



SUPERNET LIMITED

3rd Quarterly Accounts

For the period ended 31 March 2022

SUPERNET LIMITED

Karachi: 9th Floor, World Trade Center, 10 Khayaban-e-Roomi, Block 5, Clifton. Tel: (+92-21) 3587 1864-7, (+92-21) 3855 0000, Fax: (+92-21) 3587 1869

Lahore: 2nd Floor, Block 2, Awami Complex, New Garden Town. Tel: (+92-42) 3583 1254, (+92-42) 3586 5637, Fax: (+92-42) 35866184

Islamabad: 75 East, Blue Area, Fazal-e-Haq Road. Tel: (+92-51) 2344 131-2, Fax: (+92-51) 2344 134

www.super.net.pk



Empowering Networks

Company Information

Board of Directors

Syed Aamir Hussain (Chairman)
Mr. Jamal Nasir Khan (CEO)
Mr. Waseem Ahmad
Syed Hashim Ali
Mr. Asad Mujtaba Naqvi
Mr. Ahmer Qamar
Ms. Naeen Ahmed

Board Audit Committee

Mr. Asad Mujtaba Naqvi (Chairman)
Mr. Waseem Ahmad
Ms. Naeen Ahmed

Chief Executive Officer

Syed Aamir Hussain

Legal Advisor

Mohsin Tayebaly & Co.

Chief Financial Officer

Mr. Mohsin Ishaq Modi

Company Secretary

Mr. Waseem Ahmad

Banks

Habib Metropolitan Bank Ltd
Standard Chartered Pakistan
Habib Bank Limited

Registrar and Share Transfer Office

Jwaffs Registrar Services (Pvt.) Ltd.
407-408, 4th Floor, Al Ameera Centre
Sharah-e-Iraq Karachi

Registered Office

3rd Floor, 75 East, Blue Area,
Fazal-ul-Haq Road, Islamabad
Pakistan

Corporate Office

9TH Floor, World Trade Center, 10-
Khayaban-e-Roomi, Clifton, Karachi
Pakistan

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Directors' Report

The Board of Directors of Supernet 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. 197 million as against a profit of Rs. 164 million during the corresponding financial period due to enhanced top line revenue. The Earning Per Share (EPS) stood at Rs. 1.97 compared to a profit of Rs. 1.64 same period last year.

On a standalone basis the revenue for the period ended March 31, 2022 was Rs. 1.849 billion as against the revenue of Rs. 1.814 billion for the corresponding financial period.

The Company has posted Gross Profit of Rs. 532 million compared to a Gross Profit of Rs. 465 million in the corresponding period. The increase in the gross profit revenue is attributable to reduced direct cost as a result of effective implementation of cost optimization strategy. This was also reflected in the administration and other expenses which were brought down to Rs. 172 million from Rs. 193 million in the corresponding period. Further, a marginal decrease in finance cost coupled with higher gross margins also positively impacted the bottom-line revenue taking it from Rs. 140 million to Rs. 151 million in the nine-month period ended March 31, 2022.

The tax expenditure for the period was lower because of deferred tax income of Rs. 15 million. The EPS stood at Rs. 1.51 compared to Rs. 1.40 in the corresponding period.

Future Outlook - Challenges and Way Forward

Your company will continue to explore opportunities in cyber security and infrastructure solutions with a focus on customer satisfaction, which transpires into enhanced revenue streams.

On behalf of the Board


Jamal Nasir Khan
Chief Executive Officer



28 April, 2022

SUPERNET LIMITED

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

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
	Note	---- (Rupees in '000) ----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	351,620	352,762
Intangible assets		1,034	1,158
Right-of-use assets		2,568	4,073
Long-term investments		2,509	2,509
		<u>357,731</u>	<u>360,502</u>
Long-term deposits		95	95
Deferred taxation		57,274	41,920
		<u>415,100</u>	<u>402,517</u>
CURRENT ASSETS			
Communication stores		101,564	121,952
Trade debts	5	1,487,966	1,114,794
Advances, deposits and prepayments		206,846	98,308
Other receivables		247,732	155,245
Taxation - net		169,804	164,025
Cash and bank balances	6	11,184	53,232
		<u>2,225,096</u>	<u>1,707,556</u>
		<u>2,640,196</u>	<u>2,110,073</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
150,000,000 (June 30, 2021: 150,000,000)			
ordinary shares of Rs.10 each	7.1	<u>1,500,000</u>	<u>600,000</u>
Issued, subscribed and paid-up capital	7.2	<u>1,000,000</u>	<u>1,000,000</u>
Revenue reserve - Un-appropriated profit		<u>256,583</u>	<u>105,888</u>
		<u>1,256,583</u>	<u>1,105,888</u>
NON-CURRENT LIABILITIES			
Long-term financing		-	23,438
Lease liabilities		1,196	3,145
Deferred liability		2,737	2,737
		<u>3,933</u>	<u>29,320</u>
CURRENT LIABILITIES			
Trade and other payables	8	<u>1,190,663</u>	<u>779,629</u>
Accrued mark-up		5,697	5,883
Contractual liability to customer		8,872	8,872
Short-term financing		<u>174,448</u>	<u>180,481</u>
		<u>1,379,680</u>	<u>974,865</u>
Contingencies & commitments	9		
TOTAL EQUITY AND LIABILITIES		<u>2,640,196</u>	<u>2,110,073</u>

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

SUPERNET LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months period ended March 31		Quarter ended March 31	
	(Un-audited) 2022	(Audited) 2021	(Un-audited) 2022	(Un-audited) 2021
	----- (Rupees in '000) -----			
Revenue - net	1,848,758	1,814,325	764,275	737,904
Cost of services	(1,316,925)	(1,349,393)	(566,674)	(566,859)
Gross profit	531,833	464,932	197,601	171,045
Administrative & other expenses	(172,319)	(193,412)	(62,598)	(94,287)
Distribution costs	(117,758)	(112,636)	(43,251)	(36,821)
Exchange gain / (loss)	(30,429)	51,437	(4,995)	28,587
Other income	4,813	6,370	881	5,699
	(315,693)	(248,241)	(109,963)	(96,822)
Operating profit	216,140	216,691	87,638	74,223
Finance costs	(17,539)	(18,702)	(6,318)	(6,292)
Profit before taxation	198,601	197,989	81,320	67,931
Taxation	(47,906)	(58,460)	(22,195)	(10,513)
Profit after taxation	150,695	139,529	59,125	57,418
	-----Amount in Rupees-----			
Earnings per share - basic and diluted	1.51	1.40	0.59	0.57

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SUPERNET LIMITED

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months period ended March 31		Quarter ended March 31	
	2022 (Un-audited)	2021 (Audited)	2022 (Un-audited)	2021 (Un-audited)
	----- (Rupees in '000) -----			
Profit after taxation	150,695	139,529	59,125	57,418
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>150,695</u>	<u>139,529</u>	<u>59,125</u>	<u>57,418</u>

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



DIRECTOR

SUPERNET LIMITED

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Issued, subscribed and paid-up capital	Revenue reserve Un appropriated profit	Total Total
	(Rupees in '000')		
Balance as at July 01, 2020 (Audited)	500,000	405,696	905,696
Profit for the period	-	139,529	139,529
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	139,529	139,529
			-
Balance as at Mar 31, 2021 (Audited)	500,000	545,225	1,045,225
Balance as at July 01, 2021 (Audited)	1,000,000	105,888	1,105,888
Profit for the period	-	150,695	150,695
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	150,695	150,695
Balance as at Mar 31, 2022 (Un-audited)	1,000,000	256,583	1,256,583

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial stat


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SUPERNET LIMITED

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

		Nine months period ended		
		March 31, 2022 (Un-audited)	March 31, 2021 (Audited)	
Note		----- (Rupees in '000') -----		
CASH FLOWS FROM OPERATING ACTIVITIES				
	Cash generated from operations	10	175,680	117,762
	Income tax paid		(69,040)	(69,560)
	Finance cost paid		(15,142)	(19,828)
	Gratuity paid		-	(197)
	Net cash generated from operating activities		91,498	28,177
CASH FLOWS FROM INVESTING ACTIVITIES				
	Purchase of property, plant and equipment	4.1	(104,065)	(42,891)
	Proceeds from disposal of property, plant and equipment		-	855
	Long-term investment made		-	(1,000)
	Income received from saving account		2,460	1,064
	Net cash used in investing activities		(101,605)	(41,972)
CASH FLOWS FROM FINANCING ACTIVITIES				
	Long-term financing		(23,438)	(23,438)
	Lease rentals paid		(2,109)	(2,066)
	Short-term running finance		(6,394)	19,606
	Net cash used in financing activities		(31,941)	(5,898)
	Net increase / (decrease) in cash and cash equivalents		(42,048)	(19,693)
	Cash and cash equivalents at the beginning of the period		53,232	39,760
	Cash and cash equivalents at the end of the period	6	11,184	20,067

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SUPERNET LIMITED

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

1. THE COMPANY AND ITS OPERATIONS

- 1.1** Supernet Limited (the Company) was incorporated in Pakistan on March 14, 1995 as an unquoted public company under the Companies Ordinance, 1984 (Repealed with the enactment of Companies Act, 2017). The Company is a wholly owned subsidiary of Telecard Limited (the Holding Company).

The Company has been granted a license by the Ministry of Communications, Government of Pakistan to establish and operate a data network system in Pakistan. The Company 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.

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 its regional office is located at 2nd Floor, Block 2, Awami complex, New Garden town, Lahore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim 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 Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated financial statements are the separate financial statements of the Company in which investment in subsidiaries are reported on the basis of cost less impairment losses (if any).

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2021.

2.2 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These unconsolidated financial statements are presented in Pakistani Rupees (Rs.), which is the Company's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2021.

	March 31, 2022 (Un-audited) ----- (Rupees in '000') -----	June 30, 2021 (Audited)
4. PROPERTY, PLANT AND EQUIPMENT		
Opening net book value	352,762	393,757
Additions during the year	104,065	97,351
Net book value of disposals during the year	-	(933)
Depreciation charged during the year	(105,207)	(137,413)
	(105,207)	(138,346)
	<u>351,620</u>	<u>352,762</u>
4.1 Details of additions during the period		
Communication equipments	99,996	93,760
Furniture, fixtures and office equipments	137	304
Motor vehicles	-	969
Computers and accessories	3,932	2,318
	<u>104,065</u>	<u>97,351</u>
5. TRADE DEBTS		
Unsecured-considered good		
Related parties	58,960	33,524
Others	1,429,006	1,081,270
	1,487,966	1,114,794
Considered doubtful trade debts	91,514	85,063
Loss allowance for ECLs	(91,514)	(85,063)
	-	-
	<u>1,487,966</u>	<u>1,114,794</u>
6. CASH AND BANK BALANCES		
Cash in hand	219	190
In current accounts		
Local currency	6,398	4,974
Foreign currency	2	818
	6,400	5,792
In saving account		
Local currency	4,565	47,250
	<u>11,184</u>	<u>53,232</u>

	March 31, 2022 (Un-audited) ----- (Rupees in '000') -----	June 30, 2021 (Audited)
7. SHARE CAPITAL AND RESERVES		
7.1 AUTHORISED SHARE CAPITAL		
150,000,000 ordinary shares of Rs.10 each	<u>1,500,000</u>	<u>1,500,000</u>
7.2 ISSUED, PAID-UP AND SUBSCRIBED CAPITAL		
100,000,000 (June 30, 2021: 100,000,000 of Rs 10 each) ordinary shares of Rs.10 each		
33,550,410 allotted as fully paid in cash	335,504	335,504
66,449,590 allotted as bonus shares	<u>664,496</u>	<u>664,496</u>
	<u>1,000,000</u>	<u>1,000,000</u>
8. TRADE AND OTHER PAYABLES		
Unsecured		
Creditors	940,338	550,362
Telecard Limited - Holding Company	135,372	135,372
Supernet E-Solutions (Private) Limited - subsidiary company	<u>4,153</u>	<u>4,153</u>
	<u>1,079,863</u>	<u>689,887</u>
Other payables		
Contractual liability to franchisees	200	200
Accrued liabilities	82,013	69,236
Provision against compensated absences	3,577	3,577
Royalty to Pakistan Telecommunication Authority (PTA)	3,519	4,620
Payable to employees' provident fund	18,556	107
Workers' welfare fund payable	2,782	2,782
Others	<u>153</u>	<u>9,220</u>
	<u>110,800</u>	<u>89,742</u>
	<u>1,190,663</u>	<u>779,629</u>
9. CONTINGENCIES & COMMITMENTS		
9.1 Contingencies		
There has been no significant change in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2021		
9.2 Commitments		
Guarantees issued by the financial institutions on behalf of the Company amount to Rs. 52.83 million (June 30, 2021: Rs. 33.04 million).		

		Nine months period ended	
		March 31, 2022 (Un-audited)	March 31, 2021 (Audited)
		----- (Rupees in '000') -----	
10. CASH GENERATED FROM OPERATIONS			
Profit before taxation		198,601	197,989
Adjustments for non - cash charges and other items			
Depreciation		105,207	97,513
Depreciation on ROU assets		1,505	1,668
Amortisation		125	217
Finance cost		15,476	18,702
Staff gratuity		-	73
Loss on disposal of property, plant and equipment		-	78
Provision for ECL against trade debts		6,451	41,566
Provision for slow moving stores		-	5,628
Unrealised exchange (gain) / loss		12,348	(26,804)
Adjustment of long-term deposits		-	29,949
Reversal of provisions		-	(5,384)
Profit from saving account		(2,460)	(1,064)
Working capital changes		(161,573)	(242,369)
		<u>175,680</u>	<u>117,762</u>
10.1 Working capital changes			
(Increase) / decrease in current assets			
Communication stores		20,388	(95,817)
Trade debts		(379,623)	(168,047)
Advances, deposits and prepayments		(108,538)	633
Other receivables		(92,487)	(75,504)
		(560,260)	(338,735)
Increase / (decrease) in current liabilities			
Trade and other payables		398,687	96,366
Contractual liability to customers		-	-
		<u>(161,573)</u>	<u>(242,369)</u>

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with those disclosed in the annual financial statements for the year ended June 20, 2021.

12. TRANSACTIONS WITH RELATED PARTIES

The related parties include a Holding Company, subsidiary companies, entities having directors in common with the Company, directors and other key management personnel. Transactions with related parties, other than those disclosed elsewhere in the unconsolidated condensed interim financial statements are as under:

		Nine months period ended	
		March 31, 2022 (Un-audited)	March 31, 2021 (Audited)
		----- (Rupees in '000') -----	
Name			
Relationship: Holding Company			
Telecard Limited	Services rendered	-	13
	Advance received	373,500	668,216
	Advance repaid	459,715	610,100
Relationship: Entities having directors in common with the Company			
Supernet E-Solutions (Private) Limited	Services received	-	1,001
	Services rendered	-	425
Supernet Infrastructure Solutions (Private) Limited	Advances granted	17,504	3,900
	Advances received	2,000	-
Phoenix Global	Services rendered	22,654	-
	Sale of equipment	143	13,824

13. CORRESPONDING FIGURES

Corresponding figures have been reclassified / rearranged wherever necessary for better presentation, however, there was no material reclassification of corresponding figures.

14. AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on 28-04-22 by the board of directors of the Company.

15. GENERAL

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

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

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
	Note	---- (Rupees in '000') ----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	358,424	358,706
Intangible assets		3,149	3,045
Right of use asset	5	2,568	4,073
Long-term deposits		95	95
Deferred taxation		57,274	41,920
		<u>421,510</u>	<u>407,839</u>
CURRENT ASSETS			
Communication stores		103,770	125,529
Trade debts	6	1,558,956	1,147,269
Advances, deposits and prepayments		238,618	124,374
Other receivables		223,392	121,003
Taxation - net		171,786	163,225
Cash and bank balances	7	132,617	159,190
		<u>2,429,139</u>	<u>1,840,590</u>
TOTAL ASSETS		<u><u>2,850,649</u></u>	<u><u>2,248,429</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
150,000,000 (2021: 150,000,000) ordinary shares of Rs.10 each	8.1	<u>1,500,000</u>	<u>1,500,000</u>
Issued, subscribed and paid-up capital	8.2	1,000,000	1,000,000
Capital reserve - Foreign currency translation reserve		7,388	(984)
Revenue reserve - unappropriated profit		<u>350,235</u>	<u>152,885</u>
Capital and reserves attributable to the owners of the Holding Company		1,357,623	1,151,901
Non-controlling interest		<u>(2,095)</u>	<u>(1,764)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>1,355,528</u>	<u>1,150,137</u>
NON-CURRENT LIABILITIES			
Long-term financing		-	23,438
Lease liabilities		1,196	3,145
Deferred liability		2,737	2,737
		3,933	29,320
CURRENT LIABILITIES			
Trade and other payables	9	1,302,171	873,736
Accrued mark-up		5,697	5,883
Contractual liability to customer		8,872	8,872
Current portion of lease liabilities and short-term financing		<u>174,448</u>	<u>180,481</u>
		1,491,188	1,068,972
Contingencies & commitments	10		
TOTAL EQUITY AND LIABILITIES		<u>2,850,649</u>	<u>2,248,429</u>

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SUPERNET LIMITED

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months period ended		Quarter ended	
	March 31, 2022 (Un-audited)	March 31, 2021 (Audited)	March 31, 2022 (Un-audited)	March 31, 2021 (Un-audited)
	----- (Rupees in '000') -----			
Revenue - net	2,085,245	1,945,028	844,035	771,562
Cost of services	(1,432,081)	(1,417,286)	(611,802)	(578,544)
Gross profit	653,164	527,742	232,233	193,018
Administrative & other expenses	(240,986)	(227,701)	(81,668)	(114,116)
Distribution costs	(118,117)	(112,637)	(43,322)	(36,822)
Exchange (loss) / gain	(30,429)	51,437	(4,995)	28,587
Other income	5,179	6,623	1,319	6,112
	(384,353)	(282,278)	(128,666)	(116,239)
Operating profit	268,811	245,464	103,567	76,779
Finance costs	(18,003)	(18,944)	(6,465)	(6,458)
Profit before taxation	250,808	226,520	97,102	70,321
Taxation	(53,789)	(62,324)	(24,973)	(13,417)
Profit after taxation	197,019	164,196	72,129	56,904
Profit / (loss) attributable to:				
Owners of the Holding Company	197,350	163,666	72,352	56,904
Non-controlling interests	(331)	530	(223)	-
	197,019	164,196	72,129	56,904
	-----Rupees-----			
Earnings per share				
- basic and diluted	1.97	1.64	0.72	0.57

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

SUPERNET LIMITED

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022**

	Nine months period ended		Quarter ended	
	March 31, 2022 (Unaudited)	March 31, 2021 (Audited)	March 31, 2022 (Unaudited)	March 31, 2021 (Unaudited)
	----- (Rupees in '000') -----			
Profit after taxation	197,019	164,196	72,129	56,904
<i>Items that may be reclassified to profit or loss</i>				
Exchange differences on translation of foreign operation	8,372	(2,019)	372	(1,256)
Total comprehensive income for the period	205,391	162,177	72,501	55,648
Total comprehensive income / (loss) attributable to:				
Owners of the Holding Company	205,722	161,647	72,724	55,648
Non-controlling interests	(331)	530	(223)	-
	205,391	162,177	72,501	55,648

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


CHIEF EXECUTIVE OFFICER

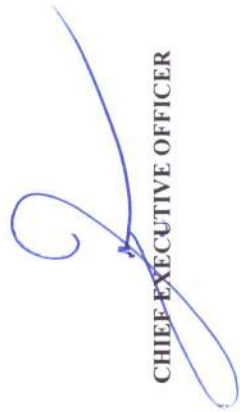

CHIEF FINANCIAL OFFICER


DIRECTOR

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

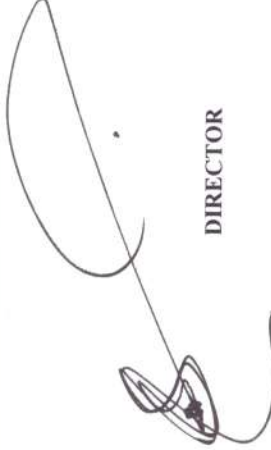
	Attributable to the owner of the Holding Co.				Non - controlling interest	Total
	Issued, subscribed and paid-up	Un appropriated profit	Foreign currency translation	(Rupees in '000')		
Balance as at July 01, 2020 - (Un-audited)	500,000	421,964	481	(1,749)		920,696
Profit for the period	-	164,196	-	530		164,726
Other comprehensive income / (loss)	-	-	(2,019)	-		(2,019)
Total comprehensive (loss) / income for the period	-	164,196	(2,019)	530		162,707
Balance as at March 31, 2021 - (Audited)	<u>500,000</u>	<u>586,160</u>	<u>(1,538)</u>	<u>(1,219)</u>		<u>1,083,403</u>
Balance as at June 30, 2021 - (Audited)	<u>1,000,000</u>	<u>152,885</u>	<u>(984)</u>	<u>(1,764)</u>		<u>1,150,137</u>
Profit / (loss) for the period	-	197,350	-	(331)		197,019
Other comprehensive income	-	-	8,372	-		8,372
	-	197,350	8,372	(331)		205,391
Balance as at March 31, 2022 - (Un-audited)	<u>1,000,000</u>	<u>350,235</u>	<u>7,388</u>	<u>(2,095)</u>		<u>1,355,528</u>

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


CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER


DIRECTOR

SUPERNET LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

		March 31, 2022 (Unaudited)	March 31, 2021 (Audited)
Note		---- (Rupees in '000') ----	
CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash generated from operations	11 195,020	165,317
	Income tax paid	(77,705)	(74,932)
	Finance cost paid	(17,668)	(20,070)
	Long-term deposits	-	322
	Gratuity paid	-	(197)
	Net cash generated from operating activities	99,647	70,440
CASH FLOWS FROM INVESTING ACTIVITIES			
	Purchase of property, plant and equipment	(105,602)	(43,558)
	Proceeds from disposal of property, plant and equipment	-	1,317
	Income received from saving account	2,951	855
	Net cash used in investing activities	(102,651)	(41,386)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Long-term financing	(23,438)	(23,438)
	Lease rentals paid	(2,109)	(2,066)
	Short-term running finance	(6,394)	19,606
	Net cash used in financing activities	(31,941)	(5,898)
	Exchange difference on translation of foreign subsidiary	8,372	(2,019)
	Net (decrease) / increase in cash and cash equivalents	(26,573)	21,137
	Cash and cash equivalents at the beginning of the period	159,190	64,403
	Cash and cash equivalents at the end of the period	132,617	85,540

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

SUPERNET LIMITED

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

1. THE GROUP AND ITS OPERATIONS

1.1 The Group comprises of:

- > Supernet Limited - Holding Company
- > Supernet-E-Solutions (Private) Limited - Wholly-owned subsidiary
- > Supernet Secure Solutions (Private) Limited - 80% owned subsidiary
- > Phoenix Global FZE - Wholly-owned subsidiary
- > Supernet Infrastructure Solutions (Private) Limited - Wholly-owned subsidiary

Supernet Limited (the 'Holding Company') was incorporated in Pakistan on March 14, 1995 as an unquoted public company under the Companies Ordinance, 1984 (Repealed with the enactment of Companies Act, 2017). The Company is a wholly-owned subsidiary of Telecard Limited (the Parent Company).

The Holding Company has been granted a license by the Ministry of Communications, Government of Pakistan to establish and operate a data network system in Pakistan. The Holding Company 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.

The registered office of the Holding Company is located at World Trade Centre, 75-East Blue Area, Fazal-ul-Haq Road, Islamabad. The principal place of business of the Holding Company is located at World Trade Centre, 10, Khayaban-e-Roomi, Clifton, Karachi while its regional office is located at 2nd Floor, Block 2, Awami Complex, New Garden town, Lahore.

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

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

Phoenix Global FZE, a company based in United Arab Emirates (UAE). Its principal business is provision of telecommunication services and sale of telecom equipment within UAE. The Holding Company holds 100% equity of Phoenix Global FZE.

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. The Holding Company holds 100% equity of Supernet Infrastructure Solutions (Private) Limited.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated condensed interim 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

3. ACCOUNTING POLICIES

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

	March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
Note	----- (Rupees in '000') -----	
4. PROPERTY, PLANT AND EQUIPMENT		
Opening net book value	358,706	399,575
Additions during the year	105,602	99,179
Net book value of disposals during the year	-	(933)
Depreciation charged during the year	(105,884)	(139,115)
	(105,884)	(140,048)
	<u>358,424</u>	<u>358,706</u>
4.1 Details of additions during the period		
Communication equipments	99,996	93,760
Furniture, fixtures and office equipments	137	304
Motor vehicles		969
Computers and accessories	5,469	4,146
	<u>105,602</u>	<u>99,179</u>
5. RIGHT-OF-USE ASSETS		
Opening net book value	4,073	6,427
Depreciation for the year	(1,505)	(2,354)
Closing net book value	<u>2,568</u>	<u>4,073</u>
6. TRADE DEBTS		
Unsecured-considered good	1,558,956	1,147,269
Considered doubtful trade debts	91,514	85,062
Loss allowance for ECLs	(91,514)	(85,062)
	-	-
	<u>1,558,956</u>	<u>1,147,269</u>
7. CASH AND BANK BALANCES		
Cash in hand	219	190
In current accounts		
Local currency	17,097	15,994
Foreign currency	101,597	95,544
	118,694	111,538
In saving account		
Local currency	13,704	47,462
	<u>132,617</u>	<u>159,190</u>

7.1

		March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
		----- (Rupees in '000') -----	
8.	SHARE CAPITAL AND RESERVES		
8.1	AUTHORISED SHARE CAPITAL		
	150,000,000 ordinary shares of Rs.10 each	<u>1,500,000</u>	<u>1,500,000</u>
8.2	ISSUED, PAID-UP AND SUBSCRIBED CAPITAL		
	100,000,000 (June 30, 2021: 100,000,000 of Rs 10 each) ordinary shares of Rs.10 each		
	33,550,410 (June 30, 2021: 33,550,410) allotted as fully paid in cash	335,504	335,504
	66,449,590 (June 30, 2021: 16,449,590) allotted as bonus shares	<u>664,496</u>	<u>664,496</u>
		<u>1,000,000</u>	<u>1,000,000</u>
9.	TRADE AND OTHER PAYABLES		
	Trade creditors, unsecured		
	Creditors	1,036,895	641,296
	Telecard Limited - the Parent Company	<u>135,372</u>	<u>135,372</u>
		1,172,267	776,668
	Other payables		
	Contractual liability to franchisees	200	200
	Accrued liabilities	89,969	72,309
	Provision against compensated absences	3,577	3,577
	Royalty to Pakistan Telecommunication Authority (PTA)	3,519	4,620
	Workers' welfare fund payable	2,782	2,782
	Payable to employees' provident fund	18,556	107
	Others	<u>11,301</u>	<u>13,473</u>
		129,904	97,068
		<u>1,302,171</u>	<u>873,736</u>
10.	CONTINGENCIES & COMMITMENTS		
	(a) Contingencies		
10.1	There has been no change in the status of other contingencies reported in the consolidated condensed interim financial statements for the year ended June 30, 2021.		
	(b) Commitments		
		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
		--- (Rupees in '000') ---	
10.2	Counter guarantees given to banks	<u>52,830</u>	<u>33,040</u>

		March 31, 2022 (Un-audited)	March 31, 2021 (Audited)
Note		----- (Rupees in '000') -----	
11.	CASH GENERATED FROM OPERATIONS		
	Profit before taxation	250,808	226,520
	Adjustments for non - cash charges and other items:		
	Depreciation	105,884	99,596
	Depreciation on ROU assets	1,505	1,668
	Amortisation	125	217
	Finance cost	18,003	18,944
	Staff gratuity	-	73
	Loss on disposal of property, plant and equipment	-	78
	Provision for ECL against trade debts	6,451	41,566
	Provision for slow moving stores	-	5,628
	Unrealised exchange loss / (gain)	12,348	(26,804)
	Adjustment of long-term deposits	-	29,949
	Reversal of provision	-	(5,384)
	Profit from saving account	(2,951)	(1,317)
	Working capital changes	(197,153)	(225,417)
		<u>195,020</u>	<u>165,317</u>
11.1	Working capital changes		
	(Increase) / decrease in current assets		
	Communication stores	21,759	(95,817)
	Trade debts	(418,138)	(116,199)
	Advances, deposits and prepayments	(114,244)	(35,024)
	Other receivables	(102,389)	(68,602)
		(613,012)	(315,642)
	Increase / (decrease) in current liabilities		
	Trade and other payables	415,859	90,225
		<u>(197,153)</u>	<u>(225,417)</u>

12. TRANSACTIONS WITH RELATED PARTIES

The related parties include a Parent Company and its subsidiaries, directors and other key management personnel. Transactions with related parties, other than those disclosed elsewhere in these consolidated condensed interim financial statements are as under:

		Nine months period ended	
		March 31, 2022 (Un-audited)	March 31, 2021 (Audited)
		----- (Rupees in '000') -----	
Name	Nature of transaction		
Relationship: Parent Company			
Telecard Limited	Services received	-	13
	Advance repaid by the Parent Company	373,500	668,216
	Advance given to the Parent Company	459,715	610,100

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. AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on 28-04-22 by the board of directors of the Holding Company.

15. GENERAL

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


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR