completed Proxy forms in order to be valid must be received by the Share Registrar or at the Registered Office of the Company not less than 48 hours before the time of Meeting.

CDC account holders are also required to follow the guidelines as laid down in Circular No.1 dated January 26, 2000, issued by the SECP and shall comply with following requirements to the extent applicable:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per requirement notified by the Company.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of meeting.
- v) Corporate entities shall submit the Board of Directors' resolution/Power of Attorney with specimen signature along with proxy form.

**Change of Address**

Members holding shares in physical form are requested to notify any change in their address and their contract numbers immediately to Company's Share Registrar, THK Associates (Pvt.) Limited, Karachi. Shareholders maintaining their shares in electronic form should get their address updated with their participant or CDC Investor Accounts Services.

**Submission of Copy of CNIC/NTN**

Individual members who have yet not submitted photocopy of their valid CNIC to the Company's Share Registrar, THK Associates (Pvt.) Limited, Karachi, are once again requested to send their CNIC (copy) at the earliest directly to the Company's Share Registrar. Corporate Entities are requested to provide their National Tax Number (NTN). Please also give Folio Number with the copy of CNIC/NTN.

**Annual Accounts of the Company**

Annual accounts of the company for the financial year ended September 30, 2024 can be downloaded from the Company's website- <https://www.siemens.com/pk/en/investorrelations/annual-report.html>

Members are hereby informed that for electronic transmission of Annual Report, request form is provided in the Annual Report and also uploaded on the Company's website-<https://www.siemens.com/pk/en/investorrelations/investor-information.html>. Members who wish to avail this facility are requested to submit the request form duly filled to the Share Registrar. However, the Company will provide hard copies of the Annual Report to any members on their demand, free of cost at their registered address.

**Conversion of Physical Shares into Book-entry Form**

In accordance with the provisions of Section 72 of the Companies Act, 2017, and the subsequent directive received from the SECP for all listed companies to pursue with their physical shareholders and require them to convert their shares in the Book-Entry Form. In order to comply with the directives, the Physical Shareholders are once again reminded to convert their physical shares into Book-Entry Form through the CDC sub-account with of the Stock Brokers or CDC Investor Accounts Services.

**Video Conferencing Facility**

The shareholders interested to participate in the meeting through video link are requested to register themselves on [sfc@thk.com.pk](mailto:sfc@thk.com.pk) by providing following information along with valid copy of CNIC (both sides).

Name of Shareholder	CNIC Number	CDC Account No. / Folio No.	Cell Number	Email Address

Video-link and complete information necessary to access the facility will be shared with the Members/Proxies whose email containing all the above particulars are received at the given email address by the close of business on January 10, 2025.

## Notice of Annual General Meeting

Members who are registered, after necessary verification, will be provided with the link on the same email address with which they email the Company. The login facility will remain open from 10:45 a.m. till the end of the meeting.

The members can also provide their comments and questions for the agenda items of the AGM on email [sfc@thk.com.pk](mailto:sfc@thk.com.pk) on or before January 10, 2025.

### Procedure to Contest Election of Directors

Any person who seeks to contest the election to the office of Directors, whether he/she is retiring director or otherwise, shall file following documents with the Company Secretary, at the registered office of the Company located at B-72, Estate Avenue, SITE, Karachi not later than (14) fourteen days before the date of the Annual General Meeting:

- i. Pursuant to Section 159(1) of the Companies Act, 2017, the Board of directors have fixed the numbers of Directors at seven (7) in its meeting held on November 28, 2024 to be elected in the Annual General Meeting of the Company to be held on January 14, 2025 for a period of three (3) years.
- ii. Notice of his/her intention to offer himself/herself for election of directors in terms of Section 159(3) of the Companies Act, 2017, selecting any one category stated below in which he/she intends to contest, as per new amendments made by the SECP in Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 through S.R.O. 906(i)/2023 dated July 07, 2023 together with the consent to act as a director in Form-9 under section 167 of the Companies Act, 2017 along with copy of attested copy of CNIC, NTN or Passport;

Category	Number of Seats
Female Director	One
Independent Directors	Two
Other Directors	Four
<b>Total Seats</b>	<b>Seven</b>

- iii. A details profile of the Candidate including his/her office address for placement on the Company's website as required under SECP's SRO 1196(i)/2019 dated October 03, 2019.
- iv. Declaration in respect of being compliant with the requirements of the Listed Companies Act, 2017 to act as a director or an Independent Director of a listed company.
- v. Attested copy of valid CNIC and NTN.
- vi. He/she is aware of his/her duties, liabilities and power under the Companies Act, 2017, the Securities Act, 2015, Memorandum & Articles of Association of the Company, Rule Book of Pakistan Stock Exchange and all other applicable laws/rules/regulations/codes etc.
- vii. A director must be holding 500 qualifications share of the Company at the time of filing of his / her consent to act as director. The aforesaid qualification shall not be applicable to persons mentioned in proviso to Section 153(i) of the Act.
- viii. Independent Director(s) shall have to meet the criteria as laid down in Section 166 of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Director) Regulation 2018; accordingly, the following additional documents are to be submitted by the candidates intending to give consent for the election of Directors as an Independent Director.
  - \* Declaration by Independent Director(s) under clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
  - \* Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Director) Regulations, 2018.

The final list of contesting Directors will be circulated not later than 7 (seven) days before the date of the scheduled Annual General Meeting, in terms of Section 159(4). Further, the website of the Company will also be updated with the required information.

### Voting through Postal Ballot

The member are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(1)/2022 dated December 5, 2022, issued by the SECP, subject to the requirements of Section 143 and 144 of the Companies Act, 2017. The SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all business classified as special business and in case of election of directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under sub-section (1) of section 159 of the Act. Accordingly, any member of Siemens (Pakistan) Engineering Company Limited (the "Company") will be allowed to exercise their right to vote through e-voting facility or voting by post for the election of directors in its forthcoming Annual General Meeting to be held on **Tuesday, January 14, 2025 at 11:00 a.m.** in accordance with the condition mentioned in the aforesaid regulations.

### Appointment of Scrutinizer & e-Voting Service Provider

In accordance with the requirements of the Companies Act, 2017 and the Companies (Postal Ballot) Regulations, 2018. M/s. A.F Ferguson & Co; Chartered Accountants have been appointed as scrutinizers to monitor and validate voting for election of Directors and M/s. THK Associates (Pvt.) Limited appointed as e-voting service provider and shall comply applicable requirements as per Companies Act, 2017 and the Companies (Postal Ballot) Regulations, 2018.

### STATEMENT OF MATERIAL FACTS AS REQUIRED UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017 FOR ELECTION OF DIRECTOR

The election of Directors will be held on **Tuesday, January 14, 2025** and fresh election is due after three years. Therefore, the Board of Directors of the Company will be re-constituted for the next term of three years in this meeting.

In compliance of Section 166(3) of the Companies Act, 2017, for an independent director, consent papers will be accepted from those persons who meet the criteria set out for independence directors under Section 166 of the Companies Act, 2017. This provision also provides that the independent directors of a listed company shall be elected in the same manner as other directors are elected in terms of Section 159 of the Act. Accordingly, it will be ensured that the persons contesting as independent directors must meet the criteria of independent directors laid down under the applicable law and their names are listed on the data bank of independent directors maintained by Pakistan Institute of Corporate Governance / institute / organization duly notified by the Securities and Exchange Commission of Pakistan.

The directors of the Company have no direct or indirect interest in this agenda except to the extent of their respective directorships and/or shareholdings.

## کمپنی کے مستقبل کا منظر نامہ

بعد از انرجی بزنس کی علیحدگی، کمپنی کا کاروبار اسمارٹ انفراسٹرکچر اور ڈیجیٹل انڈسٹریز رپورٹ فوکیوس پر مشتمل ہو گا۔ سال کے دوران ان کاروباروں نے منافع بخش کام پیدا کیے ہیں۔ کمپنی ان چیلنجوں پر گہری نظر رکھتی ہے جو اس کی پیشرفت کو متاثر کر سکتے ہیں۔ کاروباری ماحول میں موجودہ بہتری، مارکیٹ میں اپنی پوزیشن کو مستحکم کرنے اور کسٹمرز اور اسٹیک ہولڈرز کے جانب اپنے وعدوں کو پورا کرنے کا موقع فراہم کرتی ہے۔

### اظہارِ شکر

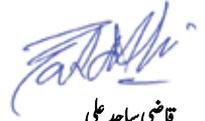
ہم اس موقع سے اپنے ان تمام قابل قدر صارفین کا شکریہ ادا کرتے ہیں جنہوں نے ہماری مصنوعات اور خدمات پر اپنا بھروسہ رکھا اور اس کمپنی کی ترقی کو یقینی بنانے میں مسلسل تعاون فراہم کیا ہے۔ لہذا کمپنی کو اپنے ملازمین کی پرعزم اور پرجوش کوششوں، وفاداری اور ان کی لگن پر بہت فخر ہے۔ اس طرح ہم ان تمام اسٹیک ہولڈرز کی بھی حمایت اور تعاون کی بہت قدر کرتے ہیں جو ہماری کمپنی کی ترقی میں بھرپور حصہ لے رہے ہیں۔

آخر میں ہم اپنے ان تمام شیئرز ہولڈرز کا بھی تہ دل سے شکریہ ادا کرنا چاہیں گے جنہوں نے اپنی غیر منترزل حمایت کے ساتھ ہم پر اعتماد اور بھروسے کا اظہار کیا ہے۔

بورڈ کی جانب سے



سید محمد انوار  
چیئرمین ڈائریکٹر



قاسم ساجد علی  
ڈائریکٹر

کراچی، نومبر 28، 2024ء

## یادداشت اور مستقبل کے حوالے سے بیانات (نوٹس اور فار وارڈ لنگ ایسٹمنٹ)

اس دستاویز میں ہمارے مستقبل کے کاروبار، مالیاتی کارکردگی اور مستقبل کے واقعات یا پیشرفت سے متعلق بیانات شامل ہیں جو مستقبل کے حوالے سے بیانات کے جز ہیں۔ ان بیانات کی شناخت ان الفاظ سے کی جاسکتی ہے جیسے ”توقع“، ”متوقع“، ”مترقب“، ”عزم“، ”منصوبہ“، ”یقین“، ”ملاش“، ”تعمیر“، ”آگے بڑھنا“، ”یا“ اسی طرح کے ہم دیگر پورٹوں میں، پیکیجوں میں اور حصص یافتگان / شیئرز ہولڈرز کو فراہم کردہ مواد میں مستقبل کے حوالے سے بیانات بھی دے سکتے ہیں۔ اس طرح کے بیانات موجودہ توقعات اور انتظام کے بعض ایسے مفروضوں پر مبنی ہیں جن میں سے بہت سے یکنسز کے اختیار میں نہیں ہیں۔ یہ بیانات متعدد خطرات سے مشروط ہیں جن میں غیر یقینی صورتحال اور عوامل شامل ہیں لیکن ان بیانات تک محدود نہیں ہیں جو اس رپورٹ میں بیان کیے گئے ہیں۔ اگر ان میں سے ایک یا ایک سے زیادہ خطرات یا غیر یقینی صورتحال پیدا ہو جائے یا بنیادی توقعات واقع نہ ہوں یا پھر مفروضے غلط ثابت ہوں تو اصل نتائج، کارکردگی یا کامیابیاں ان سے ماذی طور پر (منفی یا مثبت) مختلف ہو سکتی ہیں جو کہ متعلقہ مستقبل کے حوالے سے بیانات پر اثر انداز ہو سکتی ہیں۔ یکنسز ان پیش رفتوں کی روشنی میں جو ان متوقع بیانات سے مختلف ہیں، اپ ڈیٹ یا نظر ثانی کرنے کا نہ تو ارادہ رکھتا ہے اور نہ ہی کوئی ذمہ داری قبول کرتا ہے۔

راؤنڈنگ کی وجہ سے (اعداد کو سہل کرنا)، اس میں وہ نمبرز پیش کیے جاتے ہیں جو دیگر دستاویزات کے فراہم کردہ کل میزبان میں قطعی طور پر شامل نہیں ہو سکتے اور شرح فیصد مطلق اعداد و شمار کی واضح طور پر عکاسی نہیں کر سکتے۔

## بیرونی آڈیٹرز

موجودہ آڈیٹرز، میسرز ایف فرگوسن اینڈ کمپنی (PwC نیٹ ورک کی رکن فرم، 'AFF')، چارٹرڈ اکاؤنٹنٹس، آنے والی سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو رہے ہیں اور اہلیت کے باعث، خود کو کمپنی کے بیرونی آڈیٹرز کے طور پر دوبارہ تقرری کے لیے پیش کر رہے ہیں۔

آڈٹ کمپنی کی سفارش کے مطابق، بورڈ نے AFF کی اگلی سالانہ جنرل میٹنگ تک دوبارہ تقرری کی تجویز پیش کی ہے، جس کے لیے فیس باہمی اتفاق سے طے کی جائے گی۔

## کارپوریٹ حیثیت

کمپنی Siemens Aktiengesellschaft, Germany (سیمنس اے جی) کا ذیلی ادارہ ہے جو ریپبلک آف جرمنی کے قانون کے تحت قائم کیا گیا ہے اور 30 ستمبر 2024 کے مطابق کمپنی کے 74.65% شیئرز کی حامل ہے۔

سال کے اختتام کے بعد، بیرنٹ کمپنی نے:

- نیشنل انویسٹمنٹ ٹرسٹ لمیٹڈ ("NIT") کے ساتھ شیئر خریداری ایگریمنٹ میں داخل ہو کر NIT اور اس کے زیر انتظام فنڈز کے ذریعے کمپنی کے تمام حصص خرید لیے؛ اور
- اسٹاک ایکسچینج کے NDM پلیٹ فارم کے ذریعے دیگر شیئر ہولڈرز سے اضافی حصص خریدے۔

مندرجہ بالا اقدامات کے نتیجے میں، 28 نومبر 2024 تک بیرنٹ کمپنی کی مجموعی ملکیت کمپنی کے ادا شدہ حصص سرمائے کا 92.1% ہو گئی ہے۔

## شیئر ہولڈنگ کا طرز

کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ تفصیلی طرز اور اس کے شیئر ہولڈنگ کی کیلگریز بشمول ڈائریکٹرز اور ایگزیکٹوز کے پاس موجود شیئرز، اگر کوئی ہے، سالانہ رپورٹ کے ساتھ منسلک ہے۔

## ریٹائرمنٹ کے فوائد میں سرمایہ کاری

کمپنی نے اپنے مستقل ملازمین کیلئے پراویڈنٹ اور گریجویٹ فنڈز قائم کیا ہے جو متعلقہ بورڈ آف ٹرسٹیز کے زیر انتظام ہے۔ ان فنڈز کی سرمایہ کاری کی اقدار متعلقہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس درج ذیل ہے:

روپے (ملین میں)			
30 جون، 2021	30 جون، 2022	30 جون، 2023	
669.301	6.378	387.505	پروویڈنٹ فنڈ
30 ستمبر، 2021	30 ستمبر، 2022	30 ستمبر، 2023	
217.215	-	-	گریجویٹ فنڈ

## پوسٹ بیلنس شیٹ نان ایڈجسٹنگ ایونٹس اور اہم پیشرفت برائے مالی سال 2024

30 ستمبر 2024 سے اس رپورٹ کی تاریخ تک کوئی ایسا اہم واقعہ یا تبدیلی نہیں ہوئی جس کا ان مالیاتی بیانات پر اثر پڑے۔

بورڈ آف ڈائریکٹرز (بورڈ) نے 11 اکتوبر 2024 کو منعقدہ اجلاس میں کمپنی کے انرجی بزنس سیکٹور کی فروخت اور اسے سیمنس انرجی گروپ کے ایک غیر منسلک علیحدہ ادارے کو منتقل کرنے کی منظوری دی۔ بعد ازاں، یہ منظوری 22 نومبر 2024 کو ہونے والی غیر معمولی جنرل میٹنگ میں شیئر ہولڈرز سے بھی حاصل کی گئی۔ اس معاہدے کی حتمی تکمیل دیگر قانونی منظور یوں سے مشروط ہے۔

## کپلائنس کا بیانیہ

کمپنی نہایت سختی سے کارپوریٹ گورننس کے اصولوں کی پابندی کرتی ہے اور تمام مجوزہ شرائط نافذ کی گئی ہیں۔ اس کا خلاصہ منسلک لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے ساتھ منسلک اسٹینڈ آف کپلائنس میں موجود ہے جس کا بیرونی آڈیٹرز نے باقاعدہ جائزہ لیا ہے۔

## ڈائریکٹرز کے مشاہرے کی پالیسی

بورڈ نے ڈائریکٹرز کے مشاہرے کی منظوری دے دی ہے جس میں پالیسی کے مقاصد اور انفرادی طور پر ڈائریکٹرز کے بورڈ اور اس کی کمیٹیوں کے اجلاس میں شرکت کیلئے مشاہرے کے پیکج کے تعین کیلئے شفاف طریقہ بیان کیا گیا ہے۔ ڈائریکٹرز کے مشاہرے کی پالیسی کی دیگر تفصیلات کے علاوہ خاص خاص نکات درج ذیل ہیں:

- مشاہرے کی سطح کاروباری ضروریات کے مطابق، حکمت عملی کی سمت میں اور کمپنی اور اس کے شیئرز ہولڈرز کے بہترین مفاد میں ہوگی۔
- مشاہرے کی سطح مسابقتی کمپنیز/ صنعت کی مارکیٹ کے معمولات کے مطابق ہوگی۔
- مشاہرے کا تعین کرتے وقت جنس کے لحاظ سے کوئی امتیاز نہیں برتا جائے گا۔
- مشاہرہ اس سطح کا ہو جو افراد کی کمپنی کو کامیابی کے ساتھ چلانے کی اہلیت اور قابلیت کے پیش نظر ان کیلئے پرکشش اور ان کو کمپنی کے ساتھ جڑ رکھنے کیلئے کافی ہو۔
- مشاہرہ اس وقت اور مہارت کے لحاظ سے منصفانہ ہو جو ڈائریکٹرز اپنی ذمہ داریاں پوری کرنے کیلئے صرف کرتے ہیں۔
- مشاہرہ اقدار میں اضافے کی حوصلہ افزائی کیلئے کافی ہو۔
- مشاہرہ اس سطح کا نہ ہو جو ڈائریکٹرز کو خود مختاری سے سمجھوتہ کرنے کا احساس دلائے۔
- ٹینٹک ڈائریکٹر / چیف ایگزیکٹو آفیسر، ایگزیکٹو ڈائریکٹرز اور شیئرز ہولڈرز کی اکثریت کی نمائندگی کرنے والے ڈائریکٹرز کمپنی کے آرٹیکل آف ایسوسی ایشن کے مطابق کسی مشاہرے کے اہل نہیں ہیں۔
- مشاہرہ بورڈ کی مکمل مدت تک کیلئے مقرر ہو گا جو ڈائریکٹرز کے ہر انتخاب سے پہلے تک ہو گا (ہر تین سال میں ایک بار)۔
- مشاہرے کی سطح مقرر کرنے کیلئے حد کے تعین کے سلسلے میں خود مختار مشیروں کی سفارشات حاصل کر لی جائیں۔

## ڈائریکٹرز کے مشاہرے

ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے مشاہرے کی مجموعی رقم کی تفصیلات، مالی بیانات کے نوٹ 46 میں ظاہر کی گئی ہیں۔

## بورڈ کی کارکردگی کا جائزہ

بورڈ نے ایک باضابطہ پالیسی کی منظوری دی ہے اور بورڈ اور اس کی کمیٹیوں کی سالانہ کارکردگی کا جائزہ لینے کے لیے ایک عمل شروع کر دیا گیا ہے۔ تشخیص کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی کو کارپوریٹ مقاصد، کمپنی گورننس کی ساخت، قانونی اور ریگولیٹری تعمیل، تاثیر، تعاون اور قدر میں اضافے کے حوالے سے ناپا جائے۔ کارکردگی کی جانچ، بورڈ کی طرف سے مالی سال 2024 کے لیے منظور شدہ عمل کے مطابق کی گئی اور بورڈ کی مجموعی کارکردگی اور تاثیر کو ”مضبوط“ کے زمرے میں رکھا گیا ہے۔ بورڈ کے تمام ممبران نے کارکردگی کی تشخیص میں حصہ لیا ہے اور اپنی رائے سے آگاہ کیا ہے۔

## بورڈ آف ڈائریکٹرز کی تشکیل

مندرجہ ذیل کے مطابق منتخب ڈائریکٹرز کی کل تعداد سات (7) ہے۔

مرد: 6  
خاتون: 1

بورڈ کی تشکیل حسب ذیل ہے:

نام	کیٹیگری
جناب قاضی ساجد علی محترمہ عائکہ ماجد	خود مختار ڈائریکٹرز
جناب عدنان آفریدی جناب اولیورا اسپیر لنگ جناب کرل اسٹیشن وارنر جناب ایم۔ عثمان انصاری محترمہ سلویہ اوپس جناب ہیر الد کریم	نان ایگزیکٹو ڈائریکٹرز
سید محمد دانیال (ٹیٹنگ ڈائریکٹر)	ایگزیکٹو ڈائریکٹر

محترمہ سلویہ اوپس کو یکم اکتوبر 2024 سے مسٹر ہیر الد کریم کی جگہ ڈائریکٹر مقرر کیا گیا ہے، جو کمپنیز ایکٹ 2017 کے سیکشن 155(3) کے مطابق ہے۔

”شاد بٹانہ“ – ساتھ ساتھ ایک مشترکہ ترقیاتی شراکت داری ہے جو جرمن ایجنسی برائے بین الاقوامی تعاون (GIZ) اور کمپنی کے درمیان قائم کی گئی ہے۔ اس کا مقصد ملک بھر میں پیشہ ورانہ تربیت کے دوران مساوات کو فروغ دینا اور موجودہ صنفی تعصبات کو ختم کرنا ہے۔

جامع معلومات کو سالانہ رپورٹ کے پائیداری اور کارپوریٹ سٹیزن شپ سیکشن میں دیکھا جاسکتا ہے۔

## کارپوریٹ گورننس کے بہترین طریقوں کی پابندی

کمپنی اپنے تمام قانونی اور اخلاقی تقاضوں کو پورا کرنے اور جہاں بھی ممکن ہو، اُن سے سبقت لے جانے اور کاروبار کو اعلیٰ ترین معیارات اور طریقوں کے مطابق چلانے کے لیے پرعزم ہے۔ اس طرح بورڈ موجودہ عمل کو مسلسل چیلنج کرتے ہوئے تسلسل کے ساتھ بہتری کی راہ متعین کرتا ہے۔ اس عمل کو کمپنی سے تہہ پٹی قبول کرنے کی بھی ضرورت ہے، تاکہ جب نئے مواقع پیدا ہوں تو کمپنی اچھی پوزیشن میں آجائے۔ اس کا مطلب یہ بھی ہے کہ بازار کی جگہ سے بہترین ٹیلنٹ اپنی طرف متوجہ کرنا اور اُسے ایسی مہارتیں اور مواقع فراہم کرنا ہے جو ایک بہترین کارکردگی کے لیے درکار ہوتی ہیں۔

بورڈ نے شق 5.6.4 کے مقصد کے لیے PSX کی رول بک کے تحت لفظ ”ایگزیکٹو“ کی تعریف اس طرح ترتیب دی ہے ”مینجنگ ڈائریکٹر، چیف فنانسینشل آفیسر، کمپنی سیکرٹری، MD، CFO اور کمپنی سیکرٹری کی تمام براہ راست رپورٹس، متعلقہ مالیاتی رپورٹنگ عملہ جو کلوزنگ اور رپورٹنگ سرگرمیوں سے متعلق ہوں اور وہ تمام ملازمین جن کی بنیادی تنخواہ ایک مالی سال میں 3.6 ملین روپے سے زیادہ ہے۔“

## بورڈ اور اس کی کمیٹیوں کی تشکیل اور مالی سال 2024 کے دوران اجلاسوں اور حاضری کی تعداد

بورڈ اور اس کی کمیٹیوں کی تشکیل، بورڈ اور اس کی کمیٹیوں کے اجلاسوں کی تعداد، اور حاضری کی تفصیل درج ذیل ہے:

ترتیب / کمپوزیشن	بورڈ اجلاس منعقد ہوئے / شرکت کی گئی	آڈٹ میننگ منعقد ہوئی / شرکت کی گئی	انسانی وسائل اور معاوضے کا اجلاس منعقد کیا گیا / شرکت کی گئی	نامزدگی کا اجلاس منعقد ہوا / شرکت کی گئی
سید محمد دانیال	5/5	N/A	N/A	N/A
جناب کرل اسٹیفن وارنر *	5/5 چیز مین	4/4	3/2 *	1/1
جناب قاضی ساجد علی	5/5	N/A	3/3 چیز مین	N/A
محترمہ عائکہ ماجد	5/5	4/4 چیز دو مین	N/A	N/A
جناب اولیور اسپیر لنگ	5/5	N/A	3/3	1/1 چیز مین
جناب ہیرالڈ گریم	5/5	4/4	N/A	N/A
جناب عدنان آفریدی	5/5	4/4	N/A	N/A
جناب ایم۔ عثمان انصاری	5/5	N/A	N/A	N/A

\* کمپنی میں نشست خالی ہونے کے نتیجے میں، جناب کارل اسٹیفن وارنر نے 25 جنوری 2024 سے بطور رکن شمولیت اختیار کی۔

## ڈائریکٹرز کا اسٹیٹمنٹ

ہم بحسرت بیان کرتے ہیں کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی تفصیلات (Financial Statements) میں کمپنی کے معاملات، آپریشنز کے نتائج، انقدر قومات کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفاف طور پر پیش کیا گیا ہے۔
- کمپنی کی جانب سے حساب کتاب اور کھاتوں کو درست طور پر مرتب کیا گیا ہے۔
- مالیاتی اسٹیٹمنٹ کی تیاری میں درست اکاؤنٹنگ پالیسیز کا مربوط طور پر اطلاق کیا گیا ہے۔
- اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- بین الاقوامی اکاؤنٹنگ معیارات (IAS) اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRSs)، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی بیانات کی تیاری میں بیرونی کی گئی ہے۔
- داخلی کنٹرول کا نظام مع مالیاتی رپورٹنگ پر اندرونی کنٹرول کا نظام اپنے خدو خال کے اعتبار سے مضبوط ہے اور موثر طور پر نافذ العمل اور اس کی نگرانی کی جاتی ہے۔
- کمپنی کی موجودہ صلاحیتوں کے ساتھ کام جاری رکھنے میں کسی رکاوٹ کا کوئی شبہ نہیں ہے؛ اور
- لسنڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریکولیشنز 2019 میں درج تفصیل کے مطابق کارپوریٹ گورننس کے بہترین معمولات سے کوئی مادی اعراض نہیں کیا گیا ہے۔

## خدشات، غیر یقینی کیفیت اور خاتمہ

کمپنی کو درج ذیل عمومی خدشات کا سامنا رہتا ہے جن کو خصوصی انسدادی پروگرام کے ذریعہ ختم کیا جاتا ہے:

### (الف) آپریشنل خدشات

آپریشنل خدشات کا تعلق پروجیکٹ منیجمنٹ (جیسے وقت پر پروجیکٹس کی تکمیل اور تخمینہ لاگت میں ردوبدل)، EHS اور سپلائی چین منیجمنٹ شامل ہیں۔

کمپنی ان خدشات کا انسداد کاروباری عمل کے دوران میں خصوصی وسائل مع مطلوبہ صلاحیت اور مہارت کے ساتھ کرتی ہے۔ انتظامیہ ایسے خدشات کیلئے خدشات کی جوابی حکمت عملی کا تعین کرتی ہے جس میں "گریز، منتقلی، کمی یا قبول کرنا" کی حکمت عملی شامل ہے۔

### (ب) مالیاتی خدشات

مالیاتی خدشات کو منسلک مالیاتی گوشواروں کے نوٹ 50 میں تفصیلاً بیان کیا گیا ہے جس میں مارکیٹ، کریڈٹ اور لیویڈٹی خدشات شامل ہیں۔

### (ج) عمل درآمد کے خدشات

کمپنی کی مقررہ سرگرمیوں اور رویوں پر عمل درآمد نہ کرنے کیلئے صفر عدم برداشت کی پالیسی موجود ہے۔ کمپنی یہ بھی سمجھتی ہے کہ قوانین اور ضوابط پر عمل درآمد نہ کرنے کے نتیجے میں جرمانہ، اخراج، بلک لسٹنگ، لائسنس کی منسوخی وغیرہ کا سامنا ہو سکتا ہے۔ ایسے خدشات کے خاتمے کیلئے کمپنی نے ایک جامع اور موثر عمل درآمد کا طریقہ کار نافذ کیا ہے۔

اس کے علاوہ بزنس کنڈکٹ گائیڈ لائنز (BCG) میں کمپنی کی ڈائریکٹرز، ایگزیکٹوز اور کمپنی کے دیگر ملازمین اور جن کے ساتھ کمپنی کاروبار کرتی ہے، ان سے توقعات واضح طور پر بیان کی گئی ہیں۔ کمپنی ملازمین اور کاروباری پارٹنرز سے کسی خلاف ورزی کی اطلاع دینے کی حوصلہ افزائی کرتی ہے اور ان کو یقینی دلاتی ہے کہ اس خلاف ورزی کا اعتماد سے مقابلہ کرنے سے ان پر کوئی برا اثر نہیں پڑے گا۔ طریقہ کار میں سہولت کیلئے مختلف چینلز جیسے کمپنی کی ویب سائٹ پر کپلائنس ہیلپ ڈیسک "TellUs" قائم کی گئی ہے۔

## ماحولیات، صحت، اور حفاظت (EHS)

ماحول اور قدرتی وسائل کا تحفظ، اپنے ملازمین کی صحت اور ان کی کارکردگی کو فروغ دینا، نیز ان کے کام کرنے کے ماحول کا تحفظ، سیمنس میں ہماری سماجی اور کاروباری وابستگی کا ایک بنیادی حصہ ہے۔ وہاں سے درپیش دشواریوں سے نمٹنے اور آئندہ نسلوں کے لیے معیار زندگی کو بہتر بنانے کے لیے 'نیا معمول' کو اپنایا ہے۔

سیمنس میں، ہم اپنے ملازمین کی ذہنی تندرستی کو ان کی مجموعی فلاح و بہبود کے اپنے عزم کے لازمی حصہ کے طور پر ترجیح دیتے ہیں۔ ہم اپنے ملازمین کی کامیابی اور اطمینان کو یقینی بنانے میں صحت مند ذہنی حالت کے اہم کردار کو بخوبی سمجھتے ہیں۔ اس کی ضمن میں، ہم نے اپنے ایپیلانی سائنس پروگرام کے لیے Saaya Health کے ساتھ اشتراک کیا ہے۔ اس تعاون کے ذریعے، ہم نے اپنے ملازمین کے ساتھ فعال طور پر مشغول ہونے کے لیے مختلف ترقیاتی اور آگاہی سیشنز کا انعقاد کیا ہے جو خصوصی طور پر کام کی جگہ پر ذہنی صحت کو فروغ دینے پر مرکوز ہیں۔ ان سیشنز کا مقصد ہماری افرادی قوت کو تازہ کو سنبھالنے، کام کے امور میں مثبت توازن کو برقرار رکھنے اور ضرورت پڑنے پر مدد حاصل کرنے کے لیے ضروری علم اور طریقوں سے آراستہ کرنا ہے۔ ہماری جاری کوششیں ہمارے تمام ملازمین کے لئے ایک معاون اور ذہنی طور پر صحت مند کام کے ماحول کو فروغ دینے کے لئے ہماری لگن کی عکاسی کرتی ہیں۔

اس ضمن میں ہماری توجہ ڈگری فریم ورک کی اہمیت اور سیمنس انورمنٹ ہیلتھ سیفٹی کی ضروریات، جیسے بجلی کے خطرات سے آگاہی، ملازمین کی فلاح و بہبود اور ٹریک قوانین کی پابندی پر توجہ مرکوز کی ہے۔ یہ تمام متعلقین یعنی صارفین، سپلائرز، سرمایہ کاروں، لوگوں، معاشروں اور ہماری زمین کے لیے 360 ڈگری زاویہ سے اہمیت رکھتا ہے۔ یہ نکات "بے ضرر کلچر" اور "Healthy and Safe@Siemens" کے نفاذ کے لیے اہم کردار ادا کرتے ہیں۔ ہم یہ سمجھتے ہیں کہ پائیدار ترقی اور نظم و ضبط برقرار رکھنے کے لیے صحت اور حفاظت کے اصولوں پر عمل کرنا لازم ہے۔

## اجتماعی سماجی ذمہ داری

اچھی اجتماعی سماجی ذمہ داری کمپنی کی فلاحی کا اس وقت سے لازمی عنصر ہے جب 1847 میں ورنرون سیمنس نے اس کمپنی کی بنیاد رکھی تھی۔ ہماری سماجی ذمہ داریوں کے کاموں میں تین مرکزی توجہ کے شعبے ہیں؛ ٹیکنالوجی تک رسائی، تعلیم تک رسائی اور پائیدار کمیونیز۔ سیمنس میں، ہم نہ صرف اپنی مصنوعات اور پورٹ فولیو کے ذریعے، بلکہ روابط اور سماجی اقدامات قائم کر کے جو کہ ہمارے سماجی اثرات کو بڑھاتے ہیں، ہر کسی کے لیے ہر دن کو مثبت تبدیلی کرنے کے لئے کوشاں ہیں۔ شراکت داروں کے ساتھ کام کرنا جو ہماری اقدار میں اشتراک ہیں ہمیں اپنے برانڈ کے ساتھ نئے زاویے سے سامنا کرنے اور ایک پرکشش سیاق و سباق میں معتبر بنانے کی تحقیق کرنے کے نئے طریقوں کو سمجھنے کے قابل بناتا ہے۔ ہماری کارپوریٹ سوشل ریسپانسیبلٹی (پائیدار ترقیاتی اہداف) کی پیشرفت میں مددگار ثابت ہوتی ہیں۔

مالی سال 2024 میں کمپنی نے سماجی ذمہ داریوں کی ادائیگی کے لیے اپنے عزم کو برقرار رکھا۔ کمپنی نے مختلف سماجی منصوبوں میں بھرپور حصہ لیا، جیسے خصوصی ضروریات والے بچوں کی تعلیمی ضروریات کو پورا کرنا اور NOWPDP (پاکستان میں معذور افراد کے لیے کام کرنے والی تنظیموں کا نیٹ ورک) کے تعلیم منصوبے کی حمایت کے ذریعے ایک شمولیتی تعلیمی ماحول کی تخلیق میں شرکت کی۔

مزید برآں، ہمیں فخر ہے کہ ہم نے تعلیم ترقی میں حصہ ڈالنے ہونے والی ای ڈی یونیورسٹی کو سیمنس انویشن سینٹر، ایک جدید ترین لیبارٹری، عطیہ کی۔ اس منصوبے کا مقصد طلباء کو عملی مہارتوں سے لیس کرنا اور تعلیمی نظریات کو صنعتی تقاضوں کے قریب لانا ہے۔

کمپنی نے انڈس اسپتال اور ہیلتھ نیٹ ورک کو ایک اہم مالی تعاون فراہم کیا، جس کا مقصد ضروری طبی آلات کی خریداری تھا تاکہ مستحق مریضوں کو زندگی بچانے والے علاج کی سہولت فراہم کی جاسکے۔ یہ عطیہ اس بات کی علامت ہے کہ سیمنس، ملک کی محرم برادریوں کے لیے صحت اور زندگی کے معیار کو بہتر بنانے کے مشن پر گامزن ہے۔

# ڈائریکٹرز رپورٹ

عزیز شیئر ہولڈرز،

ہم، زیر دستخطی، بورڈ آف ڈائریکٹرز کیلئے اور ان کی جانب سے سمسٹ سیمنس (پاکستان) انجینئرنگ کمپنی لمیٹڈ ("کمپنی") کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے برائے مالی سال مہتممہ 30 ستمبر 2024 ("FY 2024") مع ان پر آڈیٹر کی رپورٹ پیش کرتے ہیں۔

میکرو اکنامک عوامل میں بہتری، درآمدی پابندیوں میں نرمی اور باقی موجود مثبت آرڈر میں پیش رفت کی وجہ سے، کمپنی نے جاری آپریشنز سے آمدنی میں 20 فیصد اضافہ کیا ہے۔ کارکردگی کے کچھ اہم رجحانات ذیل میں ذکر کیے گئے ہیں:

- 26.1 بلین روپے کے نئے آرڈرز ریکارڈ کیے گئے، جس میں انرجی بزنس کی طرف سے 16.9 بلین روپے، اسمارٹ انفراسٹرکچر کے 5.5 بلین روپے، ڈیجیٹل انڈسٹریز کے 3.4 بلین روپے کے آرڈرز شامل ہیں۔
- سال کے لیے جاری آپریشنز سے فروخت میں مالی سال 2023 کے مقابلے میں 5.8 بلین روپے کا اضافہ ہوا۔ سٹیلز ریونیو میں اضافے میں بڑے پیمانے کا حصہ صنعتی کاروباری طبقات (یعنی اسمارٹ انفراسٹرکچر اور ڈیجیٹل انڈسٹریز) کا تھا، جو مالی سال 2023 کے مقابلے میں 4.4 بلین روپے ریکارڈ کیا گیا۔
- درج بالا دیئے گئے مثبت اشاروں کے باوجود، کمپنی کو قبل از محصولات اور اکنم ٹیکس 1.8 بلین روپے کا نقصان اٹھانا پڑا ہے۔ یہ بنیادی طور پر غیر ملکی کرنسی کی دوبارہ پیمائش پر ریکارڈ کیے گئے غیر حقیقی نقصان کی وجہ سے ہوا جس کی مابیت 2.6 بلین روپے ہے جس کا مؤجد حالیہ معاہدوں کے تحت غیر ملکی کرنسیوں کے مقابلے میں پاکستانی روپے کی قدر میں اضافہ اور توانائی کے کاروبار میں بڑے پیمانے پر منصوبوں کی تکمیل کے لیے حاصل کردہ فنانسنگ پر 2.0 بلین روپے کی خالص مالیاتی لاگت شامل ہے۔

کلیدی اشاریوں کا ایک جائزہ یہاں درج ذیل ہے:

مالی سال 2024		مالی سال 2023	کارکردگی کے اہم اشاریے (انڈیکیشنز)
(Rupees in '000)			
38,027	26,079		نئے آرڈرز
30,747	35,166		خالص فروخت اور خدمات (جاری اور بند آپریشنز)
1,813*	(2,339)		جاری آپریشنز سے قبل از اکنم ٹیکس (نقصان) / منافع
(446)	-		بند آپریشنز سے خالص نقصان
971	(2,048)		سال کے دوران خالص (نقصان) / منافع (جاری اور بند آپریشنز)
117.72	(248.34)		نی شیئر (نقصان) / آمدنی (روپے)
171.78	(248.34)		جاری آپریشنز سے نی شیئر (نقصان) / آمدنی (روپے)

\* دوبارہ بیان کردہ۔ براہ کرم سالانہ مالیاتی بیانات کے نوٹ 3.19 ملاحظہ کریں۔

ریزرو میں نقل و حرکت کیلئے برائے مہربانی مالیاتی گوشوارے میں ایکویٹی میں تبدیلیوں کا اسٹیٹمنٹ ملاحظہ کریں۔

## منافع منقسمہ

کمپنی کے موجودہ سال کے نقصان اور کمیشن فلو کی ضروریات کو مد نظر رکھتے ہوئے، بورڈ نے مالی سال 2024 کے لیے کوئی ڈیویڈنڈ نہ دینے کی سفارش کی ہے۔

## کمپنی کی بنیادی سرگرمیاں اور کاروباری شعبہ جات

کمپنی اسمارٹ انفراسٹرکچر، ڈیجیٹل انڈسٹریز اور انرجی کے شعبوں میں کاروبار کرتی ہے جس میں پاور جزییشن اور ڈسٹری بیوٹن، سمارٹ بلڈنگز اور سمارٹ گریڈ اور مینوفیکچرنگ میں آٹومیشن اور ڈیجیٹلائزیشن پر توجہ مرکوز رکھی جاتی ہے۔

اسمارٹ انفراسٹرکچر خود کارانہ طور پر توانائی کے نظام، ہمارے تمام اور صنعتوں کو مربوط رکھتا ہے تاکہ زیادہ کارکردگی اور پائیداری کے ذریعے ہمارے رہنے اور کام کرنے کے طریقے کو بہتر بنایا جاسکے۔ ڈیجیٹل انڈسٹریز اپنے صارفین کو ایک پارٹنر کے طور پر اپنی مکمل صلاحیتوں کو استعمال کرنے میں مدد کرتی ہے جو مجر د اور زیر تعمیر صنعتوں کی آٹومیشن اور ڈیجیٹلائزیشن کے لیے انہیں جدید ٹیکنالوجی فراہم کرتی ہے۔

## چیئر مین کی جائزہ رپورٹ

مجھے سیمنس پاکستان انجینئرنگ کمپنی لمیٹڈ کے اسٹیک ہولڈرز کو مالی سال 2024 کی سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

مالی سال 2024 میں مستحکم کرنسی ایکسچینج ریٹ، افراط زر کی شرح میں کمی اور مرکزی بینک کی پالیسی کی شرح جیسے بہتر معاشی حالات کی بناء پر بحالی کے آثار ظاہر ہوئے ہیں۔ تاہم، ملک کی ترقی کی شرح گزشتہ مالی سال کے دوران صرف 2.5 فیصد ہی رہی۔ آنے والا سال کے بارے میں بڑی حد تک ایسا ہی رہنے کی پیش گوئی کی گئی ہے۔ ہماری ٹیم تمام دستیاب مواقع سے مستفید ہونے اور اپنے کسٹمز کے لئے بہترین خدمات کے لیے مستعد رہنے کے لیے پرعزم ہے۔

میں اس بات کی یقین دہانی کرتا ہوں کہ بورڈ کے موجودہ ممبران کاروباری انتظامات، منصوبہ سازی، مالیات، کارپوریٹ گورننس سمیت قانونی اور انتظامی امور میں خاطر خواہ مہارت رکھتے ہیں۔ اس کے علاوہ، بورڈ کے تمام ممبران کمپنی اور اس کے شیئر ہولڈرز کے لیے اپنی مخلصانہ ذمہ داری سے واقف ہیں اور اس بات کو یقینی بناتے ہیں کہ اس ذمہ داری کو ہمیشہ ملحوظ خاطر رکھا جائے۔

زیر جائزہ سال کے دوران اسٹیک ہولڈرز کے بہترین مفاد کو برقرار رکھنے کے لیے بورڈ نے اپنے فرائض بخوبی انجام دیئے۔ بورڈ نے کمپنی کے معاملات کی موثر اور نتیجہ خیز انداز میں رہنمائی جاری رکھی۔

مجھے جناب عثمان انصاری اور محترمہ سلویا اولس کو بورڈ میں خوش آمدید کہتے ہوئے بے حد مسرت ہے جن کا تقرر گزشتہ سال بورڈ میں ہونے والی اسامیوں کو پُر کرنے کے لیے کیا گیا ہے اور سبکدوش ہونے والے ممبران کے لیے میری نیک تمنائیں ہیں۔

بورڈ کے چیئر مین کی حیثیت سے میں یقین دہانی کرتا ہوں کہ تمام ممبران کی جانب سے حکمت عملی اور گورننس کے موضوعات پر اپنی رائے اور خیالات کے اظہار کی حوصلہ افزائی کی جاتی ہے۔ کسی بھی فیصلہ کی منظوری سے پہلے خود مختار ڈائریکٹرز، اقلیتی شیئر ہولڈرز کے نمائندہ ڈائریکٹر اور مطالقہ تجربہ رکھنے والے ڈائریکٹرز کی رائے اور مشوروں کو بھی شامل کیا جاتا ہے۔ مزید یہ کہ بورڈ اور اس کی کمیٹیوں نے چیف ایگزیکٹو، چیف فنانس آفیسر اور کمپنی سیکرٹری کے کام کی تشخیص اور مشاہرے کے تعین اور سربراہ انٹرنل آڈٹ کی کارکردگی کی جانچ پر تال کو بھی یقینی بنایا ہے۔

بورڈ نے واضح طور پر اپنی کمیٹیوں کا دائرہ کار (ٹرمس آف ریفرنس) وضع کر دیا ہے۔ ممبران کا تقرر ان کی مطلوبہ مہارت اور تجربہ کی بنیاد پر کیا گیا ہے۔ سال کے دوران بورڈ اور اس کی کمیٹیوں کے باقاعدگی سے اجلاس منعقد ہوئے جس کے دوران ہر پیش نظر معاملے پر ضروری غور و خوض کے بعد فیصلہ کیا گیا۔ بورڈ اور اس کی کمیٹیاں سالانہ اپنی کارکردگی کا از خود جائزہ لیتی ہیں جس کے ذریعے یہ اطمینان کیا جاتا ہے کہ ممبران کی انفرادی اور مجموعی کارکردگی تسلی بخش رہی۔

میں بورڈ کی جانب سے اپنے ملازمین، شیئر ہولڈرز، صارفین اور دیگر اسٹیک ہولڈرز کا ان کی پر خلوص حمایت، لگن اور انتھک محنت کا شکریہ ادا کرتا ہوں۔

مخلص،

کرل اسٹیشن وارنر

چیئر مین بورڈ



میں / ہم

ساکن \_\_\_\_\_ سیمنس (پاکستان) انجینئرنگ کمپنی لمیٹڈ کے ممبر کی حیثیت سے \_\_\_\_\_ عمومی شیئرز

کی بمطابق شیئرز رجسٹر فولیو نمبر \_\_\_\_\_ سی ڈی سی شمولیت آئی ڈی \_\_\_\_\_ سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_ تحویل رکھتے ہوئے

محترم / محترمہ / مسماة \_\_\_\_\_ ساکن \_\_\_\_\_

یا ان کی عدم دستیابی کی صورت میں \_\_\_\_\_ ساکن \_\_\_\_\_ کو اپنا مختار مقرر کرتا ہوں /

کرتے ہیں جو مورخہ 14 جنوری 2025ء کو صبح 11:00 بجے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP)، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8، کلفٹن، کراچی یا کسی تبدیلی کے ساتھ منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں میرے / ہمارے متبادل ووٹ دیں گے۔

بتاریخ \_\_\_\_\_ ماہ / سال \_\_\_\_\_

دستخط شیئرز ہولڈر \_\_\_\_\_

فولیو نمبر \_\_\_\_\_

CDC اکاؤنٹ نمبر \_\_\_\_\_

### گواہان:

۱۔ دستخط \_\_\_\_\_

نام: \_\_\_\_\_

پتہ: \_\_\_\_\_

قومی شناختی کارڈ نمبر: \_\_\_\_\_

ریونیو اسٹیپ

۲۔ دستخط \_\_\_\_\_

نام: \_\_\_\_\_

پتہ: \_\_\_\_\_

قومی شناختی کارڈ نمبر: \_\_\_\_\_

### نوٹس:

- 1- یہ پراکسی فارم مکمل طور سے پُر کر کے پانچ روپے کی رسیدی ٹکٹ پر دستخط کے ساتھ کمپنی کے رجسٹرڈ دفتر میں اجلاس کے شروع ہونے کے وقت سے کم از کم 48 گھنٹے قبل لازمی طور پر جمع کرایا جائے۔
- 2- صرف CDC اکاؤنٹ ہولڈرز کے لئے دو افراد کے بحیثیت گواہ دستخط ہونا ضروری ہے۔
- 3- CDC اکاؤنٹ ہولڈرز کو اپنے اور اپنے پراکسی کے قومی شناختی کارڈ / پاسپورٹ کی تصدیق شدہ فوٹو کاپی بھی جمع کرانی ہوگی۔
- 4- CDC اکاؤنٹ ہولڈر کے پراکسی کو اجلاس میں شرکت کے وقت اپنا اصل قومی شناختی کارڈ / پاسپورٹ پیش کرنا ہوگا۔
- 5- کارپوریٹ ادارے ہونے کی صورت میں بورڈ کی قرارداد / پاور آف اٹارنی مع پراکسی کے دستخط کا نمونہ اس فارم کے ہمراہ جمع کرانے ہوں گے۔

# Dividend Mandate Form

THK Associates (Pvt.) Limited

Plot No. 32-C, Jami Commercial Street 2,

D.H.A., Phase VII,

Karachi-75500. Pakistan

I, Mr./Mrs./Ms. \_\_\_\_\_ S/O, W/O, D/O \_\_\_\_\_

hereby authorize **Siemens (Pakistan) Engineering Co. Ltd.** to directly credit cash dividend declared by it, if any, in the below mentioned bank account:

<b>i) Personal Information</b>	
Name of shareholder	
Folio No. /CDC Participant ID A/C No.	
CNIC No*	
Passport No, (in case of foreign shareholder)**	
Land Line Phone Number	
Cell Number	
E mail address	

<b>ii) Bank Details</b>	
Title of Bank Account	
Name of Bank	
Branch Name and Address	
IBAN	
ISO Country code	
IBAN Check Digits	
BBAN	
Bank Identifier	
Account Number	
SEPA Member	

\_\_\_\_\_  
Signature of the Shareholder

Date: \_\_\_\_\_



# Request Form for Annual Report and Notices through E-mail

THK Associates (Pvt.) Limited  
Plot No. 32-C, Jami Commercial Street 2,  
D.H.A., Phase VII,  
Karachi-75500. Pakistan

Date: \_\_\_\_\_

Dear Sirs

I hereby instruct you to send from now onwards the Annual Report of **Siemens (Pakistan) Engineering Co. Ltd.** and all notices under Companies Act, 2017 at my E-mail address given below:

\_\_\_\_\_  
(E-mail address of the shareholder)

The above E-mail address will be recorded in the members register maintained under section 119 of the Companies Act, 2017. I will inform the Company and the Registrar about any change in my E-mail address immediately. Henceforth, I will receive the Accounts and Notices only on the above E-mail address, unless a hard copy has been specifically requested by me.

\_\_\_\_\_  
(Signature)

Name of the shareholder:

\_\_\_\_\_

Folio No: \_\_\_\_\_

(In case of physical shareholding)

CDC Account No.: \_\_\_\_\_

**Note:** Individual CDC Account holders should submit copy of their Computerized National Identity Card (CNIC) along with this request form.





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