



Empowering Networks



**1<sup>st</sup> QUARTERLY  
REPORT SEPTEMBER 30  
2022**

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





Empowering Networks

# 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. Naeen 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' Report

The Board of Directors of Supernet Limited 'the Company' are pleased to present the Financial Statements and review of the Company's performance for the period ended 30 September 2022.

### Financial Performance

On a consolidated basis, the Company has reported a Gross Profit (G.P) of Rs. 216 million as against a G.P of Rs. 185 million during the corresponding financial period due to enhanced top line revenue. The profit after tax stood at Rs. 49 million against Rs. 33 million for the corresponding period imposing an increased Earning Per Share (EPS) of Rs. 0.44 in comparison to Rs. 0.34 last year.

On a standalone basis, the topline revenue for the period was higher by 25% translating into Rs. 660 million against Rs. 527 million for the corresponding financial period resulting in an enhanced G.P of Rs. 176 million compared to Rs. 172 million in the corresponding period.

Further, a slight increase in administrative and distribution cost with marginal increase in finance cost coupled with exchange loss also impacted the bottom-line revenue bringing it down to Rs. 38 million against Rs. 44 million previously. The Company is confident that it will overcome these cost related challenges in the upcoming quater. The EPS stood at Rs. 0.34 compared to Rs. 0.44 in the corresponding period.

### Future Outlook - Challenges and Way Forward

Your company's outlook appears to be positive as it will 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.

On behalf of the Board

Jamal Nasir Khan  
Chief Executive Officer



27 October 2022

## 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

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

**SUPERNET LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
	Note	---- ( Rupees in '000) ----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	373,438	366,577
Intangible assets	5	793	868
Right-of-use assets		1,577	2,067
Long-term investments		19,709	19,709
		<u>395,517</u>	<u>389,221</u>
Long-term deposits		95	95
Deferred taxation		63,616	63,616
		<u>459,228</u>	<u>452,932</u>
<b>CURRENT ASSETS</b>			
Communication stores	6	236,026	162,603
Short term investment	7	125,000	125,000
Trade debts	8	1,563,054	1,563,689
Advances, deposits and prepayments		268,292	270,821
Other receivables		217,174	201,620
Taxation - net		84,388	80,068
Cash and bank balances		3,659	30,853
		<u>2,497,593</u>	<u>2,434,654</u>
<b>TOTAL ASSETS</b>		<u><u>2,956,821</u></u>	<u><u>2,887,586</u></u>

The annexed notes from 1 to 16 form an integral part of these unconsolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
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	9.1 <u>1,500,000</u>	<u>1,500,000</u>
Issued, subscribed and paid-up capital	9.2 1,122,222	1,122,222
Share premium	145,658	145,658
Revenue reserve - Unappropriated profit	<u>331,906</u>	<u>293,985</u>
	<b>1,599,786</b>	<b>1,561,865</b>
<b>NON-CURRENT LIABILITIES</b>		
Long-term financing	-	-
Lease liabilities	126	616
Deferred liability	<u>2,419</u>	<u>2,419</u>
	<b>2,545</b>	<b>3,035</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	10 1,164,259	1,141,984
Accrued markup	13,243	7,315
Contractual liability to customer	8,872	8,872
Current portion of lease liabilities and short term financing	<u>168,116</u>	<u>164,515</u>
	<b>1,354,490</b>	<b>1,322,686</b>
Contingencies & commitments	11	
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>2,956,821</b></u>	<u><b>2,887,586</b></u>

The annexed notes from 1 to 16 form an integral part of these unconsolidated financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
	----- ( Rupees in '000) -----	
Revenue - net	659,803	527,477
Cost of services	<u>(484,084)</u>	<u>(355,527)</u>
<b>Gross profit</b>	<b>175,719</b>	<b>171,950</b>
Administrative & other expenses	<u>(62,496)</u>	<u>(56,843)</u>
Distribution costs	<u>(46,628)</u>	<u>(39,082)</u>
Exchange (loss) / gain	<u>(3,704)</u>	<u>(2,028)</u>
	<b>(112,828)</b>	<b>(97,953)</b>
Other income	<b>6,040</b>	<b>584</b>
	<u><b>(106,788)</b></u>	<u><b>(97,369)</b></u>
<b>Operating profit</b>	<b>68,931</b>	<b>74,581</b>
Finance costs	<u>(7,942)</u>	<u>(5,760)</u>
<b>Profit before taxation</b>	<b>60,989</b>	<b>68,821</b>
Taxation	<u>(23,068)</u>	<u>(25,166)</u>
<b>Profit after taxation</b>	<u><b>37,921</b></u>	<u><b>43,655</b></u>
	-----Amount in Rupees-----	
<b>Earnings per share - basic and diluted</b>	<u><b>0.34</b></u>	<u><b>0.44</b></u>

The annexed notes from 1 to 16 form an integral part of these unconsolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICE**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
	----- ( Rupees in '000) -----	
Profit after taxation	37,921	43,655
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u><u>37,921</u></u>	<u><u>43,655</u></u>

The annexed notes from 1 to 16 form an integral part of these unconsolidated interim financial statements.

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

  
DIRECTOR

**SUPERNET LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserve	Total
		Share premium	Un appropriated profit	
----- ( Rupees in '000') -----				
<b>Balance as at July 01, 2021 (Audited)</b>	<b>1,000,000</b>	-	<b>105,888</b>	<b>1,105,888</b>
Profit for the period	-	-	43,655	43,655
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-		43,655	43,655
<b>Balance as at September 30, 2021 (Un-audited)</b>	<b>1,000,000</b>	-	<b>149,543</b>	<b>1,149,543</b>
<b>Balance as at July 01, 2022 (Audited)</b>	<b>1,122,222</b>	<b>145,658</b>	<b>293,985</b>	<b>1,561,865</b>
Profit for the period	-	-	37,921	37,921
Other comprehensive income			-	-
<b>Total comprehensive income for the period</b>	-	-	37,921	37,921
<b>Balance as at September 30, 2022 (Un-audited)</b>	<b>1,122,222</b>	<b>145,658</b>	<b>331,906</b>	<b>1,599,786</b>

The annexed notes from 1 to 16 form an integral part of these unconsolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



**SUPERNET LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

		(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
	Note	----- ( Rupees in '000') -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	12	41,881	33,552
Income tax paid		(27,388)	(17,510)
Finance cost paid		(1,697)	(6,576)
<b>Net cash generated from operating activities</b>		<u>12,796</u>	<u>9,466</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	4.1	(44,511)	(31,893)
Income received from saving account		1,531	584
<b>Net cash used in investing activities</b>		<u>(42,980)</u>	<u>(31,309)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long-term financing		-	(7,813)
Lease rentals paid		(611)	(683)
Short-term running finance		3,601	(6,756)
<b>Net cash used in financing activities</b>		<u>2,990</u>	<u>(15,252)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<u>(27,194)</u>	<u>(37,095)</u>
Cash and cash equivalents at the beginning of the period		<u>30,853</u>	<u>53,232</u>
<b>Cash and cash equivalents at the end of the period</b>		<u><u>3,659</u></u>	<u><u>16,137</u></u>

The annexed notes from 1 to 16 form an integral part of these unconsolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 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 was listed on Pakistan Stock Exchange at GEM Board on May 10 2022. During the year, the Company offered 12.22 million ordinary shares of Rs. 10 each to general public at the floor price of Rs. 22.5 per share including premium of Rs. 12.5 per share which resulted in Book Building proceeds of Rs. 275 million.

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, 2022.

**2.2 Accounting convention**

These unconsolidated interim financial statements have been prepared under the historical cost convention following accrual basis of accounting.

**2.3 Functional and presentation currency**

Items included in the unconsolidated interim 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 condensed interim financial statements are presented in Pakistani Rupees (Rs.), which is the Company's functional and presentation currency.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of these unconsolidated interim financial statements are the same as applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2022.

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
	Note	----- ( Rupees in '000') -----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Opening net book value		366,577	352,762
Additions during the year		44,511	156,304
Depreciation charged during the year		(37,650)	(142,489)
Closing net book value		<u>373,438</u>	<u>366,577</u>
<b>4.1 Details of additions during the period</b>			
Communication equipments		43,139	151,143
Furniture, fixtures and office equipments		-	137
Computers and accessories		1,372	5,024
		<u>44,511</u>	<u>156,304</u>
<b>5. INTANGIBLE ASSETS</b>			
Computer software	5.1	<u>793</u>	<u>868</u>
<b>5.1 Cost</b>			
As at July 01		41,224	41,224
Transferred from capital work-in-progress		-	-
As at		<u>41,224</u>	<u>41,224</u>
<b>Accumulated amortisation</b>			
As at July 01		(40,356)	(40,066)
Charge for the period / year		(75)	(290)
As at		(40,431)	(40,356)
<b>Net book value</b>		<u>793</u>	<u>868</u>
<b>Annual rates of amortization</b>		<u>20%</u>	<u>20%</u>
<b>6. COMMUNICATION STORES</b>			
Stores		192,272	149,743
Provision against obsolete store items	6.1	(16,875)	(16,875)
		175,397	132,868
Consumables		60,629	29,735
		<u>236,026</u>	<u>162,603</u>
<b>6.1 Provision against obsolete store items</b>			
Opening balance		16,875	16,875
Provision for the year		-	-
Balance at the end of the year		<u>16,875</u>	<u>16,875</u>

	(Un-audited) September 30, 2022 ----- ( Rupees in '000') -----	(Audited) June 30, 2022
<b>7. SHORT TERM INVESTMENT</b>		
Special sharikah certificates	<u>125,000</u>	<u>125,000</u>
<b>8. TRADE DEBTS</b>		
<b>Unsecured-considered good</b>		
Related parties	<u>167,221</u>	167,221
Others	<u>1,395,833</u>	1,396,468
	<u>1,563,054</u>	1,563,689
<b>Considered doubtful trade debts</b>		
Loss allowance for ECLs	<u>68,237</u>	68,237
	<u>(68,237)</u>	(68,237)
	<u>-</u>	-
	<u>1,563,054</u>	<u>1,563,689</u>
<b>9. SHARE CAPITAL AND RESERVES</b>		
<b>9.1 AUTHORISED SHARE CAPITAL</b>		
150,000,000 ordinary shares of Rs.10 each	<u>1,500,000</u>	<u>1,500,000</u>
<b>9.2 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>		
112,222,200 (June 30, 2021: 100,000,000 of Rs 10 each) ordinary shares of Rs.10 each		
45,772,610 (June 30, 2021: 33550,410) allotted as fully paid in cash	<u>457,726</u>	457,726
66,449,590 (June 30, 2021: 66,449,590) allotted as bonus shares	<u>664,496</u>	664,496
	<u>1,122,222</u>	<u>1,122,222</u>
<b>9.2.1</b>	All ordinary shares rank equally with regard to residual assets of the Company. The ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting rights, board selection, right of first refusal and block voting are in proportion to shareholding. As at reporting date, 81.185% shares of the Company are held by the Holding Company.	
<b>9.2.2</b>	The Board of Directors in its meeting held on October 7, 2022 has approved the issuance 10% bonus shares in respect of the year ended June 30, 2022. The unconsolidated financial statements for the year ended September 30, 2022 do not include the effect of these appropriations.	

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
Note	----- ( Rupees in '000') -----	
<b>10. TRADE AND OTHER PAYABLES</b>		
<b>Unsecured</b>		
Creditors	1,038,778	1,036,474
Supernet Secure Solutions (Private) Limited	14,541	11,000
Supernet E-Solutions (Private) Limited	4,153	4,153
	<u>1,057,472</u>	<u>1,051,627</u>
<b>Other payables</b>		
Contractual liability to franchisee	200	200
Accrued liabilities	85,322	75,269
Provision against compensated absences	3,577	3,577
Royalty to Pakistan Telecommunication Authority (PTA)	7,118	5,737
Payable to employees' provident fund	2,304	2,254
Workers' welfare fund payable	2,782	2,782
Others	5,484	538
	<u>106,787</u>	<u>90,357</u>
	<u>1,164,259</u>	<u>1,141,984</u>

#### 11. CONTINGENCIES & COMMITMENTS

##### (a) Contingencies

There has been no change in the status of other contingencies reported in the unconsolidated financial statements for the year ended June 30, 2022.

##### (b) Commitments

Letter of guarantee, amounting to Rs. 107.306 million (June 30, 2022: Rs. 107.551 million) have been issued by commercial banks on behalf of the Company.

	(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
Note	----- ( Rupees in '000') -----	
<b>12. CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	60,989	68,821
<b>Adjustments for non - cash charges and other items</b>		
Depreciation	37,650	34,027
Depreciation on ROU assets	490	502
Amortisation	75	66
Finance cost	7,746	5,760
Staff gratuity	-	73
Profit from saving account	(1,531)	(584)
Working capital changes	(63,538)	(75,113)
12.1	<u>41,881</u>	<u>33,552</u>

(Un-audited) (Un-audited)  
September 30, September 30,  
2022 2021  
Note ----- (Rupees in '000') -----

**12.1 Working capital changes  
(Increase) / decrease in current assets**

Communication stores	(73,423)	(16,782)
Trade debts	635	(135,056)
Advances, deposits and prepayments	2,529	(155,892)
Other receivables	(15,554)	64,889
	(85,813)	(242,841)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	22,275	
	<u>(63,538)</u>	<u>(75,113)</u>

**13. 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 interim financial statements are as under:

Quarter Ended  
September 30, September 30,  
2022 2021  
(Un-audited) (Un-audited)  
----- (Rupees in '000') -----

Name	Nature of transactions	Relationship		
Supernet E-Solutions (Private) Limited	Advances given	Subsidiary Company	500	-
Supernet Infrastructure Solutions (Private) Limited	Advance given	Subsidiary	8,200	-
Phoenix Global FZE	Services rendered	Subsidiary	14,757	
Supernet Secure Solutions (Private) Ltd.	Sale of equipment	Subsidiary	-	143

- 13.1 Balances outstanding with related parties have been disclosed in the respective notes to the unconsolidated interim financial statements.

**CORRESPONDING FIGURES**

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

**15. AUTHORISATION FOR ISSUE**

These unconsolidated financial statements were authorised for issue on 27 OCT 2022 by the board of directors of the Company.

**16. GENERAL**

Figures in these unconsolidated 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 SEPTEMBER 30, 2022**

		September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	---- ( Rupees in '000') ----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	380,191	373,343
Intangible assets	5	2,680	2,755
Right of use asset	6	1,577	2,067
Long-term deposits		95	95
Deferred taxation		63,616	63,616
		<u>448,159</u>	<u>441,876</u>
<b>CURRENT ASSETS</b>			
Communication stores	7	248,736	170,160
Short term investment	8	125,000	125,000
Trade debts	9	1,731,920	1,700,642
Advances, deposits and prepayments		359,876	306,617
Other receivables		224,153	207,207
Taxation - net		85,375	82,485
Cash and bank balances		73,389	100,892
		<u>2,848,449</u>	<u>2,693,003</u>
<b>TOTAL ASSETS</b>		<u><u>3,296,608</u></u>	<u><u>3,134,879</u></u>

The annexed notes from 1 to 16 form an integral part of these consolidated financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



**SUPERNET LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

		September 30, 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 (2022: 150,000,000) ordinary shares of Rs.10 each	10.1	<u>1,500,000</u>	<u>1,500,000</u>
Issued, subscribed and paid-up capital	10.2	1,122,222	1,122,222
Foreign currency translation reserve		27,332	26,129
Unappropriated profit		489,363	440,514
Share premium		<u>145,658</u>	<u>145,658</u>
Capital and reserves attributable to the owners of the Holding Company		1,784,575	1,734,523
Non-controlling interest		<u>2,768</u>	<u>2,711</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>1,787,343</u>	<u>1,737,234</u>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		126	616
Deferred liability		2,436	2,436
		2,562	3,052
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	1,316,472	1,213,891
Accrued mark-up		13,243	7,315
Contractual liability to customer		8,872	8,872
Current portion of lease liabilities and short-term financing		<u>168,116</u>	<u>164,515</u>
		1,506,703	1,394,593
Contingencies & commitments	12		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>3,296,608</u>	<u>3,134,879</u>

The annexed notes from 1 to 16 form an integral part of these consolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	September 30, 2022 (Un-audited) ---- ( Rupees in '000') ----	September 30, 2021 (Un-audited)
Revenue - net	742,920	569,328
Cost of services	<u>(527,152)</u>	<u>(384,117)</u>
<b>Gross profit</b>	<b>215,768</b>	<b>185,211</b>
Administrative & other expenses	<u>(89,260)</u>	<u>(78,973)</u>
Distribution costs	<u>(46,628)</u>	<u>(39,082)</u>
Exchange loss	<u>(3,704)</u>	<u>(2,101)</u>
	<b>(139,592)</b>	<b>(120,156)</b>
Other income	<b>5,891</b>	<b>788</b>
	<u><b>(133,701)</b></u>	<u><b>(119,368)</b></u>
<b>Operating profit</b>	<b>82,067</b>	<b>65,843</b>
Finance costs	<u>(9,374)</u>	<u>(5,911)</u>
<b>Profit before taxation</b>	<b>72,693</b>	<b>59,932</b>
Taxation	<u>(23,787)</u>	<u>(26,886)</u>
<b>Profit after taxation</b>	<b><u>48,906</u></b>	<b><u>33,046</u></b>
<b>Profit / (loss) attributable to:</b>		
Owners of the Holding Company	<b>48,849</b>	<b>33,647</b>
Non-controlling interests	<u><b>57</b></u>	<u><b>(601)</b></u>
	<b><u>48,906</u></b>	<b><u>33,046</u></b>
	-----Amount in Rupees-----	
<b>Earnings per share - Basic and Diluted</b>	<b><u>0.44</u></b>	<b><u>0.34</u></b>

The annexed notes from 1 to 16 form an integral part of these consolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	September 30, 2022 (Un-audited) ----- ( Rupees in '000') -----	September 30, 2021 (Un-audited)
Profit after taxation	48,906	33,046
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operation	1,203	1,898
<b>Total comprehensive income for the period</b>	<b><u>50,109</u></b>	<b><u>34,944</u></b>
<b>Total comprehensive income / (loss) attributable to:</b>		
Owners of the Holding Company	50,052	35,545
Non-controlling interests	57	(601)
	<b><u>50,109</u></b>	<b><u>34,944</u></b>

The annexed notes from 1 to 16 form an integral part of these consolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Attributable to the owner of the Holding Co.					Total
	Issued, subscribed and paid-up	Share premium	Un appropriated profit	Foreign currency translation	Non - controlling interest	
	----- (Rupees in '000') -----					
<b>Balance as at July 01, 2021 (Audited)</b>	1,000,000	-	152,885	(984)	(1,764)	1,150,137
Profit for the period	-	-	33,647	-	(601)	33,046
Other comprehensive income / (loss)	-	-	-	1,898	-	1,898
<b>Total comprehensive income / (loss) for the period</b>	-	-	33,647	1,898	(601)	34,944
<b>Balance as at September 30, 2021 - (Un-audited)</b>	<b>1,000,000</b>	<b>-</b>	<b>186,532</b>	<b>914</b>	<b>(2,365)</b>	<b>1,185,081</b>
<b>Balance as at July 01, 2022 (Audited)</b>	1,122,222	145,658	440,514	26,129	2,711	1,737,234
Profit for the year	-	-	48,849	-	57	48,906
Other comprehensive income	-	-	-	1,203	-	1,203
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>48,849</b>	<b>1,203</b>	<b>57</b>	<b>50,109</b>
<b>Balance as at September 30, 2022 - (Un-audited)</b>	<b>1,122,222</b>	<b>145,658</b>	<b>489,363</b>	<b>27,332</b>	<b>2,768</b>	<b>1,787,343</b>

The annexed notes from 1 to 16 form an integral part of these consolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**SUPERNET LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2022**

	Sep 30,	Sep 30,
	2022	2021
Note	----- ( Rupees in '000') -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash (used in) / generated from operations	13      41,248	21,140
Income tax paid	(26,677)	(18,726)
Finance cost paid	(1,697)	(6,727)
Gratuity paid	-	(197)
<b>Net cash (used in) / generated from operating activities</b>	<u>12,874</u>	<u>(4,510)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<u>(44,511)</u>	(32,042)
<b>Net cash used in investing activities</b>	<u>(44,511)</u>	<u>(32,042)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term financing	-	(7,813)
Lease rentals paid	(670)	(683)
Short-term running finance	3,601	(6,756)
<b>Net cash used in financing activities</b>	<u>2,931</u>	<u>(15,252)</u>
Exchange difference on translation of foreign subsidiary	<u>1,203</u>	1,741
<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>(27,503)</u>	<u>(50,063)</u>
Cash and cash equivalents at the beginning of the year	<u>100,892</u>	<u>159,190</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><u>73,389</u></u>	<u><u>109,127</u></u>

The annexed notes from 1 to 16 form an integral part of these consolidated interim financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**SUPERNET LIMITED**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 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 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 consolidation.

**3. ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in the preparation of these consolidated interim financial statements are same as those applied in preparing the consolidated interim financial statements for the year ended June 30, 2022.

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
	Note	----- ( Rupees in '000') -----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Opening net book value		373,343	358,706
Additions during the year		44,511	159,816
Depreciation charged during the year		<u>(37,663)</u>	<u>(145,179)</u>
		<u>380,191</u>	<u>373,343</u>
<b>4.1 Details of additions during the period</b>			
Communication equipments		43,139	93,760
Furniture, fixtures and office equipments		-	304
Motor vehicles		-	969
Computers and accessories		<u>1,372</u>	<u>4,146</u>
		<u>44,511</u>	<u>99,179</u>
<b>5. INTANGIBLE ASSETS</b>			
Computer software	5.1	793	868
Goodwill		<u>1,887</u>	<u>1,887</u>
		<u>2,680</u>	<u>2,755</u>
<b>5.1 Computer software</b>			
Opening net book value		868	1,158
Additions / transfer during the period / year		-	-
Amortisation charge for the period / year		<u>(75)</u>	<u>(290)</u>
Closing net book value		<u>793</u>	<u>868</u>
<b>Annual rates of amortization</b>		<u>20%</u>	<u>20%</u>
<b>6. RIGHT-OF-USE ASSETS</b>			
<b>As at July 01</b>			
Cost		8,823	8,823
Accumulated depreciation		<u>(6,756)</u>	<u>(4,750)</u>
Closing net book value		<u>2,067</u>	<u>4,073</u>
<b>Movement during the period / year</b>			
Opening net book value		2,067	4,073
Depreciation for the period / year		<u>(490)</u>	<u>(2,006)</u>
Closing net book value		<u>1,577</u>	<u>2,067</u>
<b>As at June 30</b>			
Cost		8,823	8,823
Accumulated depreciation		<u>(7,246)</u>	<u>(6,756)</u>
Closing net book value		<u>1,577</u>	<u>2,067</u>

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
	----- ( Rupees in '000') -----	
<b>7. COMMUNICATION STORES</b>		
Stores	204,982	157,300
Provision against obsolete stock	(16,875)	(16,875)
	188,107	140,425
Consumables	60,629	29,735
	<u>248,736</u>	<u>170,160</u>
<b>8. SHORT TERM INVESTMENT</b>		
Islamic sharika certificates	<u>125,000</u>	<u>125,000</u>
<b>9. TRADE DEBTS</b>		
<b>Unsecured-considered good</b>		
Related parties	84,628	84,628
Others	1,647,292	1,616,014
	1,731,920	1,700,642
Considered doubtful trade debts	68,237	68,237
Loss allowance for ECLs	(68,237)	(68,237)
	-	-
	<u>1,731,920</u>	<u>1,700,642</u>
<b>10. SHARE CAPITAL AND RESERVES</b>		
<b>10.1 AUTHORISED SHARE CAPITAL</b>		
150,000,000 ordinary shares of Rs.10 each	<u>1,500,000</u>	<u>1,500,000</u>
<b>10.2 ISSUED, PAID-UP AND SUBSCRIBED CAPITAL</b>		
112,222,200 (June 30, 2022: 100,000,000 of Rs 10 each) ordinary shares of Rs.10 each		
- 45,772,610 (June 30, 2022: 45,772,610) allotted as fully paid in cash	457,726	335,504
- 66,449,590 (June 30, 2022: 66,449,590) allotted as bonus shares	664,496	664,496
	<u>1,122,222</u>	<u>1,000,000</u>
<b>10.2.1</b> The Board of Directors of the Holding company, in its meeting held on October 7, 2022, has approved the issuance 10% bonus shares in respect of the year ended June 30, 2022. The consolidated financial statements for the year ended September 30, 2022 do not include the effect of these appropriations.		



	(Un-audited) September 30, 2022	(Audited) June 30, 2022
<b>11. TRADE AND OTHER PAYABLES</b>		
<b>Trade creditors, unsecured</b>		
Creditors	1,209,647	1,123,496
Telecard Limited - the Parent Company	-	-
	<u>1,209,647</u>	<u>1,123,496</u>
<b>Other payables</b>		
Contractual liability to franchisees	200	200
Accrued liabilities	85,322	75,174
Provision against compensated absences	3,577	3,577
Royalty to Pakistan Telecommunication Authority (PTA)	7,118	5,737
Workers' welfare fund payable	2,782	2,254
Payable to employees' provident fund	2,304	2,782
Others	5,522	671
	<u>106,825</u>	<u>90,395</u>
	<u><u>1,316,472</u></u>	<u><u>1,213,891</u></u>

**12. CONTINGENCIES & COMMITMENTS****(a) Contingencies**

There has been no change in the status of other contingencies reported in the consolidated financial statements for the year ended June 30, 2022.

**(b) Commitments**

Letter of guarantee, amounting to Rs. 107.475 million (June 30, 2022: Rs. 107.551 million) have been issued by commercial banks on behalf of the Group.

	(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
<b>13. CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	72,693	59,932
<b>Adjustments for non - cash charges and other items:</b>		
Depreciation	37,663	34,853
Depreciation on ROU assets	490	502
Amortisation	75	66
Finance cost	7,746	5,911
Staff gratuity	-	73
Working capital changes	13.1 <u>(77,419)</u>	<u>(80,197)</u>
	<u><u>41,248</u></u>	<u><u>21,140</u></u>

Note ----- ( Rupees in '000') -----

(Un-audited) (Un-audited)  
September 30, September 30,  
2022 2021

**13.1 Working capital changes  
(Increase) / decrease in current assets**

Communication stores	(78,576)	(17,714)
Trade debts	(31,278)	(135,967)
Advances, deposits and prepayments	(53,259)	(174,146)
Other receivables	(16,946)	64,804
	(180,059)	(263,023)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	102,640	182,826
	<u>(77,419)</u>	<u>(80,197)</u>

**14. TRANSACTIONS WITH RELATED PARTIES**

The related parties include a Parent Company and its subsidiaries, directors and other key management personnel. There is no other transactions with related parties, other than those disclosed elsewhere in these interim consolidated financial statements.

**15. AUTHORISATION FOR ISSUE**

These consolidated condensed interim financial statements were authorised for issue on 27-OCT-2022 by the board of directors of the Holding Company.

**16. 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