



TELECARD LIMITED
3rd Quarterly Accounts
For the period ended
31 March 2022

TELECARD LIMITED

Corporate Office: World Trade Center, 10, Kh. Roomi, Block-5, Clifton, Karachi-75600

PABX: (92-21) 38330000 UAN: 111-222-123 Fax: (92-21) 35867850

www.telecard.com.pk



Company Information

Board of Directors	Mr. Pervez Sadiq (Chairman) Syed Aamir Hussain (CEO) Mr. Tipu Saeed Khan Mr. Waseem Ahmad Syed Hashim Ali Mr. Muhammad Asim Mr. Asad Mujtaba Naqvi
Board Audit Committee	Mr. Tipu Saeed Khan (Chairman) Mr. S.M. Pervez Sadiq Mr. Asad Mujtaba Naqvi
Human Resource & Remuneration Committee	Mr. Muhammad Asim (Chairman) Syed Aamir Hussain Mr. Asad Mujtaba Naqvi
Chief Executive Officer	Syed Aamir Hussain
Legal Advisor	Mohsin Tayebaly & Co.
Chief Financial Officer	Syed Hashim Ali
Company Secretary	Mr. Waseem Ahmad
Banks	Habib Metropolitan Bank Ltd Silk Bank Limited Habib Bank Limited
Registrar and Share Transfer Office	Jwaffs Registrar Services (Pvt.) Ltd. 407-408, 4 th Floor, Al Ameera Centre Sharah-e-Iraq Karachi
Registered Office	3 rd Floor, 75 East, Blue Area, Fazal-ul-Haq Road, Islamabad Pakistan
Corporate Office	7 th Floor, World Trade Center, 10- Khayaban-e-Roomi, Clifton, Karachi Pakistan

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Directors' Report

The Board of Directors of Telecard Limited 'the Company' are pleased to present the Financial Statements and review of your Company's performance for the period ended March 31, 2022.

Financial Performance

On a consolidated basis, the Company has reported a profit after tax of Rs. 351 million as against a profit of Rs. 335 million during the corresponding financial period. The Earning Per Share (EPS) stood at Rs. 1.12 compared to a profit of Rs. 1.06 same period last year. The change is attributable to a number of reasons including the improvement in gross margin from 33% to 37% and reduction in the financial cost of the Company.

On a standalone basis the revenue for the period ended March 31, 2022 was Rs. 1.059 billion as against the revenue of Rs. 928 million for the corresponding financial period, the increase in revenue is attributable to increase in enterprise sales. Your Company's direct cost was higher when compared with similar period of the preceding financial year due to increase in connectivity charges.

The Company has posted Gross Profit of Rs. 523 million compared to a Gross Profit of Rs. 443 million in the corresponding period due to the aforesaid reasons. Net Profit for the period stood at Rs. 154 million compared to Rs. 184 million last year. The decrease is attributable to the revised taxation regime during the period under review. The EPS stood at Rs. 0.49 compared to Rs. 0.58 in the corresponding period.

Future Outlook - Challenges and Way Forward

Your company is poised to leverage its inherent advantage in experienced and trained human resources, established inroads into Enterprise Segment and already functional business lines to explore opportunities in technology sector with a focus to enhance revenues, profitability and diversification of its revenue streams.

On behalf of the Board

Syed Aamir Hussain
Chief Executive Officer

29 April, 2022

TELECARD LIMITED

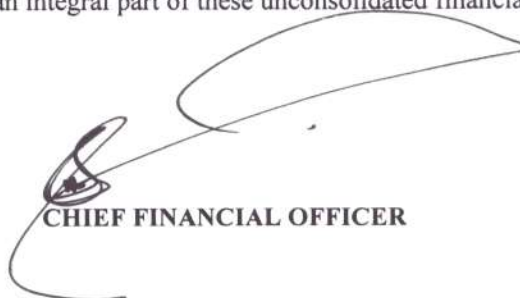
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TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	Note	Mar 31, 2022 (Un-audited)	June 30, 2021 (Audited)
---(Rupees in '000')---			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property and equipment	4	366,460	410,011
Intangible assets	5	4,527	5,995
Right-of-use assets	6	21,763	35,243
		<u>392,750</u>	<u>451,249</u>
Long-term investments	7	340,537	340,537
Long-term deposits		57,613	57,613
Deferred taxation		120,745	256,762
		<u>911,645</u>	<u>1,106,161</u>
CURRENT ASSETS			
Trade debts		377,688	326,398
Loans and advances		67,838	52,153
Deposits and prepayments		47,266	45,476
Accrued mark-up / profit	8	31,469	29,267
Other receivables	9	2,551,839	2,550,607
Taxation – net		111,721	128,207
Bank balances	10	46,084	6,568
		<u>3,233,905</u>	<u>3,138,676</u>
TOTAL ASSETS		<u>4,145,550</u>	<u>4,244,837</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	Note	Mar 31, 2022 (Un-audited) ----- (Rupees in '000') -----	June 30, 2021 (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital authorised			
400,000,000 (2021: 400,000,000) ordinary shares of Rs. 10/- each		<u>4,000,000</u>	<u>4,000,000</u>
Capital reserves			
Issued, subscribed and paid-up capital	11	3,150,000	3,000,000
Accumulated loss		<u>(653,795)</u>	<u>(657,743)</u>
		<u>2,496,205</u>	<u>2,342,257</u>
NON-CURRENT LIABILITIES			
Long-term financing	12	720,900	60,294
Contractual liability to a contractor		41,152	162,652
Lease liabilities	13	9,905	21,482
Deferred liabilities		<u>6,002</u>	<u>5,777</u>
		<u>777,959</u>	<u>250,205</u>
CURRENT LIABILITIES			
Trade and other payables	14	588,045	565,918
Unclaimed dividend		4,394	4,394
Accrued interest / mark-up		91,128	303,192
Current portion of long term financing and lease liabilities	15	<u>187,819</u>	<u>778,871</u>
		<u>871,386</u>	<u>1,652,375</u>
Contingencies & commitments	16		
TOTAL EQUITY AND LIABILITIES		<u><u>4,145,550</u></u>	<u><u>4,244,837</u></u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months ended		Quarter ended	
	Mar 31, 2022	Mar 31, 2021	Mar 31, 2022	Mar 31, 2021
	----- (Rupees in '000') -----			
Revenue – net	1,059,368	927,813	369,923	306,834
Direct costs	<u>(536,628)</u>	<u>(484,705)</u>	<u>(185,253)</u>	<u>(158,736)</u>
Gross profit	522,740	443,108	184,670	148,098
Distribution costs and administrative expenses	<u>(312,473)</u>	<u>(267,866)</u>	<u>(101,156)</u>	<u>(91,520)</u>
Other income	<u>169,196</u>	<u>138,458</u>	<u>1,108</u>	<u>86,757</u>
	<u>(143,277)</u>	<u>(129,408)</u>	<u>(100,048)</u>	<u>(4,763)</u>
Operating profit	379,463	313,700	84,622	143,335
Finance costs	<u>(48,782)</u>	<u>(54,801)</u>	<u>(24,786)</u>	<u>(17,951)</u>
Profit before taxation	330,681	258,899	59,836	125,384
Taxation	<u>(176,733)</u>	<u>(75,081)</u>	<u>(13,949)</u>	<u>(27,842)</u>
Net Profit for the period	<u>153,948</u>	<u>183,818</u>	<u>45,887</u>	<u>97,542</u>
Earning per share - basic and diluted (rupees)	<u>0.49</u>	<u>0.58</u>	<u>0.15</u>	<u>0.31</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF OTHER
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	<u>Nine months ended</u>		<u>Quarter ended</u>	
	<u>Mar 31,</u>	<u>Mar 31,</u>	<u>Mar 31,</u>	<u>Mar 31,</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	----- (Rupees in '000') -----			
Net Profit for the period	153,948	183,818	45,887	97,542
Other comprehensive income	-	-	-	-
Total comprehensive Income				
for the period	<u>153,948</u>	<u>183,818</u>	<u>45,887</u>	<u>97,542</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months ended	
	Mar 31, 2022	Mar 31, 2021
	----- (Rupees in '000') -----	
Cash generated from operations	102,544	118,747
Income tax paid	(26,971)	(24,157)
Finance cost paid	(793)	(639)
Finance cost against lease liabilities paid	(3,311)	(7,552)
	(31,075)	(32,348)
Net cash generated from from operating activities	71,469	86,399
CASH FLOWS FROM INVESTING ACTIVITY		
Fixed capital expenditure	(7,391)	(12,151)
Proceeds from disposal of fixed assets	7,195	-
Net cash used in investing activities	(196)	(12,151)
CASH FLOWS FROM FINANCING ACTIVITY		
Payment made against diminishing musharakah	(18,080)	(18,000)
Principal paid against lease liability	(13,677)	(17,476)
Net cash used in investing activities	(31,757)	(35,476)
Net increase / (decrease) in cash and cash equivalents	39,516	38,281
Cash and cash equivalents at the beginning of the period	6,568	23,018
Cash and cash equivalents at the end of the period	46,084	61,299

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.


CHIEF EXECUTIVE OFFICER
CHIEF FINANCIAL OFFICER
DIRECTOR

TELECARD LIMITED

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	----- (Rupees in '000') -----		
Balance as at June 30, 2020 - (Audited)	3,000,000	(930,931)	2,069,069
Net profit for the period	-	183,818	183,818
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	183,818	183,818
Balance as at Mar 31, 2021 - (Un-audited)	<u>3,000,000</u>	<u>(747,113)</u>	<u>2,252,887</u>
Balance as at June 30, 2021 - (Audited)	3,000,000	(657,743)	2,342,257
Net profit for the period	-	153,948	153,948
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	153,948	153,948
Issuance of bonus	150,000	(150,000)	-
Balance as at Mar 31, 2022 - (Un-audited)	<u>3,150,000</u>	<u>(653,795)</u>	<u>2,496,205</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR



TELECARD LIMITED

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

1. THE COMPANY AND ITS OPERATIONS

Telecard Limited (the Company) was incorporated in Pakistan on October 29, 1992 as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance), [Repealed with the enactment of Companies Act, 2017]. The shares of the Company are listed on the Pakistan Stock Exchange. The Company itself and through its subsidiary is licensed to provide fully integrated telecommunication services, these include basic wireless telephony, long distance and international services.

The registered office of the Company is located at World Trade Centre 75-East Blue Area, Fazal-ul-Haq road, Islamabad. The principal place of business of the Company is located at World Trade Centre, 10- Khayaban-e-Roomi, Clifton, Karachi while the site office is situated at B-1, SITE area, Manghopir road, Karachi.

The regional offices of the Company are situated at the following:

- House no. 1 White House Lane near Aitchison College, Sundreas Road, Zaman Park, Lahore.
- Near Guttwala Bridge Sheikhpura Road, Faisalabad.
- 4th Floor, Evacuee Trust Property Board Building Opposite PTCL Dera Adda Exchange Multan.

2. BASIS OF PREPARATION

The condensed interim unconsolidated financial statements has been prepared for the six months period ended December 31, 2019 in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act 2017. In case where the requirements differ, the provisions of or directives issued under the Companies Act 2017 shall prevail.

The condensed interim unconsolidated financial statements is being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

The condensed interim unconsolidated financial statements does not include all the information and disclosures required in an annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The preparation of condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income or expenses. Actual results may differ from these

The accounting policies, estimates, judgments and methods of computation adopted for the preparation of the condensed interim unconsolidated financial statements are same as those applied in the preparation of the annual financial statements of the Company as at and for the year ended June 30, 2020



		Mar 31, 2022 (Un-audited)	June 30, 2021 (Audited)
	Note	---- (Rupees in '000') ----	
4. PROPERTY, PLANT AND EQUIPMENT			
4.1 Operating fixed assets			
Opening net book value		410,011	453,583
Additions during the period / year	4.1.1	7,391	13,986
		<u>417,402</u>	<u>467,569</u>
Net book value of disposals during the period / year		(7,195)	-
Depreciation charged during the period / year		<u>(43,747)</u>	<u>(57,558)</u>
		<u>(50,942)</u>	<u>(57,558)</u>
		<u>366,460</u>	<u>410,011</u>
4.1.1 Details of additions during the current period / year are as follows:			
Owned			
Apparatus, plant and equipment		5,219	11,193
Computers & accessories		1,790	2,130
Furniture, fixtures and office equipment		382	623
		<u>7,391</u>	<u>13,946</u>
5. INTANGIBLE ASSETS			
At cost			
Local loop (LL) license		8,120	8,120
Long distance international (LDI) license		29,029	29,029
		<u>37,149</u>	<u>37,149</u>
Accumulated amortisation to date		<u>(32,622)</u>	<u>(31,154)</u>
		<u>4,527</u>	<u>5,995</u>
6. RIGHT-OF-USE ASSETS			
Opening net book value		35,243	58,727
Depreciation for the period		<u>(13,480)</u>	<u>(23,484)</u>
Closing net book value		<u>21,763</u>	<u>35,243</u>
7. LONG-TERM INVESTMENTS			
<p>In April 2022, Subsequent to reporting period, Supernet Limited ('SPNL') offered 21,111,121 ordinary shares of Rs. 10 each, at a price of Rs. 22.5 per share, at a premium of Rs. 12.5 per shares, through book building mechanism. The shares were offered to accredited investors to enable SPNL to lists its shares on GEM (Growth Enterprise Market) Board of Pakistan Stock Exchange. The issue consisted of 8,888,889 shares offered as offer for sale by Telecard Limited and the remaining 12,222,232 shares were offered as fresh equity by SPNL.</p> <p>Consequently, Telecard Ltd's holding in SPNL has now been reduced to 81.19% (June 2021:100%) and accordingly the carrying amount of investment has been reduced. The impact of offer for sale and share issuance is not reflected in these financial statements as the event occurred after the balance sheet date and is classified as non-adjusting event.</p>			
8. ACCRUED MARK-UP			
Due from a bank		7,000	7,000
Others		24,469	22,267
		<u>31,469</u>	<u>29,267</u>

Mar 31, **June 30,**
2022 **2021**
(Un-audited) **(Audited)**
---- (Rupees in '000') ----

9. OTHER RECEIVABLES

Considered good

Karachi Relief Rebate Package	349,954	349,954
Due from PTCL against PTA-Escrow	96,041	96,041
In Escrow account with PTA	345,594	345,594
Pakistan Telecommunication Authority - APC for USF	1,547,559	1,547,559
Pakistan Telecommunication Authority - ARFSF	48,135	48,135
Pakistan Telecommunication Authority - others	117,197	117,197
Claim against a bank	998	998
Due from a contractor	3,141	2,935
Punjab Revenue Authority (PRA)	34,956	34,956
Others	8,264	7,238
	2,551,839	2,550,607

Considered doubtful

Pakistan Telecommunication Authority	76,428	76,428
Due from PTCL against WPS	243,890	243,890
	320,318	320,318
Loss allowance for receivables considered doubtful	(320,318)	(320,318)
	-	-
	2,551,839	2,550,607

- 9.1** There has been no significant change in status of legal cases / financial claims as reported in the audited financial statements of the Company for the year ended June 30, 2021.

10. BANK BALANCES

In current accounts

Local currency	2,935	2,144
Foreign currency	25	15
	2,960	2,159

In saving accounts

Local currency	43,124	4,409
	46,084	6,568

- 10.1** These carry mark-up at rates, ranging between 3.2% to 7.52% (June 30, 2021: 4.06% to 5.7%) per annum.

	Note	Mar 31, 2022 (Un-audited) ---- (Rupees in '000') ----	June 30, 2021 (Audited)
11. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
300,000 ordinary shares of Rs. 10/each		3,000,000	3,000,000
Bonus shares allotted during the period / year		150,000	-
		3,150,000	3,000,000
12. LONG TERM FINANCING			
Secured			
Diminishing musharakah	12.1	66,414	84,494
Current maturity shown under current liabilities		(24,200)	(24,200)
		42,214	60,294
Term finance certificates	12.2	825,924	736,190
Overdue instalments		-	(736,190)
Current maturity shown under current liabilities		(147,238)	-
		678,686	-
		720,900	60,294
12.1	The facility is repayable in 20 equal quarterly instalments of Rs. 6.03 million each, with first instalment commencing from February, 2020. This facility carries mark-up at the rate of 3 month KIBOR with a floor of 7.5% payable quarterly, with first quarterly instalment of mark-up commencing from November, 2022 (after grace period of 2 years from date of rescheduling). This facility is secured against pari passu charge over the current assets and ranking charge over the fixed assets of the Company.		
12.2	There has been a significant change in the terms and conditions of term facilities as disclosed in the Company's annual unconsolidated financial statements for the year ended June 30, 2020. The listed Term Finance Certificates (TFC's) issued by the Company which have been restructured effective from October 2021. Under the restructuring terms, the principal amount is redeemable over 20 equal instalments beginning from March 31, 2022. However, in the event the company has successfully executed Offer for Sale ("OFS") of its whole owned subsidiary, Supernet Limited, and the proceeds from such OFS are equal to exceed Rs 250 million, then the three quarterly installment of principle that fall due after the said listing would be immediately paid in a bullet payment. Further, the markup accrued till December 31, 2020 is frozen and the profit accruing post restructuring shall be paid in eight quarterly installment starting from march 31, 2027. These TFC's carry a markup at the rate of three months KIBOR (June 30 2021: 3 months KIBOR).		
		Mar 31, 2022 ---- (Rupees in '000') ----	June 30, 2021
13. LEASE LIABILITIES			
Lease liabilities		26,286	39,963
Current portion of lease liabilities		(16,381)	(18,481)
		9,905	21,482



Mar 31, June 30,
2022 2021
(Un-audited) (Audited)
---- (Rupees in '000') ----

14. TRADE AND OTHER PAYABLES

Pakistan Telecommunication Company Limited (PTCL)

Interconnect operators	11,275	11,989
Others	113,846	90,057
	<u>125,121</u>	<u>102,046</u>

Other payables

Current accounts with related parties	201,466	126,261
Current maturity of spectrum fee payable	21,493	146,493
Accrued liabilities	143,594	103,488
Contract liability to customers	772	6,631
Workers' welfare fund	4,964	4,964
Others	92,823	76,035
	<u>462,924</u>	<u>463,872</u>
	<u>588,045</u>	<u>565,918</u>

15. SHORT-TERM FINANCING

Current maturity of diminishing musharakah	24,200	24,200
Current maturity & overdue instalments of term finance certificates	147,238	736,190
Current maturity of lease liability	16,381	18,481
	<u>187,819</u>	<u>778,871</u>

16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There has been no significant change in the status of contingencies as reported in the annual unconsolidated financial statements for the year ended June 30, 2021.

16.2 Commitments

Counter guarantees given to banks	<u>47,225</u>	<u>47,225</u>
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17. TRANSACTIONS WITH RELATED PARTIES

The related parties include a subsidiary company, entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel and retirement benefit plans. Transactions with related parties, other than those disclosed elsewhere in the financial statements are as under:

	Nine months ended	
	Mar 31, 2022	Mar 31, 2021
	---- (Rupees in '000') ----	
Subsidiary of wholly owned subsidiary company		
Supernet E-Solutions (Private) Limited		
Services received	4,131	4,131
Key Management Personnel		
Remuneration and benefits	74,362	66,076
Staff retirement benefits - provident fund	5,600	2,686

18. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements for the year ended June 30, 2021.

19. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified and rearranged for the purpose of better presentation, however, there were no material reclassifications.

20. AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on 29-04-2022 by the Board of Directors of the Company.

21. GENERAL

Figures have been rounded off to the nearest thousand rupees except as stated otherwise.


CHIEF EXECUTIVE OFFICER
CHIEF FINANCIAL OFFICER
DIRECTOR

TELECARD LIMITED

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022**

		(Un-audited) Mar 31, 2022	(Audited) June 30, 2021
	Note	----- (Rupees in '000') -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	679,951	723,785
Intangible assets		77,924	79,288
Right-of-use assets	5	24,331	39,316
		<u>782,206</u>	<u>842,389</u>
Long-term deposits		58,073	57,708
Long-term Investment	6	-	-
Deferred taxation		178,019	298,665
		<u>1,018,298</u>	<u>1,198,762</u>
CURRENT ASSETS			
Communication stores		103,770	125,529
Trade debts		1,803,357	1,340,380
Loans and advances		231,328	146,172
Deposits and prepayments		122,395	75,831
Accrued mark-up		31,469	29,267
Other receivables	7	2,592,130	2,564,724
Taxation – net		283,507	291,432
Cash and bank balances		178,707	165,764
		<u>5,346,663</u>	<u>4,739,099</u>
TOTAL ASSETS		<u>6,364,961</u>	<u>5,937,861</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

		(Un-audited) Mar 31, 2022	(Audited) June 30, 2021
Note			
----- (Rupees in '000') -----			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
400,000,000 (June 30, 2021: 400,000,000) ordinary shares of Rs. 10/- each		<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed and paid-up capital	8	3,150,000	3,000,000
Foreign currency translation reserve		7,388	(984)
Accumulated profit / (loss)		<u>375,922</u>	<u>174,625</u>
Capital and reserves attributable to the owners of the Holding Group		3,533,310	3,173,641
Non-controlling interest		<u>(2,411)</u>	<u>(2,080)</u>
TOTAL EQUITY		3,530,899	3,171,561
NON-CURRENT LIABILITIES			
Long-term financing	9	720,900	83,732
Contractual liability to a contractor		41,152	162,652
Lease liabilities		11,101	24,627
Deferred liabilities		8,739	8,510
		781,892	279,521
CURRENT LIABILITIES			
Trade and other payables	10	1,588,684	1,213,958
Unclaimed dividend		4,394	4,394
Accrued interest/mark-up		96,825	309,075
Short term finance and current portion of long term financing and lease liabilities		362,267	959,352
		2,052,170	2,486,779
Contingencies & commitments	11		
TOTAL EQUITY AND LIABILITIES		6,364,961	5,937,861

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE OFFICER


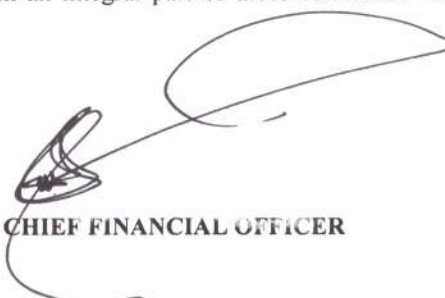


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months period ended		Quarter ended	
	Mar 31,		Mar 31,	
	2022	2021	2022	2021
	----- (Rupees in '000') -----			
Revenue – net	3,141,559	2,887,785	1,213,958	1,096,094
Direct costs	(1,968,445)	(1,928,503)	(797,056)	(763,792)
Gross profit	1,173,114	959,282	416,902	332,302
Administrative & distribution costs	(668,787)	(555,331)	(226,146)	(191,986)
Other income / (expense)	143,947	164,200	(2,567)	88,785
	(524,840)	(391,131)	(228,713)	(103,201)
Operating profit	648,274	568,151	188,189	229,101
Finance costs	(66,786)	(73,530)	(31,252)	(24,194)
Profit before taxation	581,488	494,621	156,937	204,907
Taxation	(230,522)	(159,894)	(38,921)	(63,748)
Profit for the period	350,966	334,727	118,016	141,159
Profit / (loss) is attributable to:				
Owners of the Holding Company	351,297	334,197	118,239	14,159
Non-controlling interests	(331)	530	(223)	-
	350,966	334,727	118,016	141,159
	Restated		Restated	
	-----Rupees-----			
Earning per share - basic & diluted	1.12	1.06	0.38	0.04

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.

CHIEF EXECUTIVE OFFICER
CHIEF FINANCIAL OFFICER
DIRECTOR

TELECARD LIMITED

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months period ended		Quarter ended	
	Mar 31,		Mar 31,	
	2022	2021	2022	2021
	----- (Rupees in '000') -----			
Net profit for the period	350,966	334,727	118,016	141,159
<i>Items that may be reclassified to profit or loss</i>				
Exchange differences on translation of foreign operation	8,372	(430)	372	(1,256)
Total comprehensive income for the period	359,338	334,297	118,388	139,903
Total comprehensive income / (loss) attributable to:				
Owners of the Holding Company	359,669	333,767	118,611	139,903
Non-controlling interests	(331)	530	(223)	-
	359,338	334,297	118,388	139,903

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

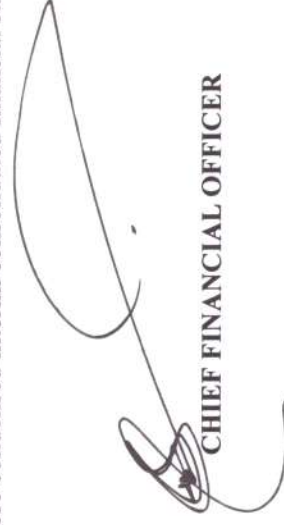

DIRECTOR

TELECARD LIMITED
CINDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Attributable to the owner of Holding Co.				
	Issued subscribed paid-up capital	Accumulated profit / (loss)	Foreign currency translation reserve	Non - controlling interest	Total
	(Rupees in '000')				
Balance as at June 30, 2020 (Audited)	3,000,000	(329,485)	132	(2,065)	2,668,582
Net profit for the period	-	334,197	-	530	334,727
Other comprehensive income	-	-	(430)	-	(430)
Total comprehensive income / (loss) for the period	-	334,197	(430)	530	334,297
Balance as at March 31, 2021 (Un-audited)	3,000,000	4,712	(298)	(1,535)	3,002,879
Balance as at June 30, 2021 (Audited)	3,000,000	174,625	(984)	(2,080)	3,171,561
Net Profit/(loss) for the period	-	351,297	-	(331)	350,966
Other comprehensive income	-	-	8,372	-	8,372
Total comprehensive loss for the period	-	351,297	8,372	(331)	359,338
Issuance of bonus shares	150,000	(150,000)	-	-	-
Balance as at March 31, 2022 (Un-audited)	3,150,000	375,922	7,388	(2,411)	3,530,899

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months period ended	
	Mar 31,	
	2022	2021
	---- (Rupees in '000') ----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	295,753	272,830
Income tax paid	(101,938)	(95,146)
Finance costs paid	(16,639)	(5,738)
Long-term deposits paid	-	(985)
Net cash generated from operating activities	177,176	170,961
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(112,993)	(54,805)
Proceeds from disposal of property, plant and equipment	7,396	-
Net cash used in investing activities	(105,597)	(54,805)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term finances-net	(41,518)	(41,438)
Lease rentals against right-of-use assets	(19,097)	(27,094)
Short-term running financing- net	(6,394)	8,966
Net cash used in financing activities	(67,009)	(59,566)
Exchange difference on translation of foreign subsidiary	8,372	-
Net increase/ (decrease) in cash and cash equivalents	12,943	56,590
Cash and cash equivalents at the beginning of the year	165,764	87,418
Cash and cash equivalents at the end of the period	178,707	144,008

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

TELECARD LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

1. THE GROUP AND ITS OPERATIONS

The Group comprises of:

- > Telecard Limited - Holding Company
- > Supernet Limited - Subsidiary Company
- > Telegateway Limited - Subsidiary Company
- > Nexus Communications (Private) Limited - Subsidiary Company
- > Glitz Communications (Private) Limited - Subsidiary Company
- > Globetech Communications (Private) Limited - Subsidiary Company
- > Supernet Infrastructure Solutions (Private) Limited
- > Supernet E-Solution (Pvt) Limited - Subsidiary Company of Supernet Limited
- > Supernet Secure Solution (Private) Limited - Subsidiary Company of Supernet Limited
- > Phoenix Global FZE - Subsidiary Company of Supernet Limited

Telecard Limited was incorporated in Pakistan on October 29, 1992 as a public limited Group. The shares of the Holding Group are listed on the Pakistan Stock Exchange. The Holding Group is licensed to provide fully integrated telecommunication services, including basic wireless telephony, long distance and international services and payphones. The registered office of the Holding Group is located at World Trade Centre 75-East Blue Area, Fazal-ul-Haq road, Islamabad. The principal place of business of the Group is located at World Trade Centre, 10- Khayaban-e-Roomi, Clifton, Karachi.

Supernet Limited is engaged in providing satellite and microwave communication services e.g. internet, radio links, Single Channel Per Carrier (SCPC), Time Division Multiple Access (TDMA), etc. and sale and installation of related equipment and accessories. Telecard Limited holds 100% equity of Supernet Limited.

Telegateway Limited is engaged in the business of providing means of communicating audio, video or audio/video messages transmitted by radio cable, impulses and beams or by any combination thereof or by any other means through space, air, land, water, underground or underwater as permissible under the law. Telecard Limited holds 100% equity of Telegateway Limited. The Company is currently inactive.

Nexus Communications (Private) Limited has been incorporated to provide telecommunication and other related services. Telecard Limited holds 100% equity of Nexus Communications (Private) Limited. The Company is currently inactive.

Glitz Communications (Private) Limited has been incorporated to provide telecommunication and other related services. Telecard Limited holds 100% equity of Glitz Communications (Private) Limited. The Company is currently inactive.

Globetech Communications (Private) Limited has been incorporated to provide telecommunication and other related services. Telecard Limited holds 100% equity of Globetech Communications (Private) Limited. The Company is currently inactive.

Supernet Infrastructure Solutions (Private) Limited is engaged in the business of consultancy supplies and deals in all type of computer accessories, software, hardware, system integration and multimedia services. Supernet Limited holds 100% equity of Supernet Infrastructure Solutions (Private) Limited.

Supernet E-Solutions (Private) Limited is engaged in providing telecommunication solutions and other IT related services. Supernet Limited holds 100% equity of Supernet-E-Solution (Private) Limited.

Supernet Secure Solutions (Private) Limited is engaged in providing networking support services. Supernet Limited holds 80% equity of Supernet Secure Solutions (Private) Limited.

Phoenix Global FZE, a Group based in United Arab Emirates (UAE). Its principle business is provision of telecommunication services and sales of telecom equipment within UAE. Supernet Limited holds 100% equity of Phoenix Global FZE. The registered office of the Group is located at World Trade Centre, 75, East Blue Area, Fazal-ul-Haq Road, Islamabad.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary companies and prepared using uniform accounting policies. The assets, liabilities, income and expenses of the subsidiary companies have been consolidated on a line by line basis. Inter-group transactions and balances have been eliminated for the purpose of consolidation.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these condensed interim consolidated financial statements are same as those applied in preparing the consolidated financial statements for the year ended June 30, 2021.

	(Un-audited) Mar 31, 2022	(Audited) June 30, 2021
Note	2022	2021
	---- (Rupees in '000') ----	
4. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	679,951	723,785
4.1 Operating fixed assets		
Opening net book value	723,785	808,537
Additions during the period / year	112,993	112,853
	<u>836,778</u>	<u>921,390</u>
Net book value of disposal during the period / year	(7,195)	(933)
Depreciation charged during the period / year	(149,631)	(196,672)
	<u>(156,826)</u>	<u>(197,605)</u>
	<u>679,951</u>	<u>723,785</u>
5. RIGHT-OF-USE ASSETS		
Opening net book value	39,316	65,154
Depreciation for the period / year	(14,985)	(25,838)
Closing net book value	<u>24,331</u>	<u>39,316</u>

	(Un-audited) Mar 31, 2022 --- (Rupees in '000') ---	(Audited) June 30, 2021 ---
6. LONG-TERM INVESTMENT		
At fair value through other comprehensive income (FVOCI)		
Augere Holdings (Netherlands) B.V.	480,630	480,630
Loss allowance for ECL	(480,630)	(480,630)
	<u>-</u>	<u>-</u>
7. OTHER RECEIVABLES		
Considered good		
Karachi Relief Rebate	349,954	349,954
Amount withheld by PTCL against PTA Escrow	96,041	96,041
In Escrow account with PTA	345,594	345,594
Pakistan Telecommunication Authority - APC for USF	1,547,559	1,547,559
Pakistan Telecommunication Authority - ARFSF	48,135	48,135
Pakistan Telecommunication Authority - others	117,197	117,197
Claim against a bank	998	998
Insurance claims	4,306	4,306
Due from a contractor	3,141	2,935
Punjab Revenue Authority (PRA)	34,956	34,956
Deposit with FBR under tax amnesty scheme	2,991	2,991
Others	41,258	14,058
	<u>2,592,130</u>	<u>2,564,724</u>
Considered doubtful		
Due from PTCL against WPS	243,890	243,890
Pakistan Telecommunication Authority	76,428	76,428
	<u>320,318</u>	<u>320,318</u>
Loss allowance for receivables considered doubtful	(320,318)	(320,318)
	<u>-</u>	<u>-</u>
	<u>2,592,130</u>	<u>2,564,724</u>
8. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
300,000 ordinary shares of Rs. 10/each	3,000,000	3,000,000
Bonus shares allotted during the period / year	150,000	-
	<u>3,150,000</u>	<u>3,000,000</u>
8.1	The board of directors of the Holding Company, in the meeting held on October 07, 2021, approved the issuance of 5% Bonus shares, increasing Companies Paid up Capital from Rs. 300,000,000/- to Rs. 315,000,000/- divided into ordinary shares of Rs. 10/- each.	

	(Un-audited) Mar 31, 2022 -- (Rupees in '000) --	(Audited) June 30, 2021
10. TRADE AND OTHER PAYABLES		
Interconnect operators	11,275	11,989
Others	1,175,285	731,353
	<u>1,186,560</u>	<u>743,342</u>
Other payables		
Spectrum fee payable	21,493	146,493
Contractual liability to customers	9,644	15,503
Advances from franchisees	200	200
Accrued liabilities	244,586	175,798
Payable to employees provident fund	18,556	107
Workers' welfare fund	7,746	7,746
Others	99,899	124,769
	<u>402,124</u>	<u>470,616</u>
	<u>1,588,684</u>	<u>1,213,958</u>

11. CONTINGENCIES AND COMMITMENTS**(a) Contingencies**

- 11.1** There has been no change in the status of other contingencies reported in the consolidated financial statements for the year ended June 30, 2021.

(b) Commitments

	(Un-audited) Mar 31, 2022 -- (Rupees in '000) --	(Audited) June 30, 2021
11.2 Counter guarantees given to banks	<u>100,055</u>	<u>80,265</u>

12. TRANSACTIONS WITH RELATED PARTIES

The related parties include entities having directors in common with the Group, major shareholders of the Group, directors and other key management personnel and retirement benefit plans. Transactions with related parties, other than those disclosed elsewhere in the financial statements are as under:

	Nine months period ended	
	(Un-audited)	
	Mar 31, 2022	Mar 31, 2021
	-- (Rupees in '000) --	
Provident fund contribution during the period	13,764	8,429
	<u>13,764</u>	<u>8,429</u>

13. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended June 30, 2021.

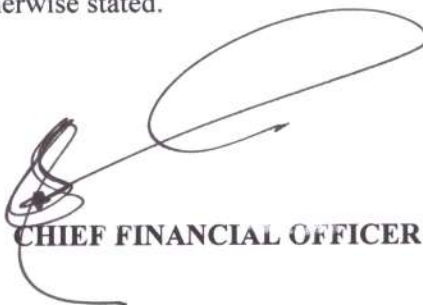
14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on 29-04-2022 by the board of directors of the Holding Company.

15. GENERAL

Figures in these condensed interim consolidated financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR