



Empowering Networks



# HALF YEAR REPORT 31<sup>ST</sup> DECEMBER

# 2022

[www.super.net.pk](http://www.super.net.pk)



# Company Information

## **Board of Directors**

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

## **Board Audit Committee**

Mr. Asad Mujtaba Naqvi(Chairman)  
Syed Aamir Hussain  
Mr. Ahmer Qamar

## **Human Resource & Remuneration Committee**

Mr. Asad Mujtaba Naqvi(Chairman)  
Mr. Jamal Nasir Khan  
Mr. Ahmer Qamar

## **Chief Executive Officer**

Mr. Jamal Nasir Khan

## **Legal Advisor**

Mohsin Tayebaly & Co.

## **Chief Financial Officer**

Syed Hashim Ali

## **Company Secretary**

Mr. Waseem Ahmad

## **Banks**

Habib Metropolitan Bank Ltd  
Standard Chartered Pakistan  
National Bank of Pakistan  
Meezan Bank Limited  
Silk Bank Limited

## **Registrar and Share Transfer Office**

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

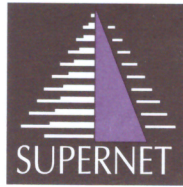
## **Registered Office**

3<sup>rd</sup> Floor, 75 East, Blue Area,  
Fazal-ul-Haq Road, Islamabad  
Pakistan

## **Corporate Office**

9<sup>th</sup> Floor, World Trade Center, 10-  
Khayaban-e-Roomi, Clifton, Karachi  
Pakistan





Empowering Networks

## Directors' Review

The Board of Directors of Supernet Limited (the Company) are pleased to present 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. 466 million as against a G.P of Rs. 335 million during the corresponding financial period due to enhanced top line revenue. The gross profit ratio has also improved on a consolidated basis from 29% to 32%. Though the group has been able to increase the gross profit and GP ratio however the costs of other inputs have gone up putting the operating profit under pressure. As a result of rising costs, the profit before tax stood at Rs. 153 million against Rs. 156 million for the corresponding period. The Earning Per Share (EPS) is Rs. 1.01 in comparison to Rs. 0.87 in the related period.

On a standalone basis, the top line revenue for the period was higher by 17% translating into Rs. 1.2 billion against Rs. 1 billion for the corresponding financial period resulting in an enhanced G.P of Rs. 362 million compared to Rs. 334 million in the corresponding period. However, the GP ratio came down from 31% in the corresponding period to 29% in the current period.

Further, an increase in administrative and distribution cost with increase in finance cost coupled with exchange loss also impacted the bottom-line revenue bringing it down to Rs. 84 million against Rs. 91 million previously. The EPS stood at Rs. 0.68 compared to Rs. 0.74 in the corresponding period.

## Outlook and Way Forward

Your Company's outlook appears to be positive, though the challenges at macro-economic are increasing, resulting in higher cost of doing business. We aspire to continue to explore opportunities in cyber security and infrastructure solutions carrying healthy margins with a greater focus on customer satisfaction, eventually leading to improved revenue streams.

## Acknowledgement

The Board would like to acknowledge the dedication and hard work by the entire Supernet 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

**Jamal Nasir Khan**  
Chief Executive Officer



February 28, 2023

**SUPERNET LIMITED**

**Karachi:** 9<sup>th</sup> 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:** 2<sup>nd</sup> 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

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**Independent Auditors' Review Report to the Members of Supernet Limited**

**Report on Review of Unconsolidated Condensed Interim Financial Statements**

**Introduction**

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Supernet 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.

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:** RR202210192K3Qyk01xp



**SUPERNET 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			
Property and equipment	5	379,147	366,577
Intangible assets	6	723	868
Right-of-use assets	7	11,406	2,067
Long-term investments		19,709	19,709
		410,985	389,221
Long-term deposits		95	95
Deferred taxation		57,239	63,616
		468,319	452,932
CURRENT ASSETS			
Communication stores	8	468,152	162,603
Short-term investment	9	-	125,000
Trade debts		1,509,328	1,563,689
Advances, deposits and prepayments		514,683	270,821
Other receivables	10	229,135	201,620
Taxation - net		108,000	80,068
Cash and bank balances	11	60,716	30,853
		2,890,014	2,434,654
TOTAL ASSETS		3,358,333	2,887,586

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**

**SUPERNET 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) ----		
<b>EQUITY AND LIABILITIES</b>				
<b>SHARE CAPITAL AND RESERVES</b>				
Authorised share capital				
	150,000,000 (June 30, 2022: 150,000,000)			
	ordinary shares of Rs. 10/- each	12.1	<u>1,500,000</u>	<u>1,500,000</u>
	Issued, subscribed and paid-up share capital	12.2	1,234,444	1,122,222
	Share premium	13	33,436	145,658
	Revenue reserve - Unappropriated profit		<u>378,035</u>	<u>293,985</u>
			1,645,915	1,561,865
<b>NON-CURRENT LIABILITIES</b>				
	Lease liabilities	14	<u>10,857</u>	<u>616</u>
	Deferred liability		<u>2,419</u>	<u>2,419</u>
			13,276	3,035
<b>CURRENT LIABILITIES</b>				
	Trade and other payables		<u>1,504,471</u>	<u>1,141,984</u>
	Accrued markup	15	7,586	7,315
	Contractual liability to customer		8,872	8,872
	Current portion of lease liabilities and short term financing	16	<u>178,213</u>	<u>164,515</u>
			1,699,142	1,322,686
<b>TOTAL EQUITY AND LIABILITIES</b>			<u><u>3,358,333</u></u>	<u><u>2,887,586</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>		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**

**SUPERNET LIMITED**

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

		Half-year ended December 31,		Quarter ended December 31,	
		2022	2021	2022	2021
Note		----- ( Rupees in '000) -----			
Revenue - net	18	1,269,062	1,084,483	609,259	557,006
Cost of services		(906,770)	(750,251)	(422,686)	(394,724)
<b>Gross profit</b>		<b>362,292</b>	<b>334,232</b>	<b>186,573</b>	<b>162,282</b>
Administrative & other expenses		(127,418)	(109,721)	(66,101)	(52,878)
Distribution costs		(95,747)	(74,507)	(49,119)	(35,425)
Exchange loss		(16,908)	(25,434)	(13,204)	(23,406)
		(240,073)	(209,662)	(128,424)	(111,709)
Other income	19	5,515	3,932	1,475	3,348
		(234,558)	(205,730)	(126,949)	(108,361)
<b>Operating profit</b>		<b>127,734</b>	<b>128,502</b>	<b>59,624</b>	<b>53,921</b>
Finance costs		(19,213)	(11,221)	(8,724)	(5,461)
<b>Profit before taxation</b>		<b>108,521</b>	<b>117,281</b>	<b>50,900</b>	<b>48,460</b>
Taxation		(24,471)	(25,711)	(4,118)	(545)
<b>Profit after taxation</b>		<b>84,050</b>	<b>91,570</b>	<b>46,782</b>	<b>47,915</b>
<b>-----Rupees-----</b>					
		(Restated)		(Restated)	
<b>Earnings per share - basic and diluted</b>	20	<b>0.68</b>	<b>0.74</b>	<b>0.38</b>	<b>0.39</b>

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**



**SUPERNET 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	84,050	91,570	46,782	47,915
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>84,050</b>	<b>91,570</b>	<b>46,782</b>	<b>47,915</b>

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**

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**SUPERNET 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	Capital reserve  Share premium	Revenue reserve  Un appropriated profit	Total
	( Rupees in '000') -----			
<b>Balance as at June 30, 2021 (Audited)</b>	1,000,000	-	105,888	1,105,888
Profit after taxation	-	-	91,570	91,570
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	91,570	91,570
<b>Balance as at December 31, 2021</b>	1,000,000	-	197,458	1,197,458
<b>Balance as at June 30, 2022 (Audited)</b>	1,122,222	145,658	293,985	1,561,865
Profit after taxation	-	-	84,050	84,050
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	84,050	84,050
Issuance of bonus shares	112,222	(112,222)	-	-
<b>Balance as at December 31, 2022</b>	1,234,444	33,436	378,035	1,645,915

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

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

	Half-year ended December 31,	
	2022	2021
Note	----- ( Rupees in '000') -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	108,521	117,281
<b>Adjustments for non-cash and other items</b>		
Depreciation	75,312	68,681
Depreciation on ROU assets	2,046	1,003
Amortisation	145	58
Finance cost	18,491	9,827
Provision for ECL against trade debts	-	4,347
Unrealised exchange (gain) / loss	-	12,348
Staff gratuity	73	-
Profit from saving account	(2,872)	(1,579)
	<u>93,195</u>	<u>94,685</u>
<b>Profit before working capital changes</b>	<u>201,716</u>	<u>211,966</u>
<b>Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Communication stores	(305,549)	(1,945)
Trade debts	54,361	(214,298)
Advances, deposits and prepayments	(243,862)	(22,462)
Other receivables	(27,515)	(16,793)
	<u>(522,565)</u>	<u>(255,498)</u>
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	369,164	157,056
<b>Cash generated from operations</b>	<u>48,315</u>	<u>113,524</u>
Income tax paid	(46,783)	(37,227)
Finance cost paid	(15,028)	(10,516)
<b>Net cash (used in) / generated from operating activities</b>	<u>(13,496)</u>	<u>65,781</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(87,882)	(77,943)
Proceeds from maturity of short-term investments	125,000	-
Income received from saving account	2,872	1,579
<b>Net cash generated from / (used in) investing activities</b>	<u>39,990</u>	<u>(76,364)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term financing	-	(15,625)
Lease rentals paid	(8,689)	(1,395)
Short-term running finance	12,058	(6,788)
<b>Net cash generated from / (used in) financing activities</b>	<u>3,369</u>	<u>(23,808)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>29,863</u>	<u>(34,391)</u>
Cash and cash equivalents at the beginning of the period	30,853	53,232
<b>Cash and cash equivalents at the end of the period</b>	<u>11 60,716</u>	<u>18,841</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**



## **SUPERNET 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** 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 was listed on Pakistan Stock Exchange at GEM Board on May 10 2022.

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.

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 audited financial statements for the year ended June 30, 2022.

The accounting policies, estimates, judgements 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 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 unconsolidated annual audited financial statements of the Company for the year ended June 30, 2022.

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		December 31, 2022 (Un-audited) ----- (Rupees in '000') -----	June 30, 2022 (Audited)
	Note		
<b>5. PROPERTY AND EQUIPMENT</b>			
Operating fixed assets	5.1	<u>379,147</u>	<u>366,577</u>
<b>5.1 Operating fixed assets</b>			
Opening net book value		366,577	352,762
Additions during the period / year	5.2	87,882	156,304
Depreciation charged during the period / year		<u>(75,312)</u>	<u>(142,489)</u>
Closing net book value		<u>379,147</u>	<u>366,577</u>
<b>5.2 Details of additions during the period as follows:</b>			
Communication equipments		84,956	151,143
Furniture, fixtures and office equipments		-	137
Computers and accessories		<u>2,926</u>	<u>5,024</u>
		<u>87,882</u>	<u>156,304</u>
<b>6. INTANGIBLE ASSETS</b>			
Computer software		41,224	41,224
Accumulated amortisation to date		<u>(40,501)</u>	<u>(40,356)</u>
		<u>723</u>	<u>868</u>
<b>7. RIGHT-OF-USE ASSETS</b>			
Opening net book value		2,067	4,073
Reassessment of lease	14.1	11,385	-
Depreciation for the period / year		<u>(2,046)</u>	<u>(2,006)</u>
Closing net book value		<u>11,406</u>	<u>2,067</u>
<b>8. COMMUNICATION STORES</b>			
Stores		<u>382,630</u>	<u>149,743</u>
Provision against obsolete store items		<u>(16,875)</u>	<u>(16,875)</u>
		365,755	132,868
Consumables		<u>102,397</u>	<u>29,735</u>
		<u>468,152</u>	<u>162,603</u>
<b>9. SHORT-TERM INVESTMENT</b>			
Special sharikah certificates		<u>-</u>	<u>125,000</u>

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		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- ( Rupees in '000') -----	
<b>10. OTHER RECEIVABLES</b>			
<b>Considered good</b>			
Current accounts with related parties		208,424	183,619
Insurance claim		5,000	4,756
Advance income tax	10.1	2,991	2,991
Accrued mark-up from related parties		2,216	2,216
Others		10,504	8,038
		<u>229,135</u>	<u>201,620</u>

- 10.1 There has been no significant change in status of tax case / financial claim as reported in the unconsolidated annual financial statements of the Company for the year ended June 30, 2022.

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- ( Rupees in '000') -----	
<b>11. CASH AND BANK BALANCES</b>			
Cash in hand		219	220
<b>In current accounts</b>			
- Local currency		17,204	7,740
<b>In saving account</b>			
- Local currency		43,293	22,893
		<u>60,716</u>	<u>30,853</u>

- 11.1 This carries mark-up at the rate, ranging between 4.75% to 9.80% (June 30, 2022: 3.60% to 6.56% ) per annum.

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- ( Rupees in '000') -----	
<b>12. SHARE CAPITAL AND RESERVES</b>			
<b>12.1 AUTHORISED SHARE CAPITAL</b>			
150,000,000 ordinary shares of Rs. 10/- each		<u>1,500,000</u>	<u>1,500,000</u>

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

**12.2 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL**

123,444,420 (June 30, 2022: 100,000,000 of Rs. 10/- each) ordinary shares of Rs.10/- each

45,772,610 (June 30, 2022: 33,550,410) allotted as fully paid in cash	457,726	457,726
66,449,590 (June 30, 2022: 66,449,590) allotted as bonus shares	664,496	664,496
11,222,220 allotted as bonus shares during the period	112,222	-
	<u>1,234,444</u>	<u>1,122,222</u>

- 12.3** The shareholders of the Company, in the annual general meeting held on October 27, 2022 approved issuance of 10% (ten percent) bonus shares, increasing Company's total paid up capital from Rs. 1,122.222 million to Rs. 1,234.444 million divided into ordinary shares of Rs. 10/- each.

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

**13. SHARE PREMIUM**

Opening balance	145,658	-
Shares issued through book building	-	152,778
	145,658	152,778
Cost incurred on book building	-	(7,120)
Bonus shares issued during the period	(112,222)	-
	<u>33,436</u>	<u>145,658</u>

**14. LEASE LIABILITIES**

Lease liabilities against ROU assets	14.1	15,026	3,145
Current portion of lease liabilities		(4,169)	(2,529)
Non-current portion of lease liabilities		<u>10,857</u>	<u>616</u>

- 14.1** During the period, the Company has reassessed its lease liabilities to reflect lease payments resulting from change in lease term due to which it has determined the revised lease payments for the remainder of the lease term based on revised contractual payments. Consequently, the Company has recognised further lease liabilities with a corresponding increase in right-of-use assets.

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

**15. ACCRUED MARK-UP****Secured**

On long-term financing	21	713
On short-term financing	7,350	6,387
Employees' provident fund	215	215
	<u>7,586</u>	<u>7,315</u>

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	December 31, 2022 (Un-audited) ----- (Rupees in '000') -----	June 30, 2022 (Audited)
<b>16. CURRENT PORTION OF LEASE LIABILITIES AND SHORT TERM FINANCING</b>		
Running finance from bank – secured	166,231	138,548
Current maturity of long-term finance	7,813	23,438
Current portion of lease liabilities	4,169	2,529
	<u>178,213</u>	<u>164,515</u>

## 17. CONTINGENCIES & COMMITMENTS

### 17.1 Contingencies

There are no significant changes in the status of contingencies as reported in note 24 to the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2022.

### 17.2 Commitments

The Company has committed to deposit an amount of Rs. 22.307 million (June 30, 2022: 22.307 million) in terms of security deposit to its satellite bandwidth vendor.

Letters of guarantee, amounting to Rs. 107.484 million (June 30, 2022: Rs. 107.551 million), have been issued by commercial banks on behalf of the Company.

	December 31, 2022 (Un-audited) ----- (Rupees in '000') -----	December 31, 2021 (Un-audited)
<b>18. REVENUE - NET</b>		
<b>Revenue from contracts with customers</b>		
Data networking	1,083,637	878,771
Sale of equipment and licenses	97,879	47,888
Revenue from turnkey projects	87,546	157,824
	<u>1,269,062</u>	<u>1,084,483</u>

## 19. OTHER INCOME

### Income from financial assets

Income on saving accounts	2,872	1,579
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### Others

Scrap sales	-	2,353
Term deposit	2,643	-
	<u>5,515</u>	<u>3,932</u>

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**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 period.

	For the half-year ended (Un-audited) December 31, 2022		For the quarter ended (Un-audited) December 31, 2022	
	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022
	----- ( Rupees in '000') -----			
Profit after taxation	84,050	91,570	46,782	47,915
Weighted average number of ordinary shares (in thousands) (note 20.1)	123,444	123,444	123,444	123,444
Basic and diluted earnings per share - (Rupees)	0.68	0.74	0.38	0.39

**20.1 Weighted average number of ordinary shares**

Outstanding number of shares before bonus issue	123,444	112,222	123,444	112,222
Bonus shares issued during the period (note 12.2)	-	11,222	-	11,222
	123,444	123,444	123,444	123,444

- 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.

**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	December 31, 2021
		----- ( Rupees in '000') -----	
Name	Nature of transactions		
<b>Relationship: Holding Company</b>			
Telecard Limited	Advance repaid	-	254,500
	Advance given	-	256,211
<b>Relationship: Entities having directors in common with the Company</b>			
Supernet E-Solutions (Private) Limited	Advance given	3,897	-
	Advance received	2,865	-
Phoenix Global FZE	Services rendered	32,479	22,654
	Sale of equipment	729	143
Supernet Infrastructure Solutions (Private) Limited	Advances given	202,700	-
	Advances received	204,500	-

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**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**

The 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.

**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