

**Half Yearly Accounts (un-audited)  
For the Half Year ended December 31, 2022**



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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](mailto:info@cdcrsl.com) Website: [www.cdcrsl.com](http://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](mailto:ask@blue-ex.com)  
website: [www.blue-ex.com](http://www.blue-ex.com)

**SYMBOL AT PAKISTAN STOCK EXCHANGE LIMITED**  
GEMUNSL

**DIRECTOR’S REVIEW REPORT**

**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

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 six months ended December 31, 2022.

**Financial Performance Summary**

The Summarized results of the unaudited unconsolidated and consolidated condensed interim financial statements for period ended December 31, 2022 and 2021 are summarized below:

	<b>Six months Ended</b>	
	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
	.....Rupees.....	
Profit after tax	20,410,303	12,681,333
Earnings per share	0.74	0.55
Weighted average number of shares outstanding during the period	27,428,430	22,857,097

The net operating revenue of the Company from its international freight business and Courier Segments has increased by more than 40% 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.

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 its cost of doing business through improvement in 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.

Recently, the company in addition to earlier informed potential partnership in Nepal to setup an off-shore logistics entity has taken another first for expanding its international business through incorporating a wholly owned local subsidiary "Shyp Guru Private Limited" on September 14, 2022. This company aims to establish new partnerships with global logistics / courier networks for international express courier and other kind of logistics services for Europe and other major destinations which further augment the diversification in business revenues. This new formed entity has already established a major partnership in USA to provide a direct link to local businesses to explore North America markets.

#### **Future Business Prospects**

On a macro perspective, the country still facing challenges due to unprecedented floods in August 2022, uncertain geo-political conditions, higher current account deficit, fiscal pressure for higher tax to GDP ratio from international donor agencies but we are hopeful that the policy makers are focused to address these issues in both short to medium term space for current financial year and beyond.

The domestic E-commerce sector has challenges due to higher inflation, supply restrain for imports of goods but still more businesses are coming up with better business opportunities.

#### **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**



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**Arif Elahi**  
Chairman



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**Imran Baxamoosa**  
Chief Executive Officer

**February 27, 2023**  
Karachi.

### ڈائریکٹرز کا جائزہ

31 دسمبر 2022 کو ختم ہونے والے نصف سال کے لیے ڈائریکٹرز اپنی رپورٹ کے ساتھ یونیورسل نیٹ ورک سسٹمز لمیٹڈ کے غیر آڈٹ شدہ غیر منصفہ کنڈینسڈ عبوری مالیاتی بیانات اور 31 دسمبر 2022 کو ختم ہونے والی سہ ماہی اور چھ ماہ کے گروپ کے غیر آڈٹ شدہ کنسولیدیشنڈ عبوری مالیاتی بیانات کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوش ہیں۔

### مالیاتی کارکردگی کا خلاصہ

31 دسمبر 2022 اور 2021 کو ختم ہونے والی مدت کے لیے غیر آڈٹ شدہ غیر منصفہ اور کنسولیدیشنڈ عبوری مالیاتی گوشواروں کا خلاصہ ذیل میں دیا گیا ہے:

### Six Months Ended

### December 31

2021	2022	
.....Rupees.....		
12,681,333	20,410,303	ٹیکس کے بعد منافع
0.55	0.74	فی حصہ آمدنی
22,857,097	27,428,430	وزنی اوسط بقایا عام حصص کی تعداد

اس کے بین الاقوامی مال برداری کے کاروبار اور کورنیر سیگمنٹس سے کمپنی کے خالص آپریٹنگ ریونیو میں وقفہ وقفہ سے 40% سے زیادہ کا 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۔

ایندھن 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 میں بہتری، تمام شعبوں میں صلاحیت کے بہتر استعمال اور تمام نیٹ ورکس پر عالمی اور ملکی سطح پر اپنے قدموں کے نشانات کو بڑھانے کے ذریعے اپنے کاروبار کرنے کی لاگت کو اچھی طرح سے سنبھالا تاکہ ملک میں اعلیٰ لاجسٹکس اور کورنیر پارٹنر کی حیثیت کو مضبوط کیا جا سکے۔

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۔

حال ہی میں، کمپنی نے نیپال میں ایک آف شور لاجسٹک ادارہ قائم کرنے کے لیے پہلے سے مطلع ممکنہ شراکت داری کے علاوہ 14 ستمبر 2022 کو ایک مکمل ملکیتی مقامی ذیلی کمپن "Shyp Guru Private Limited" کو شامل کر کے اپنے بین الاقوامی کاروبار کو بڑھانے کے لیے ایک اور قدم اٹھایا ہے۔ کمپنی کا مقصد بین الاقوامی ایکسپریس کورنیر اور یورپ اور دیگر اہم مقامات کے لیے دیگر قسم کی لاجسٹک خدمات کے لیے عالمی لاجسٹکس/ کورنیر نیٹ ورکس کے ساتھ نئی شراکتیں قائم کرنا ہے جو کاروباری آمدنی میں تنوع کو مزید بڑھاتی ہیں۔ اس نئی تشکیل شدہ ہستی نے پہلے ہی امریکہ میں ایک بڑی شراکت داری قائم کی ہے تاکہ شمالی امریکہ کی منڈیوں کو تلاش کرنے کے لیے مقامی کاروباری اداروں کو براہ راست لنک فراہم کیا جا سکے۔

### مستقبل کے کاروباری امکانات

میکرو تناظر میں دیکھا جائے تو ملک کو اگست 2022 میں بے مثال سیلاب، غیر یقینی جغرافیائی سیاسی حالات، کرنٹ اکاؤنٹ کا زیادہ خسارہ، بین الاقوامی ڈونر ایجنسیوں کی جانب سے جی ڈی پی کے تناسب سے زیادہ ٹیکس کے لیے مالی دباؤ کی وجہ سے اب بھی چیلنجز کا سامنا ہے لیکن ہم پر امید ہیں کہ پالیسی ساز پالیسی سازوں کی مدد کریں گے۔ موجودہ مالی سال اور اس سے آگے کے لیے مختصر سے درمیانی مدت کے لیے ان مسائل کو حل کرنے پر توجہ مرکوز کی گئی ہے۔

گھریلو ای کامرس سیگمنٹ کو زیادہ افراط زر کی وجہ سے چیلنجز کا سامنا ہے، سامان کی درآمدات کے لیے سپلائی میں روکاوٹ ہے لیکن پھر بھی مزید کاروبار بہتر کاروباری مواقع کے ساتھ سامنے آ رہے ہیں۔

اظہار تشکر

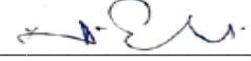
ہم تمام اسٹیک ہولڈرز بشمول اپنے کلانٹس، کاروباری شراکت داروں، شیئر ہولڈرز، مالیاتی اداروں اور ریگولیٹرز کے تعاون اور اعتماد کے لیے اور اپنے ملازمین کا مسلسل بہترین کارکردگی کو حاصل کرنے کے لیے ان کی لگن اور محنت کے لیے تہہ دل سے شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



عمران بکساموسی

چیف ایگزیکٹو آفیسر



عارف الہی

چیئرمین

27 فروری 2023  
کراچی۔

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of

Universal Network Systems Limited

Report on review of condensed unconsolidated interim financial statements

### Introduction

We have reviewed the accompanying condensed unconsolidated interim statement of financial position of Universal Network Systems Limited (the 'Company'), as at December 31, 2022 and the related condensed unconsolidated interim statement of profit or loss, condensed unconsolidated interim statement of other comprehensive income, condensed unconsolidated interim statement of changes in equity, and condensed unconsolidated interim statement of cash flows, and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this condensed interim unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### Scope of Review

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

### Conclusion

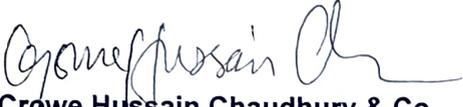
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial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



**Other Matters**

The figures of the condensed unconsolidated interim statement of profit or loss and condensed unconsolidated interim statement of comprehensive income for the three months period ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2022

The engagement partner on the audit resulting in this independent auditor's report is Imran Shaikh.



**Crowe Hussain Chaudhury & Co.**  
**Chartered Accountants**

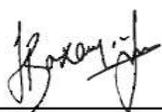
**Place: Karachi**

**Date: 28 FEB 2023**

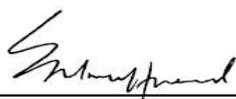
**UDIN: RR2022102075Z1X2KoGU**

**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2022**

		(Un-Audited) December 31 2022	Audited June 30 2022
	Note	----- (Rupees) -----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	<b>154,433,720</b>	155,333,920
Right of use assets	6	<b>37,681,669</b>	48,627,045
Intangible assets	7	<b>109,124,984</b>	83,229,223
Long term deposits	8	<b>12,737,728</b>	12,746,728
Long term investments - in subsidiary	9	<b>10,000,000</b>	-
		<b>323,978,101</b>	299,936,916
<b>Current assets</b>			
Trade debts		<b>447,290,114</b>	455,744,899
Packing material		<b>2,101,091</b>	2,662,889
Short term loans and advances		<b>29,677,649</b>	21,440,805
Short term deposits, prepayments and other receivables		<b>30,018,621</b>	54,965,855
Short term investments	10	<b>80,750,764</b>	131,686,290
Cash and bank balances	11	<b>55,602,789</b>	62,778,606
		<b>645,441,028</b>	729,279,343
<b>TOTAL ASSETS</b>		<b>969,419,129</b>	1,029,216,258
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
50,000,000 ordinary shares of Rs.10/- each			
(June 30, 2022: 50,000,000 ordinary shares of Rs. 10/- each)			
		<b>500,000,000</b>	500,000,000
<b>Issued, subscribed and paid-up share capital</b>			
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		<b>274,284,300</b>	274,284,300
Share Premium		<b>402,328,869</b>	402,328,868
Revaluation surplus on property, plant & equipment		<b>20,843,617</b>	23,044,649
Unappropriated profit		<b>108,755,997</b>	86,144,583
		<b>806,212,783</b>	785,802,400



Chief Executive Officer



Chief Financial Officer



Director

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

Note

**Non-current liabilities**

Lease liabilities	12	<b>16,663,030</b>	25,298,396
Deferred tax liabilities - net	13	<b>9,941,629</b>	12,499,107
		<b>26,604,659</b>	37,797,503

**Current liabilities**

Trade and other payables		<b>103,289,374</b>	165,764,385
Due to related parties		<b>481,924</b>	-
Current portion lease liabilities	12	<b>22,706,808</b>	25,867,487
Provision for taxation		<b>10,123,581</b>	13,984,475
		<b>136,601,687</b>	205,616,347

**Contingencies and Commitments**

	14	-	-
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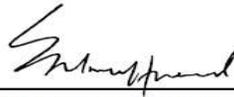
**TOTAL EQUITY AND LIABILITIES**

		<b>969,419,129</b>	<b>1,029,216,258</b>
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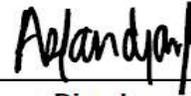
The annexed notes form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer

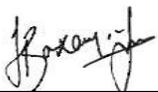


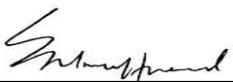
Director

**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Note	Half year ended		Quarter ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
		------(Rupees)-----		------(Rupees)-----	
<b>Courier and allied services</b>					
- Courier income		<b>533,076,057</b>	523,625,817	<b>284,345,035</b>	267,886,339
- CBC handling charges income		<b>11,782,279</b>	12,472,101	<b>4,954,041</b>	6,098,792
		<b>544,858,336</b>	536,097,918	<b>289,299,076</b>	273,985,131
Cost of services		<b>(507,863,500)</b>	(463,663,635)	<b>(256,726,657)</b>	(236,809,307)
<b>Total courier and allied services</b>		<b>36,994,836</b>	72,434,283	<b>32,572,419</b>	37,175,824
International freight		<b>58,235,255</b>	13,014,310	<b>19,456,150</b>	6,270,572
Commission income		<b>611,401</b>	293,143	<b>559,894</b>	132,453
		<b>58,846,656</b>	13,307,453	<b>20,016,044</b>	6,403,025
General and administrative expenses		<b>(77,414,503)</b>	(68,249,270)	<b>(37,903,484)</b>	(34,231,368)
Marketing and selling expenses		<b>(2,375,945)</b>	(1,706,181)	<b>(1,128,520)</b>	(893,061)
		<b>(79,790,448)</b>	(69,955,451)	<b>(39,032,004)</b>	(35,124,429)
<b>Operating profit</b>		<b>16,051,044</b>	15,786,285	<b>13,556,459</b>	8,454,419
Other income	15	<b>12,126,531</b>	3,161,326	<b>5,088,473</b>	3,401,858
Finance costs		<b>(2,778,439)</b>	(3,545,563)	<b>(1,265,997)</b>	(1,700,322)
		<b>9,348,092</b>	(384,237)	<b>3,822,476</b>	1,701,536
<b>Profit before taxation</b>		<b>25,399,136</b>	15,402,048	<b>17,378,935</b>	10,155,955
Taxation					
- Current		<b>(7,546,312)</b>	(4,671,123)	<b>(4,351,822)</b>	(664,720)
- Prior		-	2,280,507	-	-
- Deferred		<b>2,557,479</b>	(330,099)	-	-
		<b>(4,988,833)</b>	(2,720,715)	<b>(4,351,822)</b>	(664,720)
<b>Profit after tax</b>		<b>20,410,303</b>	12,681,333	<b>13,027,113</b>	9,491,235
Earning per share - basic & diluted	16	<b>0.74</b>	0.55	<b>0.47</b>	0.42

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

  
 Chief Executive Officer

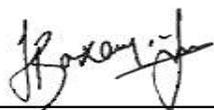
  
 Chief Financial Officer

  
 Director

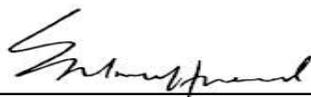
**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	------(Rupees)-----		------(Rupees)-----	
Profit after taxation	<b>20,410,303</b>	12,681,333	<b>13,027,112</b>	9,491,235
<b>Items not to be reclassified to profit or loss in subsequent period:</b>				
Surplus on revaluation of property, plant equipment	-	-	-	-
Deferred tax on property, plant and equipment	-	-	-	-
	-	-	-	-
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the period</b>	<b><u>20,410,303</u></b>	<u>12,681,333</u>	<b><u>13,027,112</u></b>	<u>9,491,235</u>

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



Chief Executive Officer



Chief Financial Officer

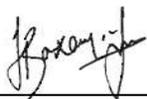


Director

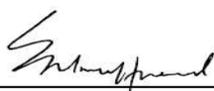
**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CASH FLOW**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - UN-AUDITED**

	Half year ended	
	December 31, 2022	December 31, 2021
	------(Rupees)-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	25,399,136	15,402,048
<b>Adjustment for non cash changes and other items</b>		
Depreciation property and equipment	12,384,528	8,407,799
Depreciation - ROUA	10,135,127	11,417,733
Amortization of Intangibles	622,239	-
Finance costs	2,778,439	3,545,563
Gain on sale of property and equipment	431,055	-
	<b>26,351,388</b>	<b>23,371,095</b>
<b>Cash flows from Operating profit before working capital changes</b>	<b>51,750,524</b>	<b>38,773,143</b>
<b>Increase/ (decrease) in cash flow due to working capital changes</b>		
Trade debtors - unsecured and considered goods	8,454,785	(25,529,670)
Packaging Material	-	(767,590)
Short term loans and advances	(8,236,844)	6,871,368
Short term deposits, prepayments and other receivables	18,957,490	4,654,494
Trade and other payable	(62,475,011)	(14,633,800)
Due to related party	481,924	(1,174,667)
	<b>(42,817,655)</b>	<b>(30,579,865)</b>
<b>Cash flow generated from operations</b>	<b>8,932,869</b>	<b>8,193,278</b>
Finance cost paid	(2,778,439)	(3,603,150)
Income tax paid	(4,855,584)	(5,984,315)
	<b>(7,634,023)</b>	<b>(9,587,465)</b>
<b>Net cash flow from / (used in) operating activities</b>	<b>1,298,846</b>	<b>(1,394,187)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to property, plant & equipment	(11,843,144)	(17,632,087)
Intangibles	(26,518,000)	-
Sale proceeds from property, plant and equipment	738,000	-
Addition in investment	-	(354,468,763)
Long term investments	(10,000,000)	-
Long term deposits	9,000	98,000
	<b>(47,614,144)</b>	<b>(372,002,850)</b>
<b>Net cash flow used in investing activities</b>	<b>(46,315,298)</b>	<b>(373,397,037)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Obligation under finance lease	(11,796,045)	(10,738,753)
Issue of shares	-	427,612,794
<b>Net cash inflow (used in) /from financing activities</b>	<b>(11,796,045)</b>	<b>416,874,041</b>
Net decrease in cash and cash equivalent	(58,111,343)	43,477,005
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	<b>136,353,553</b>	<b>120,296,155</b>

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



Chief Executive Officer



Chief Financial Officer

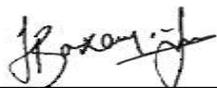


Director

**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Issued, subscribed and paid-up capital	Share Premium	Unappropriated profit	Surplus on revaluation of property, plant & equipment	Sponsors' Loan	Total
<b>Balance as at June 30, 2021</b>	<b>205,714,300</b>	<b>43,286,075</b>	<b>65,398,115</b>	<b>27,845,460</b>	<b>70,000,000</b>	<b>412,243,949</b>
	------(Rupees)-----					
Issuance of 6,857,000 ordinary share @ 10/- each	68,570,000	-	-	-	-	<b>68,570,000</b>
Premium @ 55 per share on issue of 6,857,000 ordinary shares	-	359,042,794	-	-	-	<b>359,042,794</b>
Reversal for Sponsor Loan's	-	-	-	-	(70,000,000)	<b>(70,000,000)</b>
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	-	-	<b>15,945,656</b>
	<b>68,570,000</b>	<b>359,042,794</b>	<b>20,746,467</b>	<b>(4,800,811)</b>	<b>(70,000,000)</b>	<b>373,558,450</b>
<b>Balance as at June 30, 2022</b>	<b>274,284,300</b>	<b>402,328,869</b>	<b>86,144,579</b>	<b>23,044,732</b>	<b>-</b>	<b>785,802,399</b>
Realized revaluation surplus on derecognition- net of deferred tax	-	-	<b>477,790</b>	<b>(477,790)</b>	-	-
Transfer of revaluation surplus on incremental depreciation - net of deferred tax	-	-	<b>1,723,325</b>	<b>(1,723,325)</b>	-	-
Total comprehensive income	-	-	<b>20,410,303</b>	-	-	<b>20,410,303</b>
<b>Balance as at December 31, 2022</b>	<b>274,284,300</b>	<b>402,328,869</b>	<b>108,755,997</b>	<b>20,843,617</b>	<b>-</b>	<b>806,212,783</b>

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 HALF YEAR ENDED DECEMBER 31, 2022 - 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) <b>December 31, 2022</b>	(Audited) <b>June 30, 2022</b>
Note	------(Rupees)-----	
<b>5 PROPERTY &amp; EQUIPMENT</b>		
Operating fixed assets	154,433,720	150,523,336
Work in progress	-	4,810,584
	<b>154,433,720</b>	<b>155,333,920</b>

## 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)-----		
<b>6.1 Net carrying value basis</b>			
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>(810,249)</u>	<u>(10,135,127)</u>	<u>(10,945,376)</u>
Closing net book value December 31, 2022	<b>9,993,084</b>	<b>27,688,585</b>	<b>37,681,669</b>
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>(3,911,415)</u>	<u>(53,512,141)</u>	<u>(57,423,556)</u>
Net book value December 31, 2022	<u>9,993,084</u>	<u>27,688,585</u>	<u>37,681,669</u>

(Un-Audited)                      (Audited)  
**December 31,**                      **June 30,**  
**2 0 2 2**                              **2 0 2 2**  
-----**(Rupees)**-----

**7 INTANGIBLE ASSETS**

Computer software	18,657,834	18,657,834
Work in progress	91,089,389	64,571,389
Amortization of intangible assets	(622,239)	-
	<b>109,124,984</b>	<b>83,229,223</b>

**8 LONG TERM DEPOSITS**

Security deposit against;		
- Rent	11,618,028	11,580,028
- Leased Vehicle	500,000	500,000
- Utilities	115,500	162,500
- Others	504,200	504,200
	<b>12,737,728</b>	<b>12,746,728</b>

**9 LONG TERM INVESTMENTS - IN SUBSIDIARY**

**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

	<b>10,000,000</b>	-
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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.

(Un-Audited)                      (Audited)  
**December 31,**                      **June 30,**  
**2 0 2 2**                              **2 0 2 2**

**10 SHORT TERM INVESTMENTS**

Investment with mutual funds	67,120,614	62,600,000
Add: Unrealized gain on revaluation of investment	13,630,150	9,086,290
	<b>80,750,764</b>	71,686,290
Certificates of Musharaka Modarba Al-Mali	-	60,000,000
	<b>80,750,764</b>	<b>131,686,290</b>

Investment with mutual funds make with tentative markup rate of (16.5% to 17%)

	(Un-Audited) December 31, 2022	(Audited) June 30, 2022
Note	------(Rupees)-----	
<b>11 CASH AND BANK BALANCES</b>		
Cash in hand	2,716,261	3,364,020
Cash at bank		
- in current account	35,973,740	30,904,588
- in saving account	16,912,788	28,509,998
11.1	<u>55,602,789</u>	<u>62,778,606</u>
<b>11.1</b> These carry markup rates of 10.5% (June 30 2022: 5%)		
<b>12 LEASE LIABILITIES</b>		
Current maturity	22,706,808	25,867,487
Non-current maturity	16,663,030	25,298,396
	<u>39,369,838</u>	<u>51,165,883</u>
<b>12.1 Reconciliation of total lease liabilities</b>		
Opening balance	51,165,883	61,644,669
Additions	-	12,938,450
Paid during the period	(11,796,045)	(23,417,236)
Closing balance	<u>39,369,838</u>	<u>51,165,883</u>
<b>13 DEFERRED LIABILITIES</b>		
Deferred taxation	<u>9,941,629</u>	<u>12,499,107</u>
<b>14 CONTINGENCIES AND COMMITMENTS</b>		
<b>14.1 Contingencies</b>		

Corporate Guarantees given by the Company in favour of Serene Air (Private) Limited aggregating to Rs. Nil (June 30 2022: 18.95 million).

	Note	(Un-Audited) Dec 31, 2022 ------(Rupees)-----	(Un-Audited) Dec 31, 2021 -----
<b>15 OTHER INCOME</b>			
<b>- From non-financial assets</b>			
Loss on sale of fixed assets		(431,055)	-
<b>- From financial assets</b>			
Profit on placements		<u>12,557,586</u>	<u>3,161,326</u>
		<u>12,126,531</u>	<u>3,161,326</u>
<b>16 EARNING PER SHARE - basic and diluted</b>			
Profit after tax for the period		<u>20,410,303</u>	<u>12,681,333</u>
Weighted average number of shares outstanding during the period		<u>27,428,430</u>	<u>22,857,097</u>
Earning per share - basic and diluted		<u>0.74</u>	<u>0.55</u>

**17 Transactions with related parties:**

Name of the related party	Relationship	Transactions during the period	Dec 31, 2022	Dec 31, 2021
			------(Rupees)-----	
Universal Freight Systems (Pvt.) Ltd.	Common directorship	Sales of services	-	1,688,489
		Purchase of services	4,416,839	1,845,895
UNS Employee's Provident Fund Trust	Staff Benefits Plan	Net change in respect of staff benefit plan	401,192	719,466
Directors & key management personnel	Key management personnel	Remuneration	33,084,450	30,064,362
Shyp Guru (Private) Limited	wholly owned subsidiary	Investment	10,000,000	-

## 18 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

- 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.

## 19 CORRESPONDING FIGURES

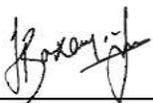
Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant reclassifications were made during the period.

## 20 DATE OF AUTHORIZATION FOR ISSUE

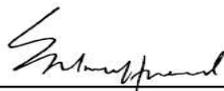
These financial statements were authorized for issue on 27 FEB 2023 by the Board of Directors of the Company.

## 21 GENERAL

Figures have been rounded off to the nearest rupee.



Chief Executive Officer



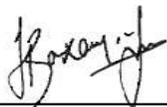
Chief Financial Officer



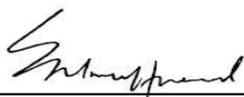
Director

**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2022 (Un-Audited)**

	(Un-Audited) December 31 2 0 2 2	Audited June 30 2 0 2 2
Note	------(Rupees)-----	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property and equipment	<b>154,433,720</b>	155,333,920
Right of use assets	<b>37,681,669</b>	48,627,045
Intangible assets	<b>109,124,984</b>	83,229,223
Long term deposits	<b>12,737,728</b>	12,746,728
	<b>313,978,101</b>	299,936,916
<b>Current assets</b>		
Trade debts	<b>447,290,114</b>	455,744,899
Packing material	<b>2,101,091</b>	2,662,889
Short term loans and advances	<b>29,677,649</b>	21,440,805
Short term deposits, prepayments and other receivables	<b>30,018,621</b>	54,965,855
Short term investments	<b>80,750,764</b>	131,686,290
Cash and bank balances	<b>64,231,264</b>	62,778,606
5	<b>654,069,503</b>	729,279,343
<b>Total Assets</b>	<b>968,047,604</b>	1,029,216,258
<b>Share capital and Reserves</b>		
<b>Authorized</b>		
50,000,000 ordinary shares of Rs.10/- each (2022: 50,000,000 ordinary shares of Rs. 10/- each)	<b>500,000,000</b>	500,000,000
Issued, subscribed and paid-up share capital 27,428,430 ordinary shares of Rs. 10/- each fully paid in cash	<b>274,284,300</b>	274,284,300
Share Premium	<b>402,328,869</b>	402,328,868
Revaluation surplus on property, plant & equipment	<b>20,843,617</b>	23,044,649
Unappropriated profit	<b>107,384,472</b>	86,144,583
	<b>804,841,258</b>	785,802,400



Chief Executive Officer



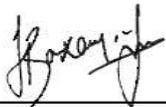
Chief Financial Officer



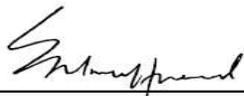
Director

	(Un-Audited) December 31 2 0 2 2	Audited June 30 2 0 2 2
Note	----- (Rupees) -----	
<b>Non-current liabilities</b>		
Lease liabilities	16,663,030	25,298,396
Deferred tax liabilities - net	9,941,629	12,499,107
<b>Total Non-current liabilities</b>	<b>26,604,659</b>	<b>37,797,503</b>
<b>Current liabilities</b>		
Trade and other payables	103,289,374	165,764,385
Due to related parties	481,924	-
Current portion lease liabilities	22,706,808	25,867,487
Provision for taxation	10,123,581	13,984,475
<b>Total Current liabilities</b>	<b>136,601,687</b>	<b>205,616,347</b>
<b>Contingencies and Commitments</b>	-	-
<b>Total equity and liabilities</b>	<b>968,047,604</b>	<b>1,029,216,258</b>

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



Chief Executive Officer



Chief Financial Officer

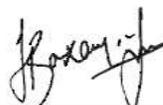


Director

**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	------(Rupees)-----		------(Rupees)-----	
Note				
<b>Courier and allied services</b>				
- Courier income	<b>533,076,057</b>	523,625,817	<b>284,345,035</b>	267,886,339
- CBC handling charges income	<b>11,782,279</b>	12,472,101	<b>4,954,041</b>	6,098,792
	<b>544,858,336</b>	536,097,918	<b>289,299,076</b>	273,985,131
Cost of services	<b>(507,863,500)</b>	(463,663,635)	<b>(256,726,657)</b>	(236,809,307)
<b>Total courier and allied services</b>	<b>36,994,836</b>	72,434,283	<b>32,572,419</b>	37,175,824
International freight	<b>58,235,255</b>	13,014,310	<b>19,456,150</b>	6,270,572
Commission income	<b>611,401</b>	293,143	<b>559,894</b>	132,453
	<b>58,846,656</b>	13,307,453	<b>20,016,044</b>	6,403,025
General and administrative expenses	<b>(77,414,503)</b>	(68,249,270)	<b>(37,903,484)</b>	(34,231,368)
Marketing and selling expenses	<b>(2,375,945)</b>	(1,706,181)	<b>(1,128,520)</b>	(893,061)
	<b>(79,790,448)</b>	(69,955,451)	<b>(39,032,004)</b>	(35,124,429)
<b>Operating profit</b>	<b>16,051,044</b>	15,786,285	<b>13,556,459</b>	8,454,419
Other income	<b>12,126,531</b>	3,161,326	<b>5,088,473</b>	3,401,858
Finance costs	<b>(2,778,439)</b>	(3,545,563)	<b>(1,265,997)</b>	(1,700,322)
	<b>9,348,092</b>	(384,237)	<b>3,822,476</b>	1,701,536
<b>Profit before taxation</b>	<b>25,399,136</b>	15,402,048	<b>17,378,935</b>	10,155,955
Taxation				
- Current	<b>(7,546,312)</b>	(4,671,123)	<b>(4,351,822)</b>	(664,720)
- Prior	-	2,280,507	-	-
- Deferred	<b>2,557,479</b>	(330,099)	-	-
	<b>(4,988,833)</b>	(2,720,715)	<b>(4,351,822)</b>	(664,720)
<b>Profit after tax</b>	<b>20,410,303</b>	12,681,333	<b>13,027,113</b>	9,491,235
Earning per share - basic & diluted	16 <b>0.74</b>	0.55	<b>0.47</b>	0.42

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

  
 Chief Executive Officer

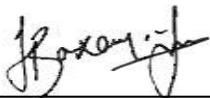
  
 Chief Financial Officer

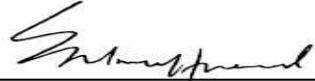
  
 Director

**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Half year ended		Quarter ended	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
	------(Rupees)-----		------(Rupees)-----	
Profit after taxation	<b>20,410,303</b>	12,681,333	<b>13,027,112</b>	9,491,235
<b>Items not to be reclassified to profit or loss in subsequent period:</b>				
Surplus on revaluation of property, plant equipment	-	-	-	-
Deferred tax on property, plant and equipment	-	-	-	-
	-	-	-	-
Loss attributable to Owners of the Holding company	<b>(1,371,525)</b>	-	<b>(1,371,525)</b>	-
<b>Total comprehensive income for the period</b>	<b>19,038,778</b>	12,681,333	<b>11,655,587</b>	9,491,235

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

  
 \_\_\_\_\_  
 Chief Executive Officer

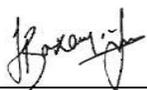
  
 \_\_\_\_\_  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Director

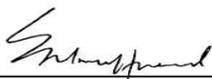
**UNIVERSAL NETWORK SYSTEMS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Half year ended	
	December 31, 2022	December 31, 2021
	------(Rupees)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	25,399,136	15,402,048
<b>Adjustment for non cash changes and other items</b>		
Depreciation property and equipment	12,384,528	8,407,799
Depreciation - ROUA	10,135,127	11,417,733
Amortization of Intangibles	622,239	-
Finance costs	2,778,439	3,545,563
Gain on sale of property and equipment	431,055	-
	<b>26,351,388</b>	23,371,095
<b>Cash flows from Operating profit before working capital changes</b>	<b>51,750,524</b>	38,773,143
<b>Increase/ (decrease) in cash flow due to working capital changes</b>		
Trade debtors - unsecured and considered goods	8,454,785	(25,529,670)
Packaging Material	-	(767,590)
Short term loans and advances	(8,236,844)	6,871,368
Short term deposits, prepayments and other receivables	18,957,490	4,654,494
Trade and other payable	(62,475,011)	(14,633,800)
Due to related party	481,924	(1,174,667)
	<b>(42,817,655)</b>	(30,579,865)
<b>Cash flows generated from operations</b>	<b>8,932,869</b>	8,193,278
Finance cost paid	(2,778,439)	(3,603,150)
Income tax paid	(4,855,584)	(5,984,315)
	<b>(7,634,023)</b>	(9,587,465)
<b>Net cash flows from / (used in) operating activities</b>	<b>1,298,846</b>	(1,394,187)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to property, plant & equipment	(11,843,144)	(17,632,087)
Intangibles	(26,518,000)	-
Sale proceeds from property, plant and equipment	738,000	-
Addition in investment	-	(354,468,763)
Preliminary expenses - Registration and filling charges	(1,371,525)	-
Long term deposits	9,000	98,000
	<b>(38,985,669)</b>	(372,002,850)
<b>Net cash flows used in investing activities</b>	<b>(37,686,823)</b>	(373,397,037)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Obligation under finance lease	(11,796,045)	(10,738,753)
Issue of shares	-	427,612,794
<b>Net cash inflows (used in) /from financing activities</b>	<b>(11,796,045)</b>	416,874,041
Net decrease in cash and cash equivalent	(49,482,868)	43,477,005
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	<b>144,982,028</b>	120,296,155

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 HALF YEAR ENDED DECEMBER 31, 2022 - Un-Audited**

	Issued, subscribed and paid-up capital	Share Premium	Unappropriated profit	Surplus on revaluation of property, plant & equipment	Sponsors' Loan	Total
			----- (Rupees) -----			
<b>Balance as at June 30, 2021 (Audited)</b>	<b>205,714,300</b>	<b>43,286,075</b>	<b>65,398,115</b>	<b>27,845,460</b>	<b>70,000,000</b>	<b>412,243,949</b>
Issuance of 6,857,000 ordinary share @ 10/- each	68,570,000	-	-	-	-	<b>68,570,000</b>
Premium @ 55 per share on issue of 6,857,000 ordinary shares	-	359,042,794	-	-	-	<b>359,042,794</b>
Reversal for Sponsor Loan's	-	-	-	-	(70,000,000)	<b>(70,000,000)</b>
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	-	-	<b>15,945,656</b>
	<b>68,570,000</b>	<b>359,042,794</b>	<b>20,746,467</b>	<b>(4,800,811)</b>	<b>(70,000,000)</b>	<b>373,558,450</b>
<b>Balance as at June 30, 2022 (Audited)</b>	<b>274,284,300</b>	<b>402,328,869</b>	<b>86,144,579</b>	<b>23,044,732</b>	<b>-</b>	<b>785,802,399</b>
Realized revaluation surplus on derecognition- net of deferred tax	-	-	<b>477,790</b>	<b>(477,790)</b>	-	-
Transfer of revaluation surplus on incremental depreciation - net of deferred tax	-	-	<b>1,723,325</b>	<b>(1,723,325)</b>	-	-
Preliminary expenses - Registration and filling charges	-	-	<b>(1,371,525)</b>	-	-	<b>(1,371,524)</b>
Profit after Tax	-	-	<b>20,410,303</b>	-	-	<b>20,410,303</b>
<b>Balance as at December 31, 2022 (Un-audited)</b>	<b>274,284,300</b>	<b>402,328,869</b>	<b>107,384,472</b>	<b>20,843,617</b>	<b>-</b>	<b>804,841,258</b>

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 HALF YEAR ENDED DECEMBER 31, 2022 - 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) Dec 31, 2022	(Audited) Jun 30, 2022
	------(Rupees)-----	
<b>5 CASH AND BANK BALANCES</b>		
Cash in hand	2,716,261	3,364,020
Cash at bank		
- in current account	44,602,215	30,904,588
- in saving account	5.1    16,912,788	28,509,998
	<b>64,231,264</b>	<b>62,778,606</b>

**5.1** These carry markup rates of 10.5% (2021: 5%)

**6 Transactions with related parties:**

Name of the related party	Relationship	Transactions during the period	(Un-Audited)	(Un-Audited)
			31-Dec-22	31-Dec-21
			------(Rupees)-----	
Universal Freight Systems (Pvt.) Ltd.	Common directorship	Sales of services	-	1,688,489
		Purchase of services	4,416,839	1,845,895
UNS Employee's Provident Fund Trust	Staff Benefits Plan	Net change in respect of staff benefit plan	401,192	719,466
Directors & key management personnel	Key management personnel	Remuneration	33,084,450	30,064,362

**7 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.

## **8 CORRESPONDING FIGURES**

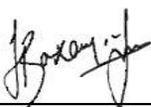
Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant reclassifications were made during the period.

## **9 DATE OF AUTHORIZATION FOR ISSUE**

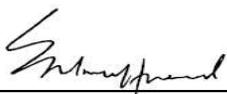
These consolidated condensed interim financial statements were authorized for issue February 27, 2023 by the Board of Directors of the holding company.

## **10 GENERAL**

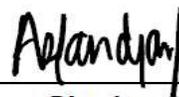
Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Chief Financial Officer



Director



blue 

 (021) 111 258339  [blue-ex.com](http://blue-ex.com)  [blueEXlive](https://www.facebook.com/blueEXlive)