

**Third Quarterly Accounts (un-audited)
For the Nine Months ended March 31, 2023**



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Vision

To become the service provider of choice in the express and logistics industry, delivering pioneering technological solutions by flexibly responding to evolving customer needs.

Mission

We are committed to providing exceptional customized solutions to meet our client's unique logistics challenges and customer care. We tackle each challenge in a multifaceted way using creativity, logic, technology and technical expertise to provide the most innovative, cost-effective logistical and specialized supply chain solutions. We aim to be the leading express services provider in Pakistan with a focus on expanding and strengthening our operational network.

Values

Committed to Customer

We are committed toward providing a delighted customer service experience to build long-lasting relationships with our customers.

Innovation

We focused toward architectural innovation to address the evolving customer needs

Integrity

We upholds the highest standards of integrity in all our actions

Team Work

We work together across different communities to meet the need of our customers and to help the company wins.

Transparency

We encourage a culture of open dialogue and sharing and embraces transparency among all our processes

Respect

We value our people, our community and customers are at the core of everything we do.

Code of Conduct

“Guiding you to make the right decisions.”

Commitment to the code is a shared framework of professional responsibility that affirms our pledge to the core values of our organization and therefore its compliance is obligatory.

Compliance with the rules and regulations

All employees are bound to comply with the rules and regulation of the organization; all actions should be within the parameters of the rules and regulations. Any action against the guidelines should be reported to concern Manager/Head of HR or one can refer to the Whistleblowing Policy in our Employee Handbook.

Safe, Secure and Healthy Working Conditions

We are committed to providing safe and healthy working conditions at all our premises. Safety and health are paramount in all business decisions and must be an integral part of our culture. It is the duty of every employee to follow the safety & health guidelines.

Anti-bribery and Corruption

We are committed to implementing fair and ethical business practices, and avoiding corruption of all kinds, including bribery, commission, kickbacks or any malpractices from the vendors, suppliers or within the organization with any staff member. The company, its employees and anyone acting on our behalf, must abide and follow.

Business Gifts and Entertainment

Business gifts, entertainment and hospitality on a modest scale are commonly used to build goodwill. However, Blue EX forbids any unethical gifts, entertainment or hospitality. The limitation of gift acceptance is clearly mentioned in the business, gifts and entertainment policy in our Employee Handbook.

Equality and Fair Treatment

We commit to ensuring fair treatment for all employees based on merit in our process and procedures. We continuously strive to promote a work environment that is free of harassment, bullying and abusive conduct – whether physical, verbal or visual. Every employee is bound to follow the equality and fair treatment guidelines provided in HR manual.

Company Assets and Information

We act with integrity and responsible to prevent the misuse or loss of company resources and assets by being cautions and alert in our work. We treat company's information as one of the most valued assets and handle confidential and sensitive information with utmost care which includes software, logos, letterheads, laptops, visiting cards, uniforms or any other material that is company's property.

Conflict of Interest

Acting with integrity requires being free from conflicts of interest in all decision making. A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence our judgement or actions while conducting company business. We expect our employees to uphold the letter and spirit of our code of conduct in all their dealings and abide by the guidelines mentioned within. To this effect, willful violations of the code shall result in appropriate and just disciplinary action.

Social Media/Internet Community

At Blue EX, we understand that social media can be fun and rewarding way to share your opinions with co-workers. In particular, uploading, posting, forwarding or posting a link to any of the following types of material on a social media website such as our logos, a false defamatory statement about any person or organization or any material.

Attendance & Punctuality

All employees are bound to comply with the rules of attendance and punctuality. Employees should be at their work station by the start of each workday at the time designated by the department.

Uniform & Presentation

Employees should always be dressed neatly and appropriately for the type of work they perform. This includes wearing appropriate uniforms, footwear and the identification of badges/cards. Avoid using abusive language and smoking, chewing of pan, gutka or drugs inside the office.

Harassment

We do not tolerate harassment in the workplace. This applies whether the person being harassed or doing the harassing to employee or a non-employee. Harassment involves a pattern of abusive and degrading conduct (such as verbal abuse, sexually explicit or derogatory comments or images, mimicry, unwanted touching, or lewd or offensive

gestures, bullying or jokes) Such harassment can occur in or outside the office, or through social media which should be reported on immediate basis.

CONCLUSION

We are committed to a supportive work environment, where employees have the opportunity to reach their fullest potential. Blue EX is expected to do their utmost to create a workplace culture that is free of harassment, intimidation, bias, and unlawful discrimination. In the case of non-compliance with this Code, BLUE EX shall have the right and/or obligation to take disciplinary action, including but not limited to one or more of the following actions:

- Warnings (verbal and/or written).
- Termination of employment/services.
- Financial penalties.
- Declaration to regulators.
- Legal action and/or lawsuits.

The level and type of disciplinary action is driven by the non-compliance's nature, scope, intent and materiality of potential consequences.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Arif Elahi - Chairman / Non-Executive Director
Mr. Mirza Qamar Beg – Independent Director
Mr. Danish Elahi - Non-Executive Director
Mrs. Safina Danish Elahi – Non-Executive Director
Mrs. Nadine Malik Almani - Independent Director
Mr. Asfandyar Farrukh - Independent Director
Mr. Ali Aamer Baxamoosa - Executive Director
Mr. Imran Baxamoosa – Chief Executive Officer

AUDIT COMMITTEE

Mr. Mirza Qamar Beg - Chairman
Mr. Arif Elahi
Mr. Danish Elahi
Mrs. Nadine Malik Almani
Mr. Asfandyar Farrukh
Mr. Ahsan Iqbal - Secretary

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mrs. Nadine Malik Almani - Chairperson
Mr. Danish Elahi
Mrs. Safina Danish Elahi
Mr. Imran Baxamoosa
Ms. Anam Saleem – Secretary

COMPANY SECRETARY

Mr. Ahsan Iqbal

CHIEF FINANCIAL OFFICER

Mr. Salman Hameed

AUDITORS

Crowe Hussain Choudhury & Co. Chartered Accountants

LEGAL ADVISOR

Mohsin Tayebaly & Co

TAX ADVISOR

M/s. Crowe Hussain Choudhury & Co.
Chartered Accountants

BANKERS

Dubai Islamic Bank
Meezan Bank
Standard Chartered Bank (Pakistan) Limited
Habib Bank Limited
Bank Alfalah
Al Baraka Bank (Pakistan) Limited
Silk Bank Limited
Summit Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
JS Bank Limited
MCB Bank Limited

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahra-e-Faisal, Karachi – 74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326034
Email: info@cdcrsl.com Website: www.cdcrsl.com

REGISTERED OFFICE

Bangalow No. 5, Banglore Town,
Main Shahrah-e-Faisal, Karachi
Tel: (92-21) 111-Blue Ex (258339)
Email: ask@blue-ex.com
website: www.blue-ex.com

SYMBOL AT PAKISTAN STOCK EXCHANGE LIMITED
GEMUNSL

DIRECTOR’S REVIEW REPORT

FOR THE PERIOD ENDED MARCH 31, 2023

The Directors are pleased to present their report along with the unaudited unconsolidated condensed interim financial statements of Universal Network Systems Limited and the unaudited consolidated condensed interim financial statements of the Group for the quarter and nine months ended March 31, 2023.

Financial Performance Summary

The Summarized results of the unaudited consolidated condensed interim financial statements for period ended March 31, 2023 and 2022 are summarized below:

	Nine months Ended	
	March 31	
	2023	2022
Rupees.....	
EBITDA	81,868,800	52,597,926
Profit after tax	33,265,599	14,816,179
Earnings per share	1.21	0.61
Weighted average number of shares outstanding	27,428,430	*24,137,066

* In December 2021, the Company issued 6,857,000 ordinary shares and became listed on GEM Board of Pakistan Stock Exchange Limited.

The net operating revenue of the Company from its international freight business and Courier Segments has increased by more than 26% period to period. The contribution from e-com shipments moved by the Company across Pakistan through its domestic network was the larger reason of better performance and results.

As advised earlier in the annual report for the year ended June 30, 2022, the Company is consistently working to serve its clientele with more robust business solutions through better technology, efficient operational network and bringing-in new products for continuous facilitation for its valued clientele. The recent partnership with Fly Jinnah as their Domestic Cargo General Sales Agent, the Company is aiming to capitalize on the low-cost model of airline for serving its airport to airport customers with higher efficiency and at most competitive service model.

As informed you earlier during the last quarter through announcement at PSX that Abhi Private Limited (ABHI), a fintech company licensed under SECP NBFC Regulations shall acquire an equity stake in the Company making way for Pakistan's largest platform to tap into fintech & logistics deployment in retail distribution of financial/e-com products across Pakistan. This transaction between ABHI and the Company will leverage the power of finance and logistics to enable the largest platform in Pakistan to distribute financial products across the country.

Your Company is strengthening its base with more diversification and innovative solutions to address the economic headwinds and in this respect, the Company completed the legal course of action for the 100% acquisition of Universal Freight Systems Private Limited (UFS), an associated company subject to the terms and conditions as stipulated in the Share Purchase Agreement after approval from the shareholders in the recently held extra ordinary general meeting of shareholders held on April 03, 2023.

This acquisition would provide a more stable and long term business anchoring for diversified sources of sustainable income streams as well as providing customers with full 360° solutions for international outreach, via express, freight and e-com solutions.

Despite the challenges on both domestic and international business and economic fronts due to continuous rise in fuel prices, unpredictable PKR to \$ parity, limited cross border trade; the Company managed well to maintain its cost of doing business through continuous untiring efforts for achieving operational efficiencies, better capacity utilization across all segments and enhance its footprints across all networks, both globally and domestically to strengthen its position of top logistics & courier partner in the country.

The niche for the Company of having a well-diversified revenue streams through international and domestic trade segment provides it a strong foundation and dimension for managing continuous revenue growth. Therefore, the Company is shoring up its efforts for the more price competitive domestic business segments while increasing its focus on the international business operations.

Acknowledgement

We express our sincerest gratitude to all stakeholders including our clients, business partners, shareholders, financial institutions, regulators for their support and confidence and to our employees for their dedication and hard work for continuously achieving the best performance.

For & on behalf of the Board of Directors

Arif Elahi
Chairman

Imran Baxamoosa
Chief Executive Officer

April 28, 2023
Karachi.

ڈائریکٹرز کا جائزہ

ڈائریکٹرز اپنی رپورٹ کے ساتھ یونیورسل نیٹ ورک سسٹمز لمیٹڈ کے غیر آڈٹ شدہ غیر مربوط کنڈینسڈ عبوری مالیاتی بیانات اور 31 مارچ 2023 کو ختم ہونے والی سہ ماہی اور نو مہینوں کے گروپ کے غیر آڈٹ شدہ کنسولیدیٹڈ کنڈینسڈ عبوری مالیاتی بیانات کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوش ہیں۔

مالیاتی کارکردگی کا خلاصہ

31 مارچ 2023 اور 2022 کو ختم ہونے والی مدت کے لیے غیر آڈٹ شدہ کنسولیديٹڈ کنڈینسڈ عبوری مالیاتی گوشواروں کا خلاصہ ذیل میں دیا گیا ہے:

Nine Months Ended

March 31

2022	2023	
.....Rupees.....		
14,816,179	33,265,599	ٹیکس کے بعد منافع
52,597,926	81,868,800	EBITDA
0.61	1.21	فی حصہ آمدنی
*24,137,066	27,428,430	وزنی اوسط بقایا عام حصص کی تعداد

* دسمبر 2021 میں، کمپنی نے 6,857,000 عام حصص جاری کیے اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے GEM بورڈ میں درج ہو گئے۔

اس کے بین الاقوامی مال برداری کے کاروبار اور کورنیر سیگمنٹس سے کمپنی کے خالص آپریٹنگ ریونیو میں مدت کے دوران 26 فیصد سے زیادہ اضافہ ہوا ہے۔ کمپنی کی طرف سے پاکستان بھر میں اپنے گھریلو نیٹ ورک کے ذریعے منتقل کی گئی ای کام کی ترسیل کا تعاون بہتر کارکردگی اور نتائج کی بڑی وجہ تھی۔

جیسا کہ 30 جون 2022 کو ختم ہونے والے سال کی سالانہ رپورٹ میں پہلے مشورہ دیا گیا تھا، کمپنی اپنے قابل قدر گاہکوں کے لیے مسلسل سہولت کے لیے بہتر ٹیکنالوجی، موثر آپریشنل نیٹ ورک اور برانڈنگ ان نئی مصنوعات کے ذریعے مزید مضبوط کاروباری حل کے ساتھ اپنے گاہکوں کی خدمت کے لیے مسلسل کام کر رہی ہے۔ فلائی جناح کے ساتھ ان کے ٹومیسٹک کارگو جنرل سیلز ایجنٹ کے طور پر حالیہ شراکت داری، کمپنی کا مقصد ایئر لائن کے کم لاگت والے ماڈل سے فائدہ اٹھانا ہے تاکہ وہ اپنے ہوائی اڈے کے صارفین کو اعلیٰ کارکردگی کے ساتھ اور انتہائی مسابقتی سروس ماڈل پر خدمات فراہم کرے۔

جیسا کہ آپ کو پہلے پچھلی سہ ماہی کے دوران PSX میں اعلان کے ذریعے مطلع کیا گیا تھا کہ ابھی پرائیویٹ لمیٹڈ (ABHI)، SECP NBFC ریگولیشنز کے تحت لائسنس یافتہ فنڈنگ کمپنی، کمپنی میں ایکویٹی حصص حاصل کرے گی جو پاکستان کے سب سے بڑے پلیٹ فارم کو فنڈنگ اور لاجسٹکس کی تعیناتی میں استعمال کرنے کا راستہ بنائے گی۔ پاکستان بھر میں مالیاتی/ای کام مصنوعات کی خوردہ تقسیم۔ ABHI اور کمپنی کے درمیان یہ لین دین پاکستان کے سب سے بڑے پلیٹ فارم کو ملک بھر میں مالیاتی مصنوعات کی تقسیم کے قابل بنانے کے لیے فنانس اور لاجسٹکس کی طاقت کا فائدہ اٹھائے گا۔

آپ کی کمپنی معاشی مشکلات سے نمٹنے کے لیے مزید تنوع اور اختراعی حل کے ساتھ اپنی بنیاد کو مضبوط کر رہی ہے اور اس سلسلے میں، کمپنی نے یونیورسل فریٹ سسٹمز پرائیویٹ لمیٹڈ (UFS) کے 100% حصول کے لیے قانونی طریقہ کار کو مکمل کیا، جو کہ ایک منسلک کمپنی ہے۔ 03 اپریل 2023 کو منعقدہ شیئر ہولڈرز کی حال ہی میں منعقدہ غیر معمولی جنرل میٹنگ میں شیئر ہولڈرز سے منظوری کے بعد حصص کی خریداری کے معاہدے میں بیان کردہ شرائط و ضوابط

یہ حصول پائیدار آمدنی کے متنوع ذرائع کے لیے زیادہ مستحکم اور طویل مدتی کاروباری اینکرنگ فراہم کرے گا اور ساتھ ہی ساتھ صارفین کو ایکسپریس، فریٹ اور ای کام کے حل کے ذریعے بین الاقوامی رسائی کے لیے مکمل 360° حل فراہم کرے گا۔

ابنہن کی قیمتوں میں مسلسل اضافے کی وجہ سے گھریلو اور بین الاقوامی کاروباری اور اقتصادی محاذوں پر چیلنجز کے باوجود، غیر متوقع PKR سے \$ برابری، محدود سرحدی تجارت؛ کمپنی نے آپریشنل افادیت کے حصول کے لیے مسلسل انتھک کوششوں کے ذریعے کاروبار کرنے کی لاگت کو برقرار رکھنے کے لیے اچھی طرح سے انتظام کیا، تمام طبقات میں صلاحیت کے بہتر استعمال اور تمام نیٹ ورکس پر عالمی اور ملکی سطح پر اپنے قدموں کے نشانات کو بڑھایا تاکہ اس میں اعلیٰ لاجسٹکس اور کورنیر پارٹنر کی حیثیت کو مضبوط کیا جا سکے۔ ملک۔

کمپنی کے لیے بین الاقوامی اور گھریلو تجارتی طبقے کے ذریعے متنوع آمدنی کے سلسلے رکھنے کا مقام اسے مسلسل آمدنی میں اضافے کے انتظام کے لیے ایک مضبوط بنیاد اور جہت فراہم کرتا ہے۔ لہذا، کمپنی بین الاقوامی کاروباری کارروائیوں پر اپنی توجہ بڑھاتے ہوئے زیادہ قیمت کے مسابقتی گھریلو کاروباری حصوں کے لیے اپنی کوششوں کو تیز کر رہی ہے۔

اظہار تشکر

ہم تمام اسٹیک ہولڈرز بشمول اپنے کلانٹس، کاروباری شراکت داروں، شیئر ہولڈرز، مالیاتی اداروں اور ریگولیٹرز کے تعاون اور اعتماد کے لیے اور اپنے ملازمین کا مسلسل بہترین کارکردگی کو حاصل کرنے کے لیے ان کی لگن اور محنت کے لیے تہہ دل سے شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

عمران بکساموسی
چیف ایگزیکٹو آفیسر

عارف الہی
چئرمین

28 اپریل 2023
کراچی۔

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		(Un-Audited) March 31 2 0 2 3	Audited June 30 2 0 2 2
	Note	----- (Rupees) -----	
ASSETS			
Property and equipment	5	150,202,506	155,333,920
Right of use assets	6	32,208,980	48,627,045
Intangible assets	7	116,322,865	83,229,223
Long term deposits	8	12,785,728	12,746,728
Long term investments	9	28,928,000	-
		340,448,079	299,936,916
Current assets			
Trade debts		435,813,921	455,744,899
Packaging Material		2,101,092	2,101,092
Short term loans and advances		51,963,203	21,440,805
Short term deposits, prepayments and other receivables		42,529,410	55,527,652
Short term investments	10	18,234,963	131,686,290
Cash and bank balances	11	110,624,621	62,778,606
		661,267,210	729,279,343
TOTAL ASSETS		<u>1,001,715,289</u>	<u>1,029,216,258</u>

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

50,000,000 ordinary shares of Rs.10/- each
(June 30, 2022: 50,000,000 ordinary shares of Rs. 10/- each)

500,000,000

500,000,000

Issued, subscribed and paid-up share capital

27,428,430 ordinary shares of Rs. 10/- each
(June 30, 2022: 27,428,430 ordinary shares of Rs. 10/- each)

fully paid in cash

274,284,300

274,284,300

Share Premium

402,328,869

402,328,868

Revaluation surplus on property, plant & equipment

19,531,589

23,044,649

Unappropriated profit

122,700,026

86,144,583

818,844,784

785,802,400

Chief Executive Officer

Chief Financial Officer

Director

(Un-Audited) **Audited**
March 31 **June 30**
2 0 2 3 **2 0 2 2**
----- (Rupees) -----

Note

Non-current liabilities

Lease liabilities	12	13,860,355	25,298,396
Deferred tax liabilities - net	13	9,941,630	12,499,107
		23,801,985	37,797,503

Current liabilities

Trade and other payables		110,277,849	165,764,385
Due to related parties		3,772,307	-
Current portion lease liabilities	12	19,126,335	25,867,487
Provision for taxation		25,892,029	13,984,475
		159,068,520	205,616,347

Contingencies and Commitments

	14	-	-
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TOTAL EQUITY AND LIABILITIES

		1,001,715,289	1,029,216,258
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The annexed notes form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

	Nine Months Period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	------(Rupees)-----		------(Rupees)-----	
Note				
Courier and allied services				
- Courier income	836,638,553	749,582,136	303,562,496	227,003,810
- CBC handling charges income	19,099,624	18,260,362	7,317,345	5,788,261
	855,738,177	767,842,498	310,879,841	232,792,071
Cost of services	(795,847,330)	(662,296,369)	(287,983,830)	(209,097,233)
Total courier and allied services	59,890,847	105,546,129	22,896,011	23,694,838
International freight	95,992,161	18,454,531	37,766,126	5,366,719
Commission income	873,916	421,685	262,515	202,042
	96,866,077	18,876,216	38,028,641	5,568,761
Total Income from Operations	156,756,924	124,422,345	60,924,652	29,263,599
General and administrative expenses	(121,559,842)	(110,195,559)	(44,145,339)	(31,481,791)
Marketing and selling expenses	(4,516,038)	(3,749,570)	(2,140,093)	(2,043,389)
	(126,075,880)	(113,945,129)	(46,285,432)	(33,525,180)
Operating profit	30,681,044	10,477,215	14,639,219	(4,261,581)
Other income	16,190,403	12,162,938	4,063,872	7,954,120
Finance costs	(4,479,068)	(4,593,822)	(1,700,629)	(1,048,258)
	11,711,335	7,569,116	2,363,243	6,905,862
Profit before taxation	42,392,378	18,046,331	17,002,462	2,644,281
Taxation				
- Current	(11,907,553)	(5,233,436)	(4,361,241)	(766,842)
- Prior	-	2,280,507	-	-
- Deferred	2,557,479	(277,223)	-	-
	(9,350,074)	(3,230,152)	(4,361,241)	(766,842)
Profit after tax	33,042,304	14,816,179	12,641,221	1,877,440
Earning per share - basic & diluted	15 1.20	0.61	0.46	0.07

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

	Nine Months Period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	------(Rupees)-----		------(Rupees)-----	
Profit after taxation	33,042,304	14,816,179	12,641,221	1,877,440
Items not to be reclassified to profit or loss in subsequent period:				
Surplus on revaluation of property, plant equipment	-	-	-	-
Deferred tax on property, plant and equipment	-	-	-	-
	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the period	33,042,304	14,816,179	12,641,221	1,877,440

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

	Issued, subscribed and paid-up capital	Share Premium	Unappropriated profit	Surplus on revaluation of property, plant & equipment	Sponsors' Loan	Total
	------(Rupees)-----					
Balance as at June 30, 2021	205,714,300	43,286,075	65,398,115	27,845,460	70,000,000	412,243,949
Issuance of 6,857,000 ordinary share @ 10/- each	68,570,000	-	-	-	-	68,570,000
Premium @ 55 per share on issue of 6,857,000 ordinary shares	-	359,042,794	-	-	-	359,042,794
Reversal for Sponsor Loan's	-	-	-	-	(70,000,000)	(70,000,000)
Realized revaluation surplus on derecognition- net of deferred tax	-	-	533,111	(533,111)	-	-
Transfer of revaluation surplus on incremental depreciation - net of deferred tax	-	-	4,267,700	(4,267,700)	-	-
Profit after Tax	-	-	15,945,656	-	-	15,945,656
	68,570,000	359,042,794	20,746,467	(4,800,811)	(70,000,000)	373,558,450
Balance as at June 30, 2022	274,284,300	402,328,869	86,144,579	23,044,732	-	785,802,399
Realized revaluation surplus on derecognition- net of deferred tax	-	-	934,255	(934,255)	-	-
Transfer of revaluation surplus on incremental depreciation - net of deferred tax	-	-	2,578,888	(2,578,888)	-	-
Total comprehensive income	-	-	33,042,304	-	-	33,042,304
Balance as at March 31, 2023	274,284,300	402,328,869	122,700,026	19,531,589	-	818,844,784

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

Nine Months Period ended
March 31, March 31,
2023 2022
------(Rupees)-----

CASH FLOW FROM OPERATING ACTIVITIES

Profit before tax **42,392,378** 18,046,331

Adjustment for non cash changes and other items

Depreciation property and equipment	18,924,657	12,866,919
Depreciation - ROUA	15,202,690	17,090,854
Amortization of Intangibles	933,358	-
Finance costs	4,192,421	4,593,822
Loss on sale of property and equipment	1,195,627	(18,253)
	40,448,753	34,533,342

Cash flows from Operating profit before working capital changes **82,841,132** 52,579,673

Increase/ (decrease) in cash flow due to working capital changes

Trade debtors - unsecured and considered goods	19,930,978	(41,567,752)
Packaging Material	-	(767,590)
Short term loans and advances	(30,522,398)	(24,263,283)
Short term deposits, prepayments and other receivables	19,505,769	4,866,460
Trade and other payable	(55,486,534)	(65,810,611)
Due to related party	3,772,307	(2,434,610)
	(42,799,878)	(129,977,386)
	40,041,254	(77,397,713)

Cash flow generated from operations

Finance cost paid	(4,192,421)	(4,651,409)
Income tax paid	(6,507,527)	(11,563,946)
	(10,699,948)	(16,215,355)

Net cash flow from / (used in) operating activities **29,341,305** (93,613,068)

CASH FLOW FROM INVESTING ACTIVITIES

Addition to property, plant & equipment	(13,953,122)	(40,021,842)
Intangibles	(35,360,416)	(15,000,000)
Sale proceeds from property, plant and equipment	1,513,114	8,000
Addition in investment	-	(296,174,436)
Long term investments	(28,928,000)	-
Long term deposits	(39,000)	(1,491,000)
	(76,767,424)	(352,679,278)
	(47,426,119)	(446,292,345)

Net cash flow used in investing activities

CASH FLOW FROM FINANCING ACTIVITIES

Obligation under finance lease	(18,179,193)	(16,538,464)
Issue of shares	-	427,612,794
Net cash inflow (used in) /from financing activities	(18,179,193)	411,074,330

Net decrease in cash and cash equivalent	(65,605,312)	(35,218,014)
Cash and cash equivalents at the beginning of the period	194,464,896	76,819,150
Cash and cash equivalents at the end of the period	128,859,584	41,601,136

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEM LIMITED
NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

1. The Company and its operation

Universal Network Systems Limited (The Company) was incorporated as a private limited company in Pakistan on December 12, 2005 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). On February 18, 2021 the Company was converted to "Public Limited" under Companies Act, 2017. On December 06, 2021, the Company became listed on GEM Board of Pakistan Stock Exchange Limited.

The registered office of the Company is situated at Bungalow No. 5, Bangalore Town, Main Shahrah-e-Faisal, Karachi, Pakistan, 74550. The principal activities of the Company are to act as a cargo forwarder, provide domestic and international courier and allied services.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These condensed unconsolidated interim financial statements have been prepared under the historical cost convention except for the measurement of certain financial statements.

These condensed unconsolidated interim financial statements do not include all information and disclosures required in the financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022.

2.3 Standards, interpretations and amendments to published accounting and reporting

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after July 01, 2022 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed unconsolidated interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed unconsolidated interim financial statements except for the below policy are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2022.

3.1 INVESTMENT IN SUBSIDIARIES:

These investments are measured at cost in the Company's unconsolidated financial statements. Cost in relation to investments made in foreign currency is determined by translating the consideration paid in foreign currency into rupees at exchange rates prevailing on the date of transactions.

The Company is required to issue consolidated financial statements along with its unconsolidated financial statements, in accordance with the requirements of IFRS 10 "Consolidated Financial Statements" and Companies Act, 2017.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed unconsolidated interim financial statements in conformity with accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on the management's experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The significant judgments made by the management in applying the Company's accounting policies and the key resources of estimation and uncertainty were the same as those applied to the annual audited financial statements for the year ended June 30, 2022.

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2022.

	(Un-Audited)	(Audited)
	March 31,	June 30,
	2023	2022
Note	------(Rupees)-----	

5 PROPERTY & EQUIPMENT

Operating fixed assets	150,202,506	150,523,336
Work in progress	-	4,810,584
	150,202,506	155,333,920

6 RIGHT-OF-USE ASSETS

The carrying amounts of right-of-use assets recognized and movement during the period is as follows:

	Vehicles	Rental Properties	Total
	------(Rupees)-----		
6.1 Net carrying value basis			
Reclassified from operating fixed assets on initial application of IFRS 16 (note 4)	6,556,499	-	6,556,499
Right-of-use assets recognised on initial application of IFRS 16	7,348,000	68,262,272	75,610,272
Less: Depreciation charge for the year	<u>(1,906,470)</u>	<u>(22,448,018)</u>	<u>(24,354,488)</u>
Closing net book value Jun 30, 2021	11,998,029	45,814,254	57,812,283
Addition: during the period	-	12,938,454	12,938,454
Less: Accumulated Depreciation	<u>(1,194,696)</u>	<u>(20,928,996)</u>	<u>(22,123,692)</u>
Closing net book value June 30, 2022	10,803,333	37,823,712	48,627,045
Addition: during the period	-	-	-
Less: Depreciation charge for the period	<u>(1,215,375)</u>	<u>(15,202,690)</u>	<u>(16,418,065)</u>
Closing net book value March 31, 2023	9,587,958	22,621,022	32,208,980
Depreciation rate (%)	<u>15%</u>	<u>5-Years</u>	
6.2 Gross carrying value basis			
Cost	13,904,499	81,200,726	95,105,225
Less: Accumulated Depreciation	<u>(3,101,166)</u>	<u>(43,377,014)</u>	<u>(46,478,180)</u>
Net book value June 30, 2022	<u>10,803,333</u>	<u>37,823,712</u>	<u>48,627,045</u>
Cost	13,904,499	81,200,726	95,105,225
Less: Accumulated Depreciation	<u>(4,316,541)</u>	<u>(58,579,704)</u>	<u>(62,896,245)</u>
Net book value March 31, 2023	<u>9,587,958</u>	<u>22,621,022</u>	<u>32,208,980</u>

(Un-Audited)	(Audited)
March 31,	June 30,
2023	2022
----- (Rupees) -----	

7 INTANGIBLE ASSETS

Computer software	18,657,834	18,657,834
Work in progress	99,931,805	64,571,389
Amortization of intangible assets	(2,266,774)	-
	116,322,865	83,229,223

8 LONG TERM DEPOSITS

Security deposit against;		
- Rent	11,666,028	11,580,028
- Leased Vehicle	500,000	500,000
- Utilities	115,500	162,500
- Others	504,200	504,200
	12,785,728	12,746,728

9 LONG TERM INVESTMENTS**9.1 Investment in subsidiaries - at cost**

Shyp Guru (Private) Limited - unquoted
1,000,000 June 30, 2022: NIL)
Percentage of holding: 100% ordinary shares
of Rs. 10/- each

	10,000,000	-
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On September 14, 2022, the Company incorporated a wholly owned subsidiary, Shyp Guru (Private) Limited (SGPL) in Pakistan, for expanding its business operations in Europe, North America and other regions. It is the Technology First Concept Company in international logistics business which shall inter alia have contracts with multiple global logistics /courier networks for international express & freight business.

9.2 LONG TERM INVESTMENTS - IN TDR 3 Years	18,928,000	-
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9.2.1 Investment with Term Deposit Receipt with markup rate of 15.6%

(Un-Audited)	(Audited)
March 31,	June 30,
2023	2022

10 SHORT TERM INVESTMENTS

Investment with mutual funds	3,120,614	62,600,000
Add: Unrealized gain on revaluation of investment	15,114,349	9,086,290
	18,234,963	71,686,290
Certificates of Musharaka Modarba Al-Mali	-	60,000,000
	18,234,963	131,686,290

Investment with mutual funds make with tentative markup rate of (17.5% to 18%)

	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
Note	------(Rupees)-----	
11 CASH AND BANK BALANCES		
Cash in hand	2,897,939	3,364,020
Cash at bank		
- in current account	65,042,444	30,904,588
- in saving account	42,684,238	28,509,998
11.1	<u>110,624,621</u>	<u>62,778,606</u>
11.1 These carry markup rates of 10.5% (June 30 2022: 5%)		
12 LEASE LIABILITIES		
Current maturity	19,126,335	25,867,487
Non-current maturity	13,860,355	25,298,396
	<u>32,986,690</u>	<u>51,165,883</u>
12.1 Reconciliation of total lease liabilities		
Opening balance	51,165,883	61,644,669
Additions	-	12,938,450
Paid during the period	(18,179,193)	(23,417,236)
Closing balance	<u>32,986,690</u>	<u>51,165,883</u>
13 DEFERRED LIABILITIES		
Deferred taxation	<u>9,941,630</u>	<u>12,499,107</u>
14 CONTINGENCIES AND COMMITMENTS		
14.1 Contingencies		
Bank Guarantees given by the Company in favour of Fly Jinnah Private Limited aggregating to Rs. 18,928,000 (June 30, 2022: Nil).		
15 EARNING PER SHARE - basic and diluted	Mar 31, 2023	Mar 31, 2022
	------(Rupees)-----	
Profit after tax for the period	<u>33,042,304</u>	<u>14,816,179</u>
Weighted average number of shares outstanding during the period	<u>27,428,430</u>	<u>24,137,066</u>
Earning per share - basic and diluted	<u>1.20</u>	<u>0.61</u>

16 Transactions with related parties:

Name of the related party	Relationship	Transactions during the period	Mar 31, 2023	Mar 31, 2022
			------(Rupees)-----	
Universal Freight Systems (Pvt.) Ltd.	Common directorship	Sales of services	-	19,477,076
		Purchase of services	7,183,559	4,402,754
UNS Employee's Provident Fund Trust	Staff Benefits Plan	Net change in respect of staff benefit plan	524,370	1,058,146
Directors & key management personnel	Key management personnel	Remuneration	47,427,400	58,926,573
Shyp Guru (Private) Limited	wholly owned subsidiary	Investment	10,000,000	-

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materiality the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically repriced.

International Financial Reporting Standard 13, 'Financial Instruments: Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- unobservable inputs for the asset or liability (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Currently there are no financial assets or financial liabilities which are measured at their fair value in the statement of financial position.

18 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant reclassifications were made during the period.

19 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 28, 2023 by the Board of Directors of the Company.

20 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

	(Un-Audited) March 31 2 0 2 3	Audited June 30 2 0 2 2
Note	----- (Rupees) -----	
ASSETS		
Non-current assets		
Property and equipment	150,202,506	155,333,920
Right of use assets	32,208,980	48,627,045
Intangible assets	116,322,865	83,229,223
Long term deposits	14,414,204	12,746,728
Long term investments	18,928,000	-
	332,076,555	299,936,916
Current assets		
Trade debts	435,813,921	455,744,899
Packaging Material	2,101,092	2,101,092
Short term loans and advances	51,963,203	21,440,805
Short term deposits, prepayments and other receivables	42,664,410	55,527,652
Short term investments	25,458,258	131,686,290
Cash and bank balances	110,489,621	62,778,606
	668,490,505	729,279,343
TOTAL ASSETS	<u>1,000,567,060</u>	<u>1,029,216,258</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
50,000,000 ordinary shares of Rs.10/- each (June 30, 2022: 50,000,000 ordinary shares of Rs. 10/- each)	500,000,000	500,000,000
Issued, subscribed and paid-up share capital		
27,428,430 ordinary shares of Rs. 10/- each (June 30, 2022: 27,428,430 ordinary shares of Rs. 10/- each)		
fully paid in cash	274,284,300	274,284,300
Share Premium	402,328,869	402,328,868
Revaluation surplus on property, plant & equipment	19,531,589	23,044,649
Unappropriated profit	121,551,797	86,144,583
	817,696,555	785,802,400

Chief Executive Officer

Chief Financial Officer

Director

(Un-Audited) Audited
March 31 **June 30**
2 02 3 **2 02 2**
-----**(Rupees)**-----

Note

Non-current liabilities

Lease liabilities	13,860,355	25,298,396
Deferred tax liabilities - net	9,941,630	12,499,107
	23,801,985	37,797,503

Current liabilities

Trade and other payables	110,277,849	165,764,385
Due to related parties	3,772,307	-
Current portion lease liabilities	19,126,335	25,867,487
Provision for taxation	25,892,029	13,984,475
	159,068,521	205,616,347

Contingencies and Commitments

- -

TOTAL EQUITY AND LIABILITIES

1,000,567,060	1,029,216,258
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The annexed notes form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED MARCH 31, 2022 - Un-Audited

	Nine Months Period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	------(Rupees)-----		------(Rupees)-----	
Note				
Courier and allied services				
- Courier income	836,638,553	749,582,136	303,562,496	227,003,810
- CBC handling charges income	19,099,624	18,260,362	7,317,345	5,788,261
	855,738,177	767,842,498	310,879,841	232,792,071
Cost of services	(795,847,330)	(662,296,369)	(287,983,830)	(209,097,233)
Total courier and allied services	59,890,847	105,546,129	22,896,011	23,694,838
International freight	95,992,161	18,454,531	37,766,126	5,366,719
Commission income	873,916	421,685	262,515	202,042
	96,866,077	18,876,216	38,028,641	5,568,761
Total Income from Operations	156,756,924	124,422,345	60,924,652	29,263,599
General and administrative expenses	(121,559,842)	(110,195,559)	(44,145,339)	(31,481,791)
Marketing and selling expenses	(4,516,038)	(3,749,570)	(2,140,093)	(2,043,389)
	(126,075,880)	(113,945,129)	(46,285,432)	(33,525,180)
Operating profit	30,681,044	10,477,215	14,639,219	(4,261,581)
Other income	16,413,698	12,162,938	4,063,872	7,954,120
Finance costs	(4,479,068)	(4,593,822)	(1,700,629)	(1,048,258)
	11,934,630	7,569,116	2,363,243	6,905,862
Profit before taxation	42,615,673	18,046,331	17,002,462	2,644,281
Taxation				
- Current	(11,907,553)	(5,233,436)	(4,361,241)	(766,842)
- Prior	-	2,280,507	-	-
- Deferred	2,557,479	(277,223)	-	-
	(9,350,074)	(3,230,152)	(4,361,241)	(766,842)
Profit after tax	33,265,599	14,816,179	12,641,221	1,877,440
Earning per share - basic & diluted	1.21	0.61	0.46	0.07

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2022 - Un-Audited

	Nine Months Period ended		Quarter ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	------(Rupees)-----		------(Rupees)-----	
Profit after taxation	33,265,599	14,816,179	12,641,221	1,877,440
Items not to be reclassified to profit or loss in subsequent period:				
Surplus on revaluation of property, plant equipment	-	-	-	-
Deferred tax on property, plant and equipment	-	-	-	-
	-	-	-	-
Loss attributable to Owners of the Holding company	(1,371,525)	-	-	-
Total comprehensive income for the period	31,894,074	14,816,179	12,641,221	1,877,440

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

	Issued, subscribed and paid-up capital	Share Premium	Unappropriated profit	Surplus on revaluation of property, plant & equipment	Sponsors' Loan	Total
			------(Rupees)-----			
Balance as at June 30, 2021	205,714,300	43,286,075	65,398,115	27,845,460	70,000,000	412,243,949
Issuance of 6,857,000 ordinary share @ 10/- each	68,570,000	-	-	-	-	68,570,000
Premium @ 55 per share on issue of 6,857,000 ordinary shares	-	359,042,794	-	-	-	359,042,794
Reversal for Sponsor Loan's	-	-	-	-	(70,000,000)	(70,000,000)
Realized revaluation surplus on derecognition- net of deferred tax	-	-	533,111	(533,111)	-	-
Transfer of revaluation surplus on incremental depreciation - net of deferred tax	-	-	4,267,700	(4,267,700)	-	-
Profit after Tax	-	-	15,945,656	-	-	15,945,656
	68,570,000	359,042,794	20,746,467	(4,800,811)	(70,000,000)	373,558,450
Balance as at June 30, 2022	274,284,300	402,328,869	86,144,579	23,044,732	-	785,802,399
Realized revaluation surplus on derecognition- net of deferred tax	-	-	934,255	(934,255)	-	-
Transfer of revaluation surplus on incremental depreciation - net of deferred tax	-	-	2,578,888	(2,578,888)	-	-
Preliminary expenses - Registration and filling charges - Shyp Guru	-	-	(1,371,524)	-	-	(1,371,524)
Total comprehensive income	-	-	33,265,599	-	-	33,265,599
Balance as at March 31, 2023	274,284,300	402,328,869	121,551,797	19,531,589	-	817,696,555

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNIVERSAL NETWORK SYSTEMS LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2023 - Un-Audited

	Nine Months Period ended	
	March 31,	March 31,
	2023	2022
	------(Rupees)-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	42,615,673	18,046,331
Adjustment for non cash changes and other items		
Depreciation property and equipment	18,924,657	12,866,919
Depreciation - ROUA	15,202,690	17,090,854
Amortization of Intangibles	933,358	-
Finance costs	4,192,421	4,593,822
Loss on sale of property and equipment	1,195,627	(18,253)
	40,448,753	34,533,342
Cash flows from Operating profit before working capital changes	83,064,427	52,579,673
Increase/ (decrease) in cash flow due to working capital changes		
Trade debtors - unsecured and considered goods	19,930,978	(41,567,752)
Packaging Material	-	(767,590)
Short term loans and advances	(30,522,398)	(24,263,283)
Short term deposits, prepayments and other receivables	19,370,769	4,866,460
Trade and other payable	(55,486,535)	(65,810,611)
Due to related party	3,772,307	(2,434,610)
	(42,934,879)	(129,977,386)
Cash flow generated from operations	40,129,548	(77,397,713)
Finance cost paid	(4,192,421)	(4,651,409)
Income tax paid	(6,507,527)	(11,563,946)
	(10,699,948)	(16,215,355)
Net cash flow from / (used in) operating activities	29,429,599	(93,613,068)
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant & equipment	(13,953,122)	(40,021,842)
Intangibles	(35,360,416)	(15,000,000)
Sale proceeds from property, plant and equipment	1,513,114	8,000
Addition in investment	-	(296,174,436)
Preliminary expenses - Registration and filling charges	(1,371,525)	-
Long term investments	(18,928,000)	-
Long term deposits	(1,667,476)	(1,491,000)
	(69,767,425)	(352,679,278)
Net cash flow used in investing activities	(40,337,826)	(446,292,345)
CASH FLOW FROM FINANCING ACTIVITIES		
Obligation under finance lease	(18,179,193)	(16,538,464)
Issue of shares	-	427,612,794
Net cash inflow (used in) /from financing activities	(18,179,193)	411,074,330
Net decrease in cash and cash equivalent	(58,517,019)	(35,218,014)
Cash and cash equivalents at the beginning of the period	194,464,896	76,819,150
Cash and cash equivalents at the end of the period	135,947,877	41,601,136

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Universal Network System Limited

Notes to the Condensed consolidated Interim Financial Statements

For the period ended MARCH 31, 2023 - Un-Audited

1. The Company and its operation

Universal Network Systems Limited (The Company) was incorporated as a private limited company in Pakistan on December 12, 2005 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). On February 18, 2021 the Company was converted to "Public Limited" under Companies Act, 2017. On December 06, 2022, the Company became listed on GEM Board of Pakistan Stock Exchange Limited.

On September 14, 2022, the Company incorporated a wholly owned subsidiary, Shyp Guru (Private) Limited (SGPL) in Pakistan, for expanding its business operations in Europe, North America and other regions. It is the Technology First Concept Company in international logistics business which shall inter alia have contracts with multiple global logistics/courier networks for international express & freight business. The Holding Company's two nominees hold 2 ordinary shares of SGPL.

The registered office of the Company is situated at Bungalow No. 5, Bangalore Town, Main Shahrah-e-Faisal, Karachi, Pakistan, 74550. The principal activities of the Company are to act as a cargo forwarder, provide domestic and international courier and allied services.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These condensed unconsolidated interim financial statements have been prepared under the historical cost convention except for the measurement of certain financial statements.

These condensed unconsolidated interim financial statements do not include all information and disclosures required in the financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022.

2.3 Standards, interpretations and amendments to published accounting and reporting

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after July 01, 2022 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed unconsolidated interim financial statements.

2.4 BASIS OF CONSOLIDATION

The condensed interim financial statements of the subsidiary companies have been consolidated on a line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves. All material intercompany balances and transactions have been eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed unconsolidated interim financial statements except for the below policy are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2022.

3.1 INVESTMENT IN SUBSIDIARIES:

These investments are measured at cost in the Company's unconsolidated financial statements. Cost in relation to investments made in foreign currency is determined by translating the consideration paid in foreign currency into rupees at exchange rates prevailing on the date of transactions.

The Company is required to issue consolidated financial statements along with its unconsolidated financial statements, in accordance with the requirements of IFRS 10 "Consolidated Financial Statements" and Companies Act, 2017.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed unconsolidated interim financial statements in conformity with accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on the management's experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The significant judgments made by the management in applying the Company's accounting policies and the key resources of estimation and uncertainty were the same as those applied to the annual audited financial statements for the year ended June 30, 2022.

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2022.

	(Un-Audited) March 31, 2 0 2 3	(Audited) June 30, 2 0 2 2
	----- (Rupees) -----	
5 LONG TERM DEPOSITS		
Security deposit against;		
- Rent	11,666,028	11,580,028
- IBCC	1,628,476	-
- Leased Vehicle	500,000	500,000
- Utilities	115,500	162,500
- Others	504,200	504,200
	<u>14,414,204</u>	<u>12,746,728</u>

6 SHORT TERM INVESTMENTS

Investment with mutual funds	10,120,614	62,600,000
Add: Unrealized gain on revaluation of investment	15,337,644	9,086,290
	<u>25,458,258</u>	<u>71,686,290</u>
Certificates of Musharaka Modarba Al-Mali	-	60,000,000
	<u>25,458,258</u>	<u>131,686,290</u>

Investment with mutual funds make with tentative markup rate of (17.5% to 18%)

7 CASH AND BANK BALANCES

Cash in hand	2,762,939	3,364,020
Cash at bank		
- in current account	65,042,444	30,904,588
- in saving account	42,684,238	28,509,998
	<u>110,489,621</u>	<u>62,778,606</u>

8 Transactions with related parties:

Name of the related party	Relationship	Transactions during the period	Mar 31, 2023	Mar 31, 2022
			----- (Rupees) -----	
Universal Freight Systems (Pvt.) Ltd.	Common directorship	Sales of services	-	19,477,076
		Purchase of services	7,183,559	4,402,754
UNS Employee's Provident Fund Trust	Staff Benefits Plan	Net change in respect of staff benefit plan	524,370	1,058,146
Directors & key management personnel	Key management personnel	Remuneration	47,427,400	58,926,573

9 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materiality the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically repriced.

International Financial Reporting Standard 13, 'Financial Instruments: Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- unobservable inputs for the asset or liability (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Currently there are no financial assets or financial liabilities which are measured at their fair value in the statement of financial position.

10 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant reclassifications were made during the period.

11 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue April 28, 2023 by the Board of Directors of the holding company.

12 GENERAL

Figures have been rounded off to the nearest rupee.



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