

HALF YEAR REPORT 31ST DECEMBER



2022



Telecard Limited



Company Information

Board of Directors

Mr. Pervez Sadiq (Chairman)
Syed Aamir Hussain (CEO)
Syed Hashim Ali
Mr. Waseem Ahmad
Mr. Mudabbir Hussain
Mr. Asad Mujtaba Naqvi
Mrs. Fabzia Ahsen

Board Audit Committee

Mr. Asad Mujtaba Naqvi (Chairman)
Mr. S.M. Pervez Sadiq
Mr. Mudabbir Husain

Human Resource & Remuneration Committee

Mr. Asad Mujtaba Naqvi (Chairman)
Syed Aamir Hussain
Mrs. Fabzia Ahsen

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
Meezan Bank Limited
Bank Al – Habib Limited
Silk Bank Limited
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

7th Floor, World Trade Center, 10-Khayaban-e-Roomi, Clifton, Karachi
Pakistan



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 December 31, 2022.

Financial Performance

On a consolidated basis, the Company has reported a Gross Profit (G.P) of Rs. 808 million as against a G.P of Rs. 756 million during the corresponding financial period due to enhanced top line revenue. The gross profit ratio has reduced on a consolidated basis from 39% to 36%. Though the group is trying to improve this ratio, however the costs of other inputs have gone up. The profit before tax stood at Rs. 235 million against Rs. 425 million for the corresponding period. The main reason for this reduction, is the increase in finance cost in this period arising due to restructuring of Term Finance Certificate (TFC) and increased interest rates. Coupled with the presence of other income arising due to the restructuring of (TFC) in the previous period supporting a higher profit. The Earning Per Share (EPS) is Rs. 0.53 in comparison to Rs. 0.69 in the related period.

On a standalone basis, the top line revenue for the period was higher by 15% translating into revenues of Rs. 791 million against Rs. 689 million resulting in an enhanced G.P of Rs. 342 million compared to Rs. 338 million in the corresponding period. However, the G.P. ratio came down from 49% in the corresponding period to 43% in the current period.

Moreover, an increase in administrative and distribution cost coupled with increase in finance cost also impacted the bottom-line bringing it down to Rs. 64 million against Rs. 108 million previously. The EPS stood at Rs. 0.19 compared to Rs. 0.32 in the corresponding period.

Future Outlook - Challenge 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.

Acknowledgement

The Board would like to acknowledge the dedication and hard work by the entire Telecard Limited team to achieve positive business results in this half yearly financials and wish them all the best for the year ahead.

On behalf of the Board


Syed Aamir Hussain
Chief Executive Officer



February 28, 2023

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

Independent Auditors' Review Report to the Members of Telecard Limited**Report on Review of Unconsolidated Condensed Interim Financial Statements****Introduction**

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Telecard Limited** (the "Company") as at December 31, 2022 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review. The figures of the unconsolidated condensed interim statement of profit or loss and the unconsolidated condensed interim statement of other comprehensive income for the quarter ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to the contents of notes 9.1 & 17.1 to the unconsolidated condensed interim financial statements, matters of which is fully described in notes 15.1 to 15.7 and 26.1 to 26.9 to the unconsolidated annual audited financial statements for the year ended June 30, 2022. The ultimate outcome of the legal cases and financial claims, as fully explained in the aforementioned notes to the unconsolidated annual audited financial statements, cannot presently be determined and accordingly, no provision for any liability and reversal of any financial claim has been made in these unconsolidated condensed interim financial statements in this respect. Our conclusion is not qualified in respect of these matters.

The engagement partner on the review resulting in this independent auditors' report is Mr. Muhammad Shabbir Kasbati.


(Chartered Accountants)

Date: March 01, 2023

Place: Karachi

UDIN: RR202210192VQgabYf63

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

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	---(Rupees in '000') ---	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property and equipment	5	335,010	356,005
Intangible assets	6	3,064	4,041
Right-of-use assets	7	14,987	21,763
		<u>353,061</u>	<u>381,809</u>
Long-term investments		310,266	310,266
Long-term deposits		57,613	57,613
Deferred taxation		94,387	105,961
		<u>815,327</u>	<u>855,649</u>
CURRENT ASSETS			
Trade debts		541,282	472,705
Loans and advances		93,305	69,072
Deposits and prepayments		65,287	47,435
Accrued mark-up / profit	8	9,404	30,328
Other receivables	9	2,653,027	2,627,816
Taxation – net		111,953	82,979
Bank balances	10	2,602	4,231
		<u>3,476,860</u>	<u>3,334,566</u>
TOTAL ASSETS		<u>4,292,187</u>	<u>4,190,215</u>

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER


DIRECTOR

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

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	---(Rupees in '000') ---	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
400,000,000 (2022: 400,000,000)			
ordinary shares of Rs. 10/- each	11.1	<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed and paid-up capital	11.2	3,386,250	3,150,000
Revenue reserve - Accumulated loss		<u>(682,302)</u>	<u>(510,046)</u>
		2,703,948	2,639,954
NON-CURRENT LIABILITIES			
Long-term financing	12	657,613	696,797
Lease liabilities	13	7,666	9,546
Deferred liabilities		5,737	5,517
		671,016	711,860
CURRENT LIABILITIES			
Trade and other payables	14	661,646	655,149
Unclaimed dividend		4,394	4,394
Accrued interest / mark-up	15	70,907	64,299
Current portion of long term finance and lease liabilities	16	180,276	114,559
		917,223	838,401
TOTAL EQUITY AND LIABILITIES		<u>4,292,187</u>	<u>4,190,215</u>
CONTINGENCIES AND COMMITMENTS	17		

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

		Half-year ended		Quarter ended	
		December 31,		December 31,	
		2022	2021	2022	2021
Note		----- (Rupees in '000') -----			
Revenue – net	18	791,179	689,445	381,088	359,706
Direct costs		(449,181)	(351,375)	(224,839)	(174,532)
Gross profit		341,998	338,070	156,249	185,174
Distribution costs and administrative expenses		(236,746)	(211,317)	(121,513)	(111,639)
Exchange gain		1,817	1,576	2,618	-
		(234,929)	(209,741)	(118,895)	(111,639)
Other income	19	14,124	166,512	11,390	127,684
		(220,805)	(43,229)	(107,505)	16,045
Operating profit		121,193	294,841	48,744	201,219
Finance costs		(55,876)	(23,996)	(28,667)	(21,566)
Profit before taxation		65,317	270,845	20,077	179,653
Taxation		(1,323)	(162,784)	4,957	(136,338)
Profit after taxation		63,994	108,061	25,034	43,315
-----Rupees-----					
		(Restated)		(Restated)	
Earning per share - basic and diluted	20	0.19	0.32	0.07	0.13

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE
INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

	Half-year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000') -----			
Profit after taxation	63,994	108,061	25,034	43,315
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	63,994	108,061	25,034	43,315

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

 **Pras**
DIRECTOR

TELECARD LIMITED

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)**

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	(Rupees in '000')		
Balance as at June 30, 2021 - (Audited)	3,000,000	(657,743)	2,342,257
Profit after taxation	-	108,061	108,061
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	108,061	108,061
Issuance of bonus shares	150,000	(150,000)	-
Balance as at December 31, 2021	3,150,000	(699,682)	2,450,318
Balance as at June 30, 2022 - (Audited)	3,150,000	(510,046)	2,639,954
Profit after taxation	-	63,994	63,994
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	63,994	63,994
Issuance of bonus shares	236,250	(236,250)	-
Balance as at December 31, 2022	3,386,250	(682,302)	2,703,948

The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)

Note	Half-year ended	
	December 31,	
	2022	2021
	----- (Rupees in '000') -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	65,317	270,845
Adjustments for non cash and other items:		
Depreciation	32,868	40,246
Provision for gratuity	220	215
Finance costs	55,876	23,996
Gain on sale of fixed assets	(2,240)	(201)
Amortisation of intangible assets	977	977
Interest income	(2,669)	(2,712)
Liability no longer payable written back	(6,354)	-
Gain on restructuring of term finance certificates	-	(163,902)
	78,678	(101,381)
Profit before working capital changes	143,995	169,464
(Increase) / decrease in current assets		
Trade debts	(68,577)	2,733
Loans and advances	(24,233)	(19,681)
Other receivables	19,790	(774)
Deposits, prepayments and other receivables	27,518	(2,436)
	(45,502)	(20,158)
Increase / (decrease) in current liabilities		
Trade and other payables	6,497	58,867
Contractual liability to contractor	-	(81,000)
Payment made to PTA against ISF	-	(95,000)
Cash generated from operations	104,990	32,173
Income tax paid	(30,297)	(17,205)
Interest paid	(22,562)	1,177
Finance cost against lease liabilities paid	(1,350)	(1,109)
	(54,209)	(17,137)
Net cash generated from operating activities	50,782	15,036
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(5,096)	(5,745)
Proceeds from disposal of fixed assets	2,800	7,401
Net cash (used in) / generated from investing activities	(2,296)	1,656
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment made against diminishing musharakah	(39,184)	(12,000)
Lease rentals paid against lease liability	(10,931)	(8,961)
Net cash used in financing activities	(50,115)	(20,961)
Net decrease in cash and cash equivalents	(1,629)	(4,269)
Cash and cash equivalents at the beginning of the period	4,231	6,568
Cash and cash equivalents at the end of the period	2,602	2,299

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The annexed notes from 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER


DIRECTOR

TELECARD LIMITED**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2022 (UN-AUDITED)****1. THE COMPANY AND ITS OPERATIONS**

- 1.1** 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.

These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investment in subsidiaries have been accounted for at cost less accumulated impairment losses, if any.

2. BASIS OF PREPARATION**2.1 Statement of compliance**

These unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2022 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting purposes. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

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

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

- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual audited financial statements, and should be read in conjunction with the Company's unconsolidated annual audited financial statements for the year ended June 30, 2022.
- 2.3** These unconsolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the Listing Regulation of Pakistan Stock Exchange Limited.

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3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual unconsolidated financial statements for the year ended June 30, 2022.

The accounting policies, estimates, judgements and methods of computation adopted for the preparation of the unconsolidated condensed interim financial statements are same as those applied in the preparation of the annual unconsolidated financial statements of the Company as at end for the year ended June 30, 2022.

3.1 Changes in accounting standards, interpretations and amendments to published accounting and reporting standards

a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

b) Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the annual unconsolidated audited financial statements of the Company for the year ended June 30, 2022.

Prass

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	---- (Rupees in '000') ----	
5. PROPERTY, PLANT AND EQUIPMENT			
5.1 Operating fixed assets			
Opening net book value		356,005	410,011
Additions during the period / year	5.1.1	5,098	11,537
		361,103	421,548
Net book value of disposals during the period / year		(1)	(7,225)
Depreciation charged during the period / year		(26,092)	(58,318)
		335,010	356,005
5.1.1 Details of additions during the period are as follows:			
Owned			
Apparatus, plant and equipment		4,096	8,535
Computers & accessories		516	2,536
Furniture, fixtures and office equipment		486	382
Vehicles		-	84
		5,098	11,537
6. INTANGIBLE ASSETS			
Wireless local loop (WLL) license		8,120	8,120
Long distance international (LDI) license		29,029	29,029
		37,149	37,149
Accumulated amortisation to date		(34,085)	(33,108)
		3,064	4,041
7. RIGHT-OF-USE ASSETS			
Opening net book value		21,763	35,243
Depreciation for the period		(6,776)	(13,480)
Closing net book value		14,987	21,763
8. ACCRUED MARK-UP			
Markup on loan to third parties		9,404	30,328

Pras

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	---- (Rupees in '000') ----	
9. OTHER RECEIVABLES			
Considered good			
Karachi Relief Rebate Package	9.1	349,954	349,954
Due from PTCL against PTA-Escrow		96,041	96,041
In Escrow account with PTA		352,594	352,594
Pakistan Telecommunication Authority - APC for USF	9.1	1,547,559	1,547,559
Pakistan Telecommunication Authority - ARFSF	9.1	118,135	118,135
Pakistan Telecommunication Authority - others	9.1	117,197	117,197
Claim against a bank	9.1	998	998
Due from a contractor		3,351	3,212
Punjab Revenue Authority (PRA)	9.1	34,956	34,956
Others		32,242	7,170
		2,653,027	2,627,816
Considered doubtful			
Pakistan Telecommunication Authority		76,428	76,428
Due from PTCL against WPS	9.1	243,890	243,890
		320,318	320,318
Loss allowance for receivables considered doubtful		(320,318)	(320,318)
		-	-
		2,653,027	2,627,816
9.1	There has been no significant change in status of legal cases / financial claims as reported in the annual unconsolidated financial statements of the Company for the year ended June 30, 2022.		
		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		---- (Rupees in '000') ----	
10. BANK BALANCES			
In current accounts			
- Local currency		2,529	1,957
- Foreign currency		10	21
		2,539	1,978
In saving accounts			
- Local currency		63	2,253
		2,602	4,231

- 10.1** These carry mark-up at rates, ranging between 4.75% to 9.80% (June 30, 2022: 2.98% to 6.96%) per annum.

PRAS

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

11. SHARE CAPITAL AND RESERVES**11.1 AUTHORISED SHARE CAPITAL**

400,000,000 ordinary shares of Rs. 10/- each	<u>4,000,000</u>	<u>4,000,000</u>
--	------------------	------------------

11.2 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

338,625,000 (June 30, 2022: 315,000,000) ordinary shares of Rs. 10/- each issued for cash		
300,000,000 (June 30, 2022: 300,000,000) allotted as fully paid in cash	3,000,000	3,000,000
150,000,000 (June 30, 2022: 150,000,000) allotted as bonus shares	150,000	150,000
23,625,000 allotted as bonus shares during the period	<u>236,250</u>	<u>-</u>
	<u>3,386,250</u>	<u>3,150,000</u>

- 11.3** The shareholders of the Company, in the meeting held on October 28, 2022 approved issuance of 7.5% (seven and half percent) bonus shares, increasing Company's total paid up capital from Rs. 3,150.000 million to Rs. 3,386.250 million divided into ordinary shares of Rs. 10/- each.

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

12. LONG TERM FINANCING**Secured**

Diminishing musharakah	48,614	60,294
Term finance certificates	<u>780,236</u>	<u>734,322</u>
	828,850	794,616

Current maturity shown under current liabilities

Diminishing musharakah	(24,000)	(24,200)
Term finance certificate	<u>(147,237)</u>	<u>(73,619)</u>
	<u>657,613</u>	<u>696,797</u>

13. LEASE LIABILITIES

Present value of lease liabilities against ROU assets	16,705	26,286
Current portion shown under current liabilities	<u>(9,039)</u>	<u>(16,740)</u>
Non-current portion of lease liabilities	<u>7,666</u>	<u>9,546</u>

PRAS

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

14. TRADE AND OTHER PAYABLES**Pakistan Telecommunication Company Limited (PTCL)**

Interconnect operators
Others

-	7,264
366,792	132,465
366,792	139,729

Other payables

Current accounts with related parties
Accrued liabilities
Contract liability to customers
Workers' welfare fund
Others

54,620	246,226
144,333	157,139
767	772
4,964	4,964
90,170	106,319
294,854	515,420
661,646	655,149

15. ACCRUED INTEREST/MARK-UP**On secured**

Interest / mark-up against financing

26,928 22,713

On unsecured

Current accounts with related parties
Current accounts with third parties

1,697	1,697
42,282	39,889
43,979	41,586
70,907	64,299

16. CURRENT PORTION OF LONG TERM FINANCE AND LEASE LIABILITIES

Current maturity of diminishing musharakah
Current maturity of term finance certificates
Current maturity of lease liability

24,000	24,200
147,237	73,619
9,039	16,740
180,276	114,559

17. CONTINGENCIES AND COMMITMENTS**17.1 Contingencies**

There are no significant changes in the status of contingencies as reported in note 26 to the annual unconsolidated audited financial statements of the Company for the year ended June 30, 2022.

17.2 Commitments

Counter guarantees given to banks amounting to Rs. 47.225 million (June 30, 2022: Rs. 47.225 million)

PRAS

	December 31, 2022 (Un-audited) ---- (Rupees in '000') ----	December 31, 2021 (Un-audited)
18. REVENUE – NET		
Turnover	<u>791,179</u>	<u>689,445</u>
19. OTHER INCOME		
Income from non-financial assets		
Gain on sales of fixed assets	2,240	-
Gain on restructuring of TFC	-	124,996
Liabilities no longer payable written back	-	38,906
Income from financial assets		
Income from saving accounts	2,861	1,075
Liabilities no longer payable	6,354	-
Mark-up on loan to World Trade Center (Pvt.) Ltd	<u>2,669</u>	<u>1,535</u>
	<u>14,124</u>	<u>166,512</u>

20. BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share has been computed by dividing profit after taxation by the weighted average number of ordinary shares outstanding during the year.

	For the half year ended (Un-audited) December 31, 2022 2021		For the quarter ended (Un-audited) December 31, 2022 2021	
	----- (Rupees in '000') -----			
Profit after taxation	<u>63,994</u>	<u>108,061</u>	<u>25,034</u>	<u>43,315</u>
Weighted average number of ordinary shares (in thousands) (note 20.1)	<u>338,625</u>	<u>338,625</u>	<u>338,625</u>	<u>338,625</u>
Basic and diluted earning per share - (Rupees)	<u>0.19</u>	<u>0.32</u>	<u>0.07</u>	<u>0.13</u>

20.1 Weighted average number of ordinary shares

Outstanding number of shares before bonus issue	338,625	315,000	338,625	315,000
Bonus shares issued during the period (note 11.2)	<u>-</u>	<u>23,625</u>	<u>-</u>	<u>23,625</u>
	<u>338,625</u>	<u>338,625</u>	<u>338,625</u>	<u>338,625</u>

- 20.2** During the period, the Company has issued bonus shares. In accordance with IAS 33 'Earnings per share' the number of ordinary shares outstanding last year has been adjusted as if the event had occurred at the beginning of the year. Therefore, earnings per share has been restated accordingly.

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21. TRANSACTIONS WITH RELATED PARTIES

Related parties include subsidiaries, associated entities, directors, other key management personnel and close family members of directors and other key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

		December 31, 2022 (Un-audited) ----- (Rupees in '000') -----	December 31, 2021 (Un-audited) ----- (Rupees in '000') -----
Subsidiary of wholly owned subsidiary company			
Name	Nature of transaction		
Supernet Infrastructure (Private) Limited	Advances given	228,747	-
	Advances received	166,000	-
Supernet E-Solutions (Private) Limited	Services received	3,264	3,054
Key Management Personnel			
Remuneration and benefits		46,669	42,294
Staff retirement benefits - provident fund		2,021	3,635

22. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENT

There have been no changes in the risk management policies during the period, consequently these unconsolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the unconsolidated annual financial statements.

23. SEGMENT REPORTING

These unconsolidated interim financial statements are prepared on the basis of single reporting segment consistent with the information reviewed by the chief operating decision maker.

The Company is domiciled in Pakistan. All of the Company's assets are located in Pakistan as at the reporting date.

24. CORRESPONDING FIGURES

Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation, however no material reclassifications were made during the period.

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25. **GENERAL**

Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

26. **AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements has been approved and authorized for issue by the Board of Directors of the company in its meeting held on 28 FEB 2023.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

PRAS

DIRECTOR