SUPERNET

Empowering Networks

SUPERNET LIMITED

3rd Quarterly Accounts

For the period ended

31 March 2022

SUPERNET LIMITED

Karachi: 9th Floor, World Trade Center, 10 Khayaban-e-Roomi, Block 5, Clifton. Tel: (+92-21) 3587 1864-7, (+92-21) 3855 0000, Fax: (+92-21) 3587 1869
Lahore: 2nd Floor. Block 2, Awami Complex, New Garden Town. Tel: (+92-42) 3583 1254, (+92-42) 3586 5637, Fax: (+92-42) 35866184
Islamabad: 75 East, Blue Area, Fazal-e-Haq Road. Tel: (+92-51) 2344 131-2, Fax: (+92-51) 2344 134

www.super.net.pk

SUPERNET
Empowering Networks

Company Information

Board of Directors	Syed Aamir Hussain (Chairman) Mr. Jamal Nasir Khan (CEO) Mr. Waseem Ahmad Syed Hashim Ali Mr. Asad Mujtaba Naqvi Mr. Ahmer Qamar Ms. Naueen Ahmed
Board Audit Committee	Mr. Asad Mujtaba Naqvi(Chairman) Mr. Waseem Ahmad Ms. Naueen Ahmed
Chief Executive Officer	Jamal Nasir Khan
Legal Advisor	Mohsin Tayebaly & Co.
Chief Financial Officer	Mr. Mohsin Ishaq Modi
Company Secretary	Mr. Waseem Ahmad
Banks	Habib Metropolitan Bank Ltd Standard Chartered Pakistan Habib Bank Limited
Registrar and Share Transfer Office	Jwaffs Registrar Services (Pvt.) Ltd. 407-408, 4th Floor, Al Ameera Centre Sharah-e-Iraq Karachi
Registered Office	3rd Floor, 75 East, Blue Area, Fazal-ul-Haq Road, Islamabad Pakistan
Corporate Office	9TH Floor, World Trade Center, 10- Khayaban-e-Roomi, Clifton, Karachi Pakistan

SUPERNET

Empowering Networks

Directors' Report

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

Financial Performance

On a consolidated basis, the Company has reported a profit after tax of Rs. 197 million as against a profit of Rs. 164 million during the corresponding financial period due to enhanced top line revenue. The Earning Per Share (EPS) stood at Rs. 1.97 compared to a profit of Rs. 1.64 same period last year.

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

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

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

Future Outlook - Challenges and Way Forward

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

On behalf of the Board

Jamal Nasir Khan
Chief Executive Officer

SUPERNET LIMITED Karachi

28 April, 2022

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

1. THE COMPANY AND ITS OPERATIONS

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

The Company has been granted a license by the Ministry of Communications, Government of Pakistan to establish and operate a data network system in Pakistan. The Company is engaged in providing satellite and microwave communication services e.g. internet, radio links, single channel per carrier (SCPC), time division multiple access (TDMA), etc., and sale and installation of related equipment and accessories.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

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

2.2 Accounting convention

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

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUTING POLICIES

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

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

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
		-------- (Rupees in '000') -------	
7.	**SHARE CAPITAL AND RESERVES**		
7.1	**AUTHORISED SHARE CAPITAL**		
	150,000,000 ordinary shares of Rs.10 each	**1,500,000**	1,500,000
7.2	**ISSUED, PAID-UP AND SUBSCRIBED CAPITAL**		
	100,000,000 (June 30, 2021: 100,000,000 of Rs 10 each) ordinary shares of Rs.10 each		
	33,550,410 allotted as fully paid in cash	**335,504**	335,504
	66,449,590 allotted as bonus shares	**664,496**	664,496
		1,000,000	1,000,000
8.	**TRADE AND OTHER PAYABLES**		
	Unsecured		
	Creditors	**940,338**	550,362
	Telecard Limited - Holding Company	**135,372**	135,372
	Supernet E-Solutions (Private) Limited - subsidiary company	**4,153**	4,153
		1,079,863	689,887
	Other payables		
	Contractual liability to franchisees	**200**	200
	Accrued liabilities	**82,013**	69,236
	Provision against compensated absences	**3,577**	3,577
	Royalty to Pakistan Telecommunication Authority (PTA)	**3,519**	4,620
	Payable to employees' provident fund	**18,556**	107
	Workers' welfare fund payable	**2,782**	2,782
	Others	**153**	9,220
		110,800	89,742
		1,190,663	779,629

9. CONTINGENCIES & COMMITMENTS

9.1 Contingencies

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

9.2 Commitments

Guarantees issued by the financial institutions on behalf of the Company amount to Rs. 52.83 million (June 30, 2021: Rs. 33.04 million).

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

11. FINANCIAL RISK MANAGEMENT

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

12. TRANSACTIONS WITH RELATED PARTIES

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

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

13. CORRESPONDING FIGURES

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

14. AUTHORISATION FOR ISSUE

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

15. GENERAL

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

CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER DIRECTOR

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

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

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

	Note	March 31, 2022 *(Unaudited)*	March 31, 2021 *(Audited)*
		----- (Rupees in '000') -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	**195,020**	165,317
Income tax paid		**(77,705)**	(74,932)
Finance cost paid		**(17,668)**	(20,070)
Long-term deposits		**-**	322
Gratuity paid		**-**	(197)
Net cash generated from operating activities		**99,647**	70,440
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(105,602)**	(43,558)
Proceeds from disposal of property, plant and equipment		**-**	1,317
Income received from saving account		**2,951**	855
Net cash used in investing activities		**(102,651)**	(41,386)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing		**(23,438)**	(23,438)
Lease rentals paid		**(2,109)**	(2,066)
Short-term running finance		**(6,394)**	19,606
Net cash used in financing activities		**(31,941)**	(5,898)
Exchange difference on translation of foreign subsidiary		**8,372**	(2,019)
Net (decrease) / increase in cash and cash equivalents		**(26,573)**	21,137
Cash and cash equivalents at the beginning of the period		**159,190**	64,403
Cash and cash equivalents at the end of the period	7	**132,617**	85,540

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**

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

1. THE GROUP AND ITS OPERATIONS

1.1 The Group comprises of:

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

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

The Holding Company has been granted a license by the Ministry of Communications, Government of Pakistan to establish and operate a data network system in Pakistan. The Holding Company is engaged in providing satellite and microwave communication services e.g. internet, radio links, single channel per carrier (SCPC), time division multiple access (TDMA), etc., and sale and installation of related equipment and accessories.

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

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

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

3. ACCOUTING POLICIES

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

		Note	March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
			------ (Rupees in '000') ------	
4.	**PROPERTY, PLANT AND EQUIPMENT**			
	Opening net book value		**358,706**	399,575
	Additions during the year		**105,602**	99,179
	Net book value of disposals during the year		**-**	(933)
	Depreciation charged during the year		**(105,884)**	(139,115)
			(105,884)	(140,048)
			358,424	358,706
4.1	**Details of additions during the period**			
	Communication equipments		**99,996**	93,760
	Furniture, fixtures and office equipments		**137**	304
	Motor vehicles			969
	Computers and accessories		**5,469**	4,146
			105,602	99,179
5.	**RIGHT-OF-USE ASSETS**			
	Opening net book value		**4,073**	6,427
	Depreciation for the year		**(1,505)**	(2,354)
	Closing net book value		**2,568**	4,073
6.	**TRADE DEBTS**			
	Unsecured-considered good		**1,558,956**	1,147,269
	Considered doubtful trade debts		**91,514**	85,062
	Loss allowance for ECLs		**(91,514)**	(85,062)
			-	-
			1,558,956	1,147,269
7.	**CASH AND BANK BALANCES**			
	Cash in hand		**219**	190
	In current accounts			
	Local currency		**17,097**	15,994
	Foreign currency		**101,597**	95,544
			118,694	111,538
	In saving account			
	Local currency	7.1	**13,704**	47,462
			132,617	159,190

		March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
		------ (Rupees in '000') ------	
8.	**SHARE CAPITAL AND RESERVES**		
8.1	**AUTHORISED SHARE CAPITAL**		
	150,000,000 ordinary shares of Rs.10 each	**1,500,000**	1,500,000
8.2	**ISSUED, PAID-UP AND SUBSCRIBED CAPITAL**		
	100,000,000 (June 30, 2021: 100,000,000 of Rs 10 each) ordinary shares of Rs.10 each		
	33,550,410 (June 30, 2021: 33,550,410) allotted as fully paid in cash	**335,504**	335,504
	66,449,590 (June 30, 2021: 16,449,590) allotted as bonus shares	**664,496**	664,496
		1,000,000	1,000,000
9.	**TRADE AND OTHER PAYABLES**		
	Trade creditors, unsecured		
	Creditors	**1,036,895**	641,296
	Telecard Limited - the Parent Company	**135,372**	135,372
		1,172,267	776,668
	Other payables		
	Contractual liability to franchisees	**200**	200
	Accrued liabilities	**89,969**	72,309
	Provision against compensated absences	**3,577**	3,577
	Royalty to Pakistan Telecommunication Authority (PTA)	**3,519**	4,620
	Workers' welfare fund payable	**2,782**	2,782
	Payable to employees' provident fund	**18,556**	107
	Others	**11,301**	13,473
		129,904	97,068
		1,302,171	873,736

10. CONTINGENCIES & COMMITMENTS

(a) Contingencies

10.1 There has been no change in the status of other contingencies reported in the consolidated condensed interim financial statements for the year ended June 30, 2021.

(b) Commitments

		March 31, 2022 (Un-audited)	June 30, 2021 (Audited)
		--- (Rupees in '000') ---	
10.2	Counter guarantees given to banks	**52,830**	**33,040**

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

12. TRANSACTIONS WITH RELATED PARTIES

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

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

13. FINANCIAL RISK MANAGEMENT

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

14. AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on 23-04-22 by the board of directors of the Holding Company.

15. GENERAL

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

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER** **DIRECTOR**