



**CONDENSED INTERIM  
FINANCIAL INFORMATION  
(UN-AUDITED)**

**SEPTEMBER 30, 2017**



## VISION

We at Worldcall are committed to achieving dynamic growth and service excellence by being at the cutting edge of technological innovation. We strive to consistently meet and surpass customers, employees and stake-holders' expectations by offering state-of-the-art telecom solutions with national & international footprints. We feel pride in making efforts to position Worldcall and Pakistan in the forefront of international arena.

## MISSION STATEMENT

In the telecom market of Pakistan, Worldcall to have an overwhelming impact on the basis of following benchmarks:

- Create new standards of product offering in basic and value added telephony by being more cost effective, easily accessible and dependable. Thus ensuring real value for money to all segments of market.
- Be a leader within indigenous operators in terms of market share, gross revenues and ARPU within five years and maintain the same positioning thereafter.
- Achieve utmost customer satisfaction by setting up high standards of technical quality and service delivery.

Ensuring the most profitable and sustainable patterns of ROI (Return on Investment) for the stake-holders.

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## COMPANY INFORMATION

<b>Chairman</b>	Dr. Syed Salman Ali Shah
<b>Chief Executive Officer</b>	Mr. Babar Ali Syed
<b>Board of Directors</b>	Dr. Syed Salman Ali Shah (Chairman) Mr. Babar Ali Syed Mr. Muhammad Murtaza Raza Mr. Muhammad Azhar Saeed Mr. Faisal Ahmed Mr. Mansoor Ali Mrs. Hina Babar
<b>Chief Financial Officer</b>	Mr. Muhammad Azhar Saeed, ACA
<b>Executive Committee</b>	Dr. Syed Salman Ali Shah (Chairman) Mr. Babar Ali Syed (Member) Mr. Muhammad Murtaza Raza (Member) Mr. Muhammad Azhar Saeed (Member)
<b>Audit Committee</b>	Mr. Faisal Ahmed (Chairman) Mr. Muhammad Murtaza Raza (Member) Mr. Mansoor Ali (Member) Mrs. Hina Babar (Member) Mr. Anser Iqbal Chauhan (Secretary)
<b>Human Resource &amp; Remuneration Committee</b>	Mr. Agha Mansoor Ali (Chairman) Mr. Babar Ali Syed (Member) Mr. Muhammad Murtaza Raza (Member) Mr. Muhammad Azhar Saeed (Member) Mr. Faisal Ahmed (Member)
<b>Chief Internal Auditor</b>	Mr. Anser Iqbal Chauhan
<b>Company Secretary</b>	Mr. Mueen Tauqir, ACA
<b>Auditors</b>	Horwath Hussain Chaudhury & Co. Chartered Accountants
<b>Legal Advisers</b>	M/s Miankot & Co. Barristers, Advocates & Corporate Legal Consultant



**Bankers**

Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
National Bank of Oman  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
IGI Investment Bank Limited  
JS Bank Limited  
Bank Islami Pakistan Limited  
MCB Bank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Pak Oman Investment Co. Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Summit Bank Limited  
Tameer Microfinance Bank Limited  
The Bank of Punjab  
United Bank Limited  
Waseela Microfinance Bank Limited

**Registrar and Shares Transfer Office**

THK Associates (Pvt.) Limited  
1<sup>st</sup> Floor, 40 - C, Block - 6, P.E.C.H.S.,  
Karachi - 75400  
Tel: (021) 111 -000 -322

**Registered Office/Head Office**

Plot No. 1566/124,  
Main Walton Road,  
Lahore, Pakistan  
Tel: (+92 42)36671 192- 96  
Fax: (+92 42) 36671 197

**Webpage**

[www.worldcall.com.pk](http://www.worldcall.com.pk)  
[www.worldcall.net.pk](http://www.worldcall.net.pk)



## DIRECTORS' REVIEW

The Board of Directors of Worldcall Telecom Limited ("Worldcall" or the "Company") is pleased to present its review report along with condensed interim financial information for Nine Months Ended September 30, 2017.

### Industry Overview

The dynamically evolving Information and Communication Technologies (ICTs) hold crucial importance globally as one of the key sectors in terms of powering economies, acting as a catalyst of change and enablement across all other sectors.

Ministry of Information Technology and Telecommunication (MoIT&T) is maximizing its efforts for expanding both IT & Telecom sectors in tandem. Consequently, the Information Technology sector is exhibiting accelerated progress with total IT turnover of USD 3.1 billion, including both exports and domestics revenue (Source: PSEB; assessment by Bearing Point's Study). Through enabling policies and auction spectrum for next generation mobile services, the Broadband penetration has jumped from a mere 3.7 million to 40.7 million. The IT and Telecom sectors are expanding and generating new jobs as businesses utilize modern ICT technologies such as e-commerce, e-banking, e-health, e-education, and business related to IT applications.

### Financial Overview

Summary of financial results for nine months ended September 30, 2017 are as follows:

Particulars	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
	Rs. in million	
Revenue – net	1,705	1,222
Direct Cost (excluding depreciation and Amortization)	(1,229)	(1,031)
Liabilities written back	8,031	100
EBITDA	8,073	(477)
Depreciation and Amortization	(798)	(899)
Finance Cost	(298)	(415)
Profit/(Loss) after tax	6,695	(1,825)

During the period under review, the Company closed its financial results reporting Rs 6,695 million as profit after tax. The profitability is mainly attributable to the liabilities written back under the Share Purchase Agreement executed last year. Moreover the company experienced an increase of Rs 483 million (40%) in its revenue as compared to 9 months of last year indicating bright future prospects. The increase in direct cost of 19% is in line with the increase in revenue reported whereas depreciation and amortization expense reduced since company disposed fixed assets worth Rs 570 million during the period.



The Company's turnaround has started and it has posted operational profit covering up losses of Rs 477 million as compared to the comparative period. The operational profitability has improved significantly which shows positive advancement by the Company in terms of operations.

The Directors anticipate this trend to continue for the remaining quarter as well.

### Future Outlook

Company has undergone a major transformation with the exit of its previous sponsors. Cost restructuring has been effected because of which Operating Costs have been reduced by Rs. 45 million per month and Finance Cost has been curtailed by Rs. 35 million per month. Critical deliverables left unaddressed over the last two years are being addressed through funds made available as part of the transaction and Management is pleased to report that results are showing a corresponding improvement in absolute terms along with positive trends moving forward.

Cashing in on the new developments in ICT technologies, the company has started to set its footprints in the e-commerce and other business related IT applications. To quote one of such campaigns, it has recently got registration with Pakistan Software Export Board as Call Centre to provide services domestically and internationally.

The new management remains focused on enhancing the profitable revenue streams. It is particularly targeting quantitative growth in revenue through increased subscribers to utilize previously dormant assets, enhanced quality service while monetizing associated offerings.

Having a strong asset base with improved governance and fully enabled functional managers WTL is all set to enhance value for all stakeholders.

### Company's staff and customers

We whole heartedly put on record here our appreciation and gratitude to our all staff members for their efforts and hard work especially in recent times of stress and pressure. We further express gratitude towards our loyal customer for their continued support and trust in our services.

For and on behalf of the Board of Directors

**Babar Ali Syed**  
Chief Executive Officer

Lahore, Pakistan  
February 13, 2018

کمپنی بہتری کی طرف گامزن ہے اور اس نے موازنہ کی مدت کے مقابلے میں 477 ملین ڈالر کا خسارہ پورا کر لیا ہے۔ آپریشنس منافع خوری میں نمایاں بہتری آئی ہے جس میں آپریشن کی شرائط میں کمپنی کی جانب سے مثبت ترقی ظاہر ہوتی ہے۔

ڈائریکٹرز امید کرتے ہیں کہ یہ رجحان بقیہ سال بھی جاری رہے گا۔

## مستقبل کا نقطہ نظر

کمپنی کے پچھلے پانچ سہ ماہی کی رخصتی کے بعد کمپنی نے ایک اہم تبدیلی کی ہے۔ لاگت کی بحالی کو متاثر کیا گیا ہے جس کی وجہ سے آپریٹنگ اخراجات میں ماہانہ 45 ملین اور فنانس کی لاگت میں 35 ملین کی بچوس کی گئی ہے۔ گزشتہ دو سال سے پس پشت غیر معمولی نتائج کو برائز کیشن کے حصہ کے طور پر دستیاب فنڈ سے حل کیا گیا ہے۔ گزشتہ دو سال سے پس پشت غیر معمولی نتائج کو برائز کیشن کے حصہ کے طور پر دستیاب فنڈ سے حل کیا گیا ہے۔ منجسٹ کو رپورٹ کرنے پر خوشی ہے کہ نتائج مستقبل میں مثبت رجحانات کے ساتھ ساتھ مطلق شرائط میں بہتری کی طرف گامزن ہیں۔

اس اہم ترقی ہوئی آئی سی ٹی ڈی ٹیکنالوجی کی دنیا میں کمپنی نے قدم رکھ دیا ہے۔ ایسی مہوں میں سے ایک کو اختیار کر کے ہوئے، اس نے حال ہی میں پاکستان سافٹ ویئر ایکسپورٹ بورڈ کے ساتھ کال سینٹر کے طور پر رجسٹریشن حاصل کی ہے تاکہ وہ ملک بھر میں اور بین الاقوامی سطح پر خدمات مہیا کریں۔

نی بیجسٹ کی، منافع بخش آمدنی کے سلسلے کو بڑھانے کی طرف توجہ مرکوز ہے خاص طور پر صارفین کی شرح میں اضافہ جس سے کمپنی کے غیر استعمال شدہ اثاثوں کو بہتر معیاری خدمات سے پیش کیا جائے اور منافع بخش کیا جائے۔

بہتر انتظامیہ اور مکمل طور پر فعال فنکشنل منیجرز کے ساتھ ورلڈ کال کے پاس فولادی اثاثہ جات ہیں۔ جس سے تمام شرائط داروں کو فائدہ مل سکتا ہے۔

## کمپنی کے ملازمین اور صارفین

ہم دل کی انتہا گرائیوں سے اپنے تمام ملازمین کی کوششوں اور سخت محنت کے معترف ہیں۔ جنہوں نے شہیدگی اور دباؤ کے حالیہ دنوں میں کمپنی کا ساتھ دیا ہے۔ ہم اپنے قابل قدر صارفین کو سروس کی فراہمی کے لئے پر عزم ہیں اور ہماری سروسز پر ان کے مسلسل اعتماد کے لئے شکر گزار ہیں۔

بجلم بورڈ آف ڈائریکٹرز

لاہور

13 فروری 2018

بابر علی سید

چیف ایگزیکٹو آفیسر



## ڈائریکٹرز کا تجزیہ

ورلڈ کال ٹیلی کام لمیٹڈ ("ورلڈ کال" یا "کمپنی") کے ڈائریکٹرز 30 ستمبر 2017 کو اختتام پذیر غیر آڈٹڈ سہ ماہی میں معلومات کا مختصر جائزہ پیش کرتے ہیں۔

### صنعت کا جائزہ

متحرک طور پر معلومات اور مواصلاتی ٹیکنالوجیز (آئی سی ٹی) میں پیش قدمی کو طاقت دینے کے لحاظ سے عالمی شعبوں میں اہم اہمیت رکھتی ہے۔ یہ نہ کہ تبدیلی آسان بناتی ہے بلکہ تمام شعبوں میں آگے بڑھنے کی صلاحیت بھی فراہم کرتی ہے۔

وزارت انفارمیشن ٹیکنالوجی اور ٹیلی کمیونیکیشن آئی ٹی اور ٹیلی کام کے شعبوں کو بڑھانے کے لئے اپنی کوششیں تیز کئے ہوئے ہیں۔ اس کے نتیجے میں انفارمیشن ٹیکنالوجی کے شعبے میں تیزی سے ترقی کی پیش گوئی کی جارہی ہے جس میں مجموعی طور پر 3.1 ارب امریکی ڈالر کی برآمد ہونے کی پیش گوئی ہے، بشمول اندرونی اور بیرونی برآمدات (ماخذ: PSEB) فعال پالیسیوں اور جدید دور کی منفرد موبائل سروس کی بدولت براڈ بینڈ کا جاں صرف 3.7 بلین سے 40.7 بلین تک جا بٹھانچا ہے۔ آئی ٹی اور ٹیلی کام کے شعبے ہی ملازمتوں کی تخلیق کو فروغ دے رہے ہیں کیونکہ کاروباری ادارے جدید آئی ٹی ٹیکنالوجیوں کا استعمال کرتے ہیں مثلاً ای کامرس، ای بیکنگ، ای صحت، ای ایجوکیشن اور آئی ٹی ایپلی کیشن یہ تمام کاروبار آئی ٹی پر منحصر ہیں۔

### مالیاتی جائزہ

30 ستمبر 2017 کو ختم ہونے والے 9 ماہ کے مالیاتی نتائج کا خلاصہ مندرجہ ذیل ہیں:

Particulars	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
	Rs. in million	
Revenue – net	1,705	1,222
Direct Cost (excluding depreciation and Amortization)	(1,229)	(1,031)
Liabilities written back	8,031	100
EBITDA	8,073	(477)
Depreciation and Amortization	(798)	(899)
Finance Cost	(298)	(415)
Profit/(Loss) after tax	6,695	(1,825)

مدت کے دوران، کمپنی نے ٹیکس کے بعد منافع کے طور پر 6,695 ملین روپے کے اپنے مالیاتی نتائج کا اعلان کیا۔ یہ منافع زیادہ تر ختم شدہ ذمہ داریوں پر مبنی ہے جو کہ SPA کے تحت ختم کی گئی ہے۔ اس کے علاوہ کمپنی نے پچھلے 9 ماہ کے مقابلے میں 483 ملین روپے (40 فیصد) کی آمدنی ظاہر کی جو کہ کافی خوش آئند ہے۔ Direct Cost میں 19% کا اضافہ بڑھتی ہوئی آمدن کے ساتھ ہے جبکہ Depreciation & Amortization کے اخراجات میں کمی ہوئی ہے کیونکہ کمپنی نے مدت کے دوران 570 ملین روپے کی مقررہ اثاثوں کو خارج کر دیا ہے۔



CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2017

	September 30 2017 (Un-audited)	December 31 2016 (Audited)
Note	-----	-----
	(Rupees in '000)	(Rupees in '000)
<b>Share Capital and Reserves</b>		
Authorized share capital:		
1,500,000,000 (December 31, 2016: 1,500,000,000) ordinary shares of Rs 10 each	15,000,000	15,000,000
500,000 (December 31, 2016: 500,000) preference shares of USD 100 each (USD 50,000,000 equivalent to Rs 6,000,000,000)	6,000,000	6,000,000
Ordinary share capital	5 9,434,733	8,605,716
Preference share capital	6 3,416,407	3,537,700
Capital reserves:		
- Share premium	165,737	837,335
- Fair value reserve	28,150	85,910
- Exchange translation reserve	147,803	130,300
Revenue reserve: Accumulated loss	(12,193,525)	(18,755,400)
	999,305	(5,558,439)
<b>Surplus on revaluation of fixed assets</b>	628,660	697,849
<b>TOTAL EQUITY</b>	1,627,965	(4,860,590)
<b>NON-CURRENT LIABILITIES</b>		
Long term financing	7 50,944	42,887
Retirement benefits	118,429	274,930
Dividend on preference share	891,652	743,255
Long term deposits	36,714	35,136
	1,097,739	1,096,208
<b>CURRENT LIABILITIES</b>		
Current portion of non-current liabilities	8 1,615,037	5,247,019
Short term borrowings	983,739	960,677
License fee payable	1,021,500	1,021,500
Trade and other payables	7,578,544	11,914,311
Provision for taxation - net	287,570	-
Interest and mark up accrued	503,495	384,092
	11,989,885	19,527,599
<b>Contingencies and commitments</b>	9 -	-
<b>TOTAL LIABILITIES</b>	13,087,624	20,623,807
<b>TOTAL EQUITY AND LIABILITIES</b>	14,715,589	15,763,217
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	10 7,075,229	8,079,493
Intangible assets	11 2,795,858	3,088,720
Investment properties	12 56,320	38,520
Long term trade receivable	68,102	77,061
Deferred taxation	2,607,022	2,531,937
Long term loans	3,031	3,211
Long term deposits	44,983	32,641
	12,650,545	13,851,583
<b>CURRENT ASSETS</b>		
Stores and spares	80,658	88,179
Stock-in-trade	67,270	67,290
Trade debts	1,072,603	761,262
Loans and advances	235,310	141,389
Deposits and prepayments	434,453	431,819
Short term investments	93,039	150,799
Other receivables	59,286	119,486
Income tax recoverable - net	-	31,440
Cash and bank balances	22,425	119,970
	2,065,044	1,911,634
<b>Non-current assets classified as held for sale</b>	13 -	-
	2,065,044	1,911,634
<b>TOTAL ASSETS</b>	14,715,589	15,763,217

The annexed notes 1-20 form an integral part of this condensed interim financial information (un-audited).

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED SEPTEMBER 30, 2017

	Nine Months Ended September 30,		Quarter Ended September 30,		
	2017	2016	2017	2016	
Note	(Rupees in '000)				
Revenue - net	1,704,680	1,222,343	613,766	410,524	
Direct cost excluding depreciation and amortization	(1,229,351)	(1,030,743)	(410,938)	(453,351)	
Operating cost	(620,686)	(780,655)	(228,333)	(267,676)	
Advertisement and marketing expenses	(3,911)	-	(2,360)	-	
Gain on re-measurement of investment property at fair value	17,800	-	-	-	
Other income - net	15	8,204,774	111,673	124,324	67,187
<b>Profit/(Loss) before interest, taxation, depreciation and amortisation</b>	<b>8,073,306</b>	<b>(477,382)</b>	<b>96,459</b>	<b>(243,316)</b>	
Depreciation and amortization	(797,860)	(899,268)	(258,667)	(298,328)	
Finance cost	(297,978)	(415,069)	(53,612)	(154,154)	
<b>Profit/(Loss) before Taxation</b>	<b>6,977,468</b>	<b>(1,791,719)</b>	<b>(215,820)</b>	<b>(695,798)</b>	
Taxation	(282,756)	(32,909)	36,689	(10,410)	
<b>Profit/(Loss) for the Period</b>	<b>6,694,712</b>	<b>(1,824,628)</b>	<b>(179,131)</b>	<b>(706,208)</b>	
<b>Basic Earnings/(Loss) per Share</b>	<b>7.45</b>	<b>(2.31)</b>	<b>(0.40)</b>	<b>(0.88)</b>	

The annexed notes 1-20 form an integral part of this condensed interim financial information (un-audited).

  
Chief Executive Officer

  
Chief Financial Officer

  
Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED SEPTEMBER 30, 2017

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2017	2016	2017	2016
	(Rupees in '000)			
<b>Net Profit/(Loss) for the Period</b>	6,694,712	(1,824,628)	(179,131)	(706,208)
<b>Other comprehensive income</b>				
<b>Items that will not be re-classified subsequently to the profit or loss</b>	-	-	-	-
<b>Items that will be reclassified subsequently to the profit or loss</b>				
- Change in fair value of available-for-sale financial assets	(57,760)	72,391	(4,177)	83,854
- Gain on revaluation of fixed assets	-	720,999	-	720,999
<b>Total Comprehensive Profit/(Loss) for the Period</b>	<b>6,636,952</b>	<b>(1,031,238)</b>	<b>(183,308)</b>	<b>98,645</b>

The annexed notes 1-20 form an integral part of this condensed interim financial information (un-audited).

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017**

	<b>Nine Months Ended September 30,</b>		
	<b>2017</b>	<b>2016</b>	
	------(Rupees in '000)-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	14	446,384	111,407
<i>(Increase)/decrease in non-current assets:</i>			
- Long term deposits		(12,342)	1,708
- Long term loans		180	(816)
- Long term trade receivables		22,207	11,025
<i>Decrease in non-current liabilities:</i>			
- Long term deposits		1,578	-
Retirement benefits paid		(198,439)	(21,405)
Finance cost paid		(178,576)	(72,542)
Taxes paid		(38,831)	(20,155)
<b>Net cash generated from operating activities</b>		42,161	9,222
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Property, plant and equipment purchased		(68,936)	(22,812)
Intangibles purchased		(1,750)	-
Proceeds from disposal of property, plant and equipment		1,844	4,575
<b>Net cash used in investing activities</b>		(68,842)	(18,237)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing		(92,317)	(18,500)
Short term borrowings - net		23,062	12,395
Repayment of liabilities against assets subject to finance lease		(1,609)	(1,019)
<b>Net Cash used in financing activities</b>		(70,864)	(7,124)
<b>Net Decrease in Cash and Cash Equivalents</b>		(97,545)	(16,139)
Cash and cash equivalents at the beginning of the period		119,970	29,900
<b>Cash and Cash Equivalents at the End of the Period</b>		22,425	13,761

The annexed notes 1-20 form an integral part of this condensed interim financial information (un-audited).

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

Particulars	Share Capital		Capital Reserves			Revenue Reserve	Total
	Ordinary Share Capital	Preference Share Capital	Share Premium	Fair Value Reserve	Exchange Translation Reserve		
	8,605,716	3,437,700	837,335	22,971	130,300	(17,307,020)	(4,172,989)
<b>Balance as at December 31, 2015 (Audited)</b>							
Loss for the period	-	-	-	-	-	(1,824,628)	(1,824,628)
Other comprehensive income for the period - net of tax	-	-	-	72,391	-	-	72,391
Total comprehensive loss for the period - net of tax	-	-	-	72,391	-	(1,824,628)	(1,752,237)
Transfer to surplus on revaluation of fixed assets	-	-	-	-	-	-	-
Exchange translation reserve	-	-	-	-	(1,750)	-	-
Dividend on preference shares	-	-	-	-	(1,750)	(182,128)	(182,128)
Total transactions with owners, recognized directly in equity	-	-	-	-	(1,750)	(180,378)	(182,128)
<b>Balance as at September 30, 2016 (Un-Audited)</b>	8,605,716	3,437,700	837,335	95,362	128,550	(19,232,026)	(6,087,383)
Profit for the period	-	-	-	-	-	559,891	559,891
Other comprehensive (loss) / income for the period - net of tax	-	-	-	(9,459)	-	-	(9,459)
Total comprehensive loss for the period - net of tax	-	-	-	(9,459)	-	-	(9,459)
Transfer from surplus on revaluation of fixed assets	-	-	-	-	-	23,150	23,150
Exchange translation reserve	-	-	-	-	(1,750)	-	-
Dividend on preference shares	-	-	-	-	(54,872)	(54,872)	(54,872)
Total transactions with owners, recognized directly in equity	-	-	-	-	(1,750)	(56,622)	(54,872)
<b>Balance as at December 31, 2016 (Audited)</b>	8,605,716	3,437,700	837,335	85,910	130,300	(18,755,400)	(5,558,439)
Profit for the period	-	-	-	-	-	6,694,712	6,694,712
Other comprehensive loss for the period - net of tax	-	-	-	(57,760)	-	-	(57,760)
Total comprehensive profit for the period - net of tax	-	-	-	(57,760)	-	6,636,952	6,579,192
Transfer from surplus on revaluation of fixed assets	-	-	-	-	-	69,189	69,189
Exchange translation reserve	-	-	-	-	22,683	(22,683)	-
Conversion of Preference shares	828,017	(121,283)	(671,598)	-	(5,160)	30,846	30,846
Dividend on preference shares	-	-	-	-	(179,343)	(179,343)	(179,343)
Total transactions with owners, recognized directly in equity	828,017	(121,283)	(671,598)	-	17,833	(282,028)	(148,287)
<b>Balance as at September 30, 2017 (Un-Audited)</b>	9,434,733	3,416,407	165,737	28,150	147,803	(12,893,526)	999,305

(Rupees in '000)

The annexed notes 1-20 form an integral part of this condensed interim financial information (un-audited).

*Balaram*

Chief Executive Officer

*Shree*

Chief Financial Officer

*Shree*

Director



## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR NINE MONTHS AND QUARTER ENDED SEPTEMBER 30, 2017

Note 1

### Legal Status and Nature of Business

- Worldcall Telecom Limited ("the Company") is a public limited company incorporated in Pakistan on March 15, 2001 under the Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange. The Company commenced its operations on December 01, 2004 and is engaged in providing Wireless Local Loop ("WLL") and Long Distance & International ("LDI") services in Pakistan; re-broadcasting international/national satellite/terrestrial wireless and cable television and radio signals; interactive communication and to establish, maintain and operate the licensed telephony services. The Company has been licensed by Pakistan Telecommunication Authority ("PTA") and Pakistan Electronic Media Regulatory Authority ("PEMRA") for these purposes. The Company is domiciled in Pakistan and its registered office is situated at Plot # 1566/124, Main Walton Road, Lahore Cantt.
- 1.1 During the last year, a share purchase agreement (SPA) dated October 11, 2016 was signed between the Parent company, Worldcall Services (Private) Limited ("WSL") and Ferret Consulting - F.Z.C (a company based in the United Arab Emirates), through which 488,839,429 ordinary shares (56.80% ordinary shares) and 297,500 preference shares (85% preference shares) of the Company were to be acquired by WSL and Ferret Consulting - F.Z.C respectively from the Parent company. The Company's Chief Executive, a Director and Chief Financial Officer are majority shareholders of WSL and Ferret Consulting - F.Z.C. (hereinafter collectively also referred to as "Acquirers").
  - 1.2 Preference shares of the Company were transferred to Ferret Consulting - F.Z.C on successful execution of SPA during the period.
  - 1.3 However, ordinary shares required to be transferred to WSL on successful execution of SPA were transferred subsequent to the reporting date. WSL also announced the public offer to acquire shares from minority shareholders on March 8, 2017 and acquired 13,028,498 shares at a price of Rs. 2.69 per ordinary share.
  - 1.4 Oman Telecommunications Company SAOG (the "Parent company") owned 488,839,429 ordinary shares i.e. 56.80% (2016: 488,839,429 ordinary shares - 56.80%) and 52,500 preference shares - 15% (2016 : 350,000 preference shares - 100%) of the Company as of September 30, 2017. Subsequent to the reporting date, 488,839,429 ordinary shares from Parent Company have been transferred to WSL.

Note 2

### Basis of Preparation

- 2.1 This condensed interim financial information of the Company for the nine months ended September 30, 2017 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2 This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended December 31, 2016. Comparative balance sheet is extracted from annual audited financial statements for the year ended December 31, 2016 whereas comparative profit and loss account, comparative statement of comprehensive income, comparative cash flows statement and comparative statement of changes in equity are extracted from unaudited condensed interim financial information for the nine months ended September 30, 2016.
- 2.3 This condensed interim financial information is unaudited.
- 2.4 This condensed interim un-audited financial information is presented in Pak Rupees, which is the Company's functional and presentational currency. All the figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.
- 2.5 **Going concern assumption**

The Company has earned a profit after taxation of Rs. 6,694.712 million during the period ended September 30, 2017 (Sep 30, 2016: loss after taxation of Rs. 1,824.63 million) which includes the impact of write back of liabilities for Rs. 8,031.20 million. As at September 30, 2017, the accumulated loss of the Company stands at Rs. 12,193.53 million (December 31, 2016: Rs. 18,755.4 million) and current liabilities exceed current assets by Rs. 9,924.84 million (December 31, 2016: Rs. 17,615.97 million). These conditions, along with the factors discussed in note 8 and note 9, indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These factors have been fully elaborated in the audited financial statements for the year ended December 31, 2016.

The Company's management has carried out a going concern assessment of the Company and believes that the going concern assumption used for the preparation of this condensed interim un-audited financial information is appropriate based on the following grounds:

- 2.5.1** The Company's BOD in consultation with the Acquirers (as referred to in Note 1.2), approved a business plan that included investment in infrastructure of Broadband business to enhance its customer base, capacities and resultant sales volumes, increase in international termination revenue, enhancement of EVDO business, sale of passive infrastructure (towers, civil works and gensets etc.) and properties, containment of excess costs through layoffs and retrenchment to achieve right sizing of the human resources; and using the proceeds therefrom for other profitable operations and settling liabilities. As a result of these initiatives, the Company has successfully turned into operational profit in the period under review.

Apart from the SPA, WSL will further arrange to provide USD 5 million (approximately Rs 523.5 million). The management intends to apply these funds for replenishment of the Company's inventory, mainly for the purchase of Customer Premises Equipment (CPEs) in order to increase customer base and revenue.

As at the reporting date, the Company has received USD 11.5 million and USD 4 million from Omantel and WSL respectively and the SPA has successfully been executed. The funds received under the terms of the SPA have been mainly applied in partially settling overdue and outstanding operational, financial and statutory liabilities. Furthermore, after successful execution of SPA, the liabilities towards Omantel and National Bank of Oman stand waived off / novated.

- 2.5.2** Furthermore, WSL, based on certain commitments of an investor, has assured support to the Company for continuing as a going concern through its letter to the Company's Board of Directors. Subsequent to the reporting period, WSL has provided certain funding to the Company in order to meet its cash flow requirement. In view of above factors, the management believes that the risks posed by material uncertainties leading to a significant doubt about going concern have been properly mitigated. Consequently, this financial information has been prepared on the assumption that the Company will continue as a going concern.

**Note 3**

**Significant Accounting Policies**

The Company's accounting and financial risk management policies and methods of computation adopted in the preparation of this condensed interim un-audited financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended December 31, 2016.

**Note 4**

**Significant Accounting Judgments and Estimates**

The preparation of condensed interim un-audited financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates, associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing this condensed interim un-audited financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended December 31, 2016.

**Note 5**

**Ordinary Share Capital**

	September 30, 2017 (Un-audited)	December 31, 2016 (Audited)	September 30, 2017 (Un-audited)	December 31, 2016 (Audited)
	No. of Shares		(Rupees in '000)	
Opening Balance	860,571,513	860,571,513	8,605,716	8,605,716
Add: Preference shares converted into Ordinary Shares during the period/year	82,901,687	-	829,017	-
	<u>943,473,200</u>	<u>860,571,513</u>	<u>9,434,733</u>	<u>8,605,716</u>

During the period 12,000 convertible preference shares have been converted into Ordinary Shares. These were foreign currency denominated, non voting and cumulative convertible preference shares having face value of USD 100 each.

**Note 6**

**Preference Share Capital**

	September 30, 2017 (Un-audited)	December 31, 2016 (Audited)	September 30, 2017 (Un-audited)	December 31, 2016 (Audited)
	No. of Shares		(Rupees in '000)	
Opening Balance	350,000	350,000	3,537,700	3,537,700
Less: Preference shares converted into Ordinary Shares during the period/year	(12,000)	-	(121,293)	-
	<u>338,000</u>	<u>350,000</u>	<u>3,416,407</u>	<u>3,537,700</u>





Note 7

**Long Term Financing**

		September 30, 2017	December 31, 2016
	Note	(Un-audited)	(Audited)
----- (Rupees in '000) -----			
<b>From Banking Companies (Interest-bearing - Secured)</b>			
Askari Bank Limited	7.1	50,944	-
National Bank of Oman	7.2	-	-
Soneri Bank Limited	7.3	-	637
Allied Bank Limited	7.4	-	42,250
		<u>50,944</u>	<u>42,887</u>

**7.1 Askari Bank Limited**

	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
Forced liability	138,000	-
Repayments / adjustments	(58,112)	-
	79,888	-
Current maturity	(28,944)	-
	<u>50,944</u>	<u>-</u>

This represents forced liability created by the bank due to encashment of performance guarantee issued in favour of Universal Service Fund (USF). Tenor is 3 years. It carries mark up rate of 6 months KIBOR plus 2% per annum. Rs. 45 million was to be paid before April 2017 which was subsequently paid in June 2017. Remaining amount is payable in 36 monthly installments commencing May 1, 2017. The markup charged during the period on the outstanding balance ranged from 8.11% to 8.12% per annum. It is secured through first joint pari passu hypothecation charge of Rs. 1.26 billion over all present and future fixed and current assets of the Company with 25% margin, first exclusive assignment of all present and future receivables of LDI business arm of the Company in favour of lender with 25% margin and collection accounts with the Bank for routing of LDI receivables.

**7.2 National Bank of Oman**

	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
Receipt	3,555,300	3,555,300
Initial transaction cost	(39,616)	(39,616)
	3,515,684	3,515,684
Amortization of transaction cost	39,616	39,616
	3,555,300	3,555,300
Exchange loss	112,700	112,700
	3,668,000	3,668,000
Less: Principal novated to Omantel as part of SPA / Current portion	(3,668,000)	(3,668,000)
	<u>-</u>	<u>-</u>

This represented foreign currency syndicated loan facility ("facility") amounting to USD 35 million from National Bank of Oman (NBO) and Ahli Bank SAOG (the consortium) with NBO as the lead arranger. The loan was disbursed on June 30, 2015. It was repayable in 16 quarterly installments commencing from September 30, 2017. Mark up was payable quarterly and is charged at three months average LIBOR plus 1.75% per annum and monitoring fee at 1.5% per annum. No mark up is charged during the period on outstanding balance (2016: 3.86% to 3.88%) per annum. To secure the facility, corporate guarantee of the Parent company (Omantel) was furnished along with a provision for cash cover / direct debit of the Parent company bank account in the event of the Company's failure to fund obligations under the facility agreement. As discussed in Note 1 and Note 2.5.1 this loan has now been assumed and taken up by Omantel.

**7.3 Soneri Bank Limited**

	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
Transferred from short term borrowings	66,756	66,756
Repaid	(59,024)	(51,319)
	7,732	15,437
Less: Current and overdue portion	(7,732)	(14,800)
	<u>-</u>	<u>637</u>

This facility was initially repayable in 23 monthly installments ending on February 28, 2016. However, in August 2016, the facility was rescheduled by Soneri Bank Limited and now the principal is repayable in 18 monthly installments ending on January 30, 2018. The facility carries mark up at one month KIBOR plus 3% per annum and is payable monthly. The mark up rate charged during the period on the outstanding balance is 9.25% to 9.28% (2016: 9.22% to 9.52%) per annum. It is secured through joint pari passu hypothecation agreement over current and movable fixed assets.

**7.4 Allied Bank Limited**

	<b>September 30, 2017</b>	<b>December 31, 2016</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>
	----- (Rupees in '000) -----	
Opening balance	87,750	125,000
Repaid during the period / year	<u>(26,500)</u>	<u>(37,250)</u>
	61,250	87,750
Less: Current portion	<u>(61,250)</u>	<u>(45,500)</u>
	<u>-</u>	<u>42,250</u>

This represents a term loan facility of Rs. 125 million obtained through restructuring of running finance facility. This facility was rescheduled in January 2015 and is now repayable in 43 monthly installments ending on July 31, 2018. It carries mark up at one month KIBOR plus 3% per annum till March 31, 2015, payable on monthly basis. The mark up rate with effect from April 01, 2015, is 3 months KIBOR plus 0.5% per annum to be reset and recoverable quarterly. The mark up rate charged during the period on the outstanding balance ranged from 6.61% to 6.62% (2016: 6.85% to 6.99%) per annum. It is secured through joint pari passu charge on present and future current and fixed assets excluding land and building of the Company with 25% margin.

**Note 8****Current portion of non-current liabilities**

		<b>September 30, 2017</b>	<b>December 31, 2016</b>
	<b>Note</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
		----- (Rupees in '000) -----	
Term finance certificates	8.1	1,517,111	1,517,110
Long term financing		97,926	3,728,300
Liabilities against assets subject to finance lease		-	1,609
		<u>1,615,037</u>	<u>5,247,019</u>

- 8.1** Term finance certificates (TFCs) have a face value of Rs. 5,000 per certificate. These TFCs carry mark up at the rate of six month average KIBOR plus 1.60% per annum, payable semi-annually. The mark up rate charged during the period on the outstanding balance ranged from 7.70% to 7.77% (2016: 7.66% to 8.19%) per annum.

IGI Investment Bank Limited is the Trustee (herein referred to as the Trustee) under the Trust Deed. These TFCs are secured against pari passu charge over the Company's present and future fixed assets excluding land and building with 25% margin in addition to all rights, benefits, claims and interests procured by the Company under:

- a) LDI and WLL license issued by PTA to the Company; and
- b) Assigned frequency spectrum as per deed of assignment.

These TFCs were earlier rescheduled in December 2012, under which the principal was repayable in three semi-annual installments ending on October 07, 2015. In July 2014, the Company initiated the process of second rescheduling with the TFC holders. On April 03, 2015, the TFCs were rescheduled and the terms of the revised rescheduling agreement were effective from October 07, 2014. As per the revised terms, the tenure of the TFCs was extended by seven years with quarterly principal installments ending in October 2021. Profit rate and security has remained the same.

As per terms of second rescheduling, payments in respect of principal and markup aggregating to Rs. 717.955 million were required to be made up to period ended September 30, 2017. However, payments of only Rs. 146.617 million were made during financial year 2015 and no further payments are made upto September 30, 2017. Hence, this constitutes a default as per the terms of second rescheduling. Consequently, the total amount has become immediately payable. WTL management is engaged with TFCs holders and further restructuring is expected in near future.

**Note 9****Contingencies and Commitments**

There is no significant change in contingencies from the preceding annual published financial statements of the Company for the year ended December 31, 2016 except for the following:

**9.1 Disputes with PTA**

PTA has raised demand amounting to Rs. 29.77 million on account of using extra Radio Spectrum not assigned to the Company. The Company challenged this amount before Islamabad High Court which has suspended the demand of PTA and decided the case in favour of the Company. However PTA has gone into appeal before the Honourable Supreme Court of Pakistan. The management is hopeful that its viewpoint shall be upheld; thus no provision has been incorporated in this financial information against this demand.

**Guarantees**

Outstanding guarantees

	<b>September 30, 2017</b>	<b>December 31, 2016</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>
	----- (Rupees in '000) -----	
	<u>356,288</u>	<u>499,490</u>

**Commitments**

Commitments in respect of capital expenditure

	<u>295,769</u>	<u>286,812</u>
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Note 10

**Property, Plant and Equipment**

Note	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
Operating fixed assets	6,911,783	7,957,927
Capital work-in-progress	161,177	118,372
Major spare parts and stand-by equipment	2,269	3,194
	<u>7,075,229</u>	<u>8,079,493</u>

**10.1 Operating fixed assets**

Opening book value	7,957,927	7,981,158
Additions during the period/year	27,060	23,252
Transfer from non-current assets classified as held for sale	-	892,883
	<u>7,984,987</u>	<u>8,897,293</u>
Disposals / settlement (at book value) for the period / year	(569,950)	-
Depreciation charged during the period / year	(503,254)	(939,366)
Closing book value	<u>6,911,783</u>	<u>7,957,927</u>

**10.1.1 Detail of additions**

Leasehold improvements	1,483	545
Plant and equipment	23,732	21,398
Office equipment	726	-
Furniture and fixtures	794	104
Computers	325	1,205
	<u>27,060</u>	<u>23,252</u>

**10.1.2 Book values of assets disposed off / settled**

Plant and equipment	568,140	-
Computers	410	-
Vehicles	1,400	-
	<u>569,950</u>	<u>-</u>

**10.1.2.1** Worldcall WLL business has been continuously facing challenges due to economic conditions and availability of better contemporary technologies. In order to reduce fixed network operational cost certain towers were sold / settled with Towershare (Private) Limited (towershare) and certain land lords against advances received and accrued rent outstanding respectively. This initiative has resulted in ease of liabilities and shall also save certain fixed network operational cost. Detail of carrying values adjusted under this disposal / settlement is as follows:

	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
Adjusted accrued rent liability disclosed in trade and other payables	623,951	-
Adjusted advance received from towershare disclosed in trade and other payables	46,353	-
Book value of tower sites disposed	(568,140)	-
Resultant gain on disposal arrangement	<u>102,164</u>	<u>-</u>

Note 11

**Intangible Assets**

	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
Licenses	2,357,901	2,609,425
Patents and copyrights	1,662	3,799
Indefeasible right of use - media cost	436,295	475,496
	<u>2,795,858</u>	<u>3,088,720</u>



Note 12  
**Investment Properties**

		September 30, 2017	December 31, 2016
	Note	(Un-audited)	(Audited)
----- (Rupees in '000) -----			
Opening balance		38,520	38,520
Fair value adjustment	12.1	17,800	-
Closing balance		<u>56,320</u>	<u>38,520</u>

12.1 As of the reporting date, investment properties comprise land. Fair value of investment properties is determined by an independent professional valuer. Latest valuation of these properties was carried out on June 30, 2017 by an approved independent valuer, M/s Gandhara Consultants which resulted in fair value gain of Rs. 17.8 million.

Note 13  
**Non-Current Assets Classified as Held for Sale**

		September 30, 2017	December 31, 2016
	Note	(Un-audited)	(Audited)
----- (Rupees in '000) -----			
Opening balance		-	892,883
Transferred to operating fixed assets	10.1	-	(892,883)
Closing balance		<u>-</u>	<u>-</u>

13.1 This represented Passive infrastructure (towers, civil works and gensets etc.) relating to WLL operations of the Company. An active plan to sell these assets was commenced in 2014 and a sale agreement was signed with Towershare (Private) Limited ("Towershare") on October 01, 2014. Accordingly, these assets were classified as held for sale under IFRS 5 - "Non-current Assets Held for Sale and Discontinued Operations". However, Towershare did not take transfer of all sites as per the aforementioned sale agreement. In view of the non-conclusion of the sale agreement with Towershare, these were re-classified to property, plant and equipment (Note 10.1).

Note 14  
**Cash Generated From Operations**

	September 30, 2017	December 31, 2016
	(Un-audited)	(Audited)
----- (Rupees in '000) -----		
<b>Cash flows from operating activities</b>		
Loss before taxation	6,977,468	(1,791,719)
Adjustment for non-cash charges and other items:		
- Depreciation on property, plant and equipment	503,254	704,085
- Amortization on intangible assets	294,605	195,182
- Amortization of long term trade receivables	(13,248)	(11,484)
- Provision for doubtful debts	1,880	5,790
- Reversal of provision for doubtful debts	(58)	-
- Provision for stores and spares	9,707	10,842
- Provision for stock in trade	32	-
- Liabilities no longer payable written back	(8,031,201)	(99,506)
- Exchange loss/(gain) on foreign currency loan	-	(1,750)
- Gain on re-measurement of investment property at fair value	(17,800)	-
- Gain on sale of property, plant and equipment	(102,196)	(2,134)
- Retirement benefits	41,938	68,462
- Finance cost	297,978	415,069
	<u>(7,015,109)</u>	<u>1,284,556</u>
	(37,641)	(507,163)
<b>Operating loss before working capital changes</b>		
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
- Stores and spares	(2,186)	16,509
- Stock-in-trade	(13)	(69)
- Trade debts	(313,161)	(113,854)
- Loans and advances	(90,540)	(88,683)
- Deposits and prepayments	(2,634)	4,330
- Other receivables	60,200	148,190
Increase in current liabilities		
- Trade and other payables	832,359	652,147
<b>Cash generated from operations</b>	<u>484,025</u>	<u>618,570</u>
	<u>446,384</u>	<u>111,407</u>



Note 15

**Other income - net**  
Liabilities Written Back  
Others

September 30, 2017	September 30, 2016
(Un-audited)	(Un-audited)
----- (Rupees in '000) -----	
8,031,201	99,506
175,454	12,167
<b>8,206,655</b>	<b>111,673</b>

**Liabilities Written Back**

Note	Nine Months Ended September 30,		Quarter Ended September 30,	
	2017	2016	2017	2016
----- (Un-audited) -----				
	Rupees in '000	Rupees in '000	Rupees in '000	Rupees in '000
Liabilities towards Omantel	3,085,841	-	-	-
Write back of receipts from Omantel under SPA	1,204,526	-	-	-
Write back of loan from National bank of Oman	3,668,000	-	-	-
Write back of insurance premium payable	-	62,826	-	-
Others	72,834	36,680	66,420	-
	<b>8,031,201</b>	<b>99,506</b>	<b>66,420</b>	<b>-</b>

Note 16

**Related Party Transactions**

The related parties comprise of members, local associated companies, related group companies, directors of the Company, companies where directors also hold directorship and key management personnel. Significant transactions with related parties are as follows:

Relationship with the Company	Nature of transactions	Nine Months ended September 30,	
		2017	2016
		(Un-audited)	(Un-audited)
		----- (Rupees in '000) -----	
Parent company	Dividend on preference shares	179,343	162,129
	Management fee on preference shares	86,844	136,197
	Rendering of LDI services to Omantel	-	13,192
	Receipts under SPA	624,867	-
	Write back of liabilities (Note 15)	4,290,367	-
Parent company	Markup on short term borrowings	23,652	-
Key management personnel	Salaries and other employee benefits	161,833	219,402
	Sale of vehicle	-	648
		<b>September 30,</b>	<b>December 31,</b>
		<b>2017</b>	<b>2016</b>
		(Un-audited)	(Audited)
		----- (Rupees in '000) -----	
<b>Period/year end balances</b>			
Omantel	Trade creditors	-	2,998,998
	Receipts under SPA	-	579,659
WSL	Advance to supplier	-	2,109
	Short term borrowings	421,800	419,402
	Trade creditors	7,375	23,121
	Current Account	158,809	-
	Accrued markup	27,789	4,137
Key management personnel	Payable against expenses, salaries and other employee benefits	70,397	115,049
	Long term loans and advances	7,442	11,249



Note 17

**Financial Risk Management****17.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial information (un-audited) does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2016.

There have been no changes in any risk management policies since year end.

**17.2 Liquidity risk**

Compared to the year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities except for restructuring/refinancing of TFCs and loans as referred to in notes 7 and 8.

**17.3 Fair value estimation**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table presents the Company's assets and liabilities that are measured at fair value at September 30, 2017:

	Level 1	Level 2	Level 3	Total
	Rupees in '000			
<b>Assets</b>				
Available-for-sale investments	93,039	-	-	93,039
<b>Liabilities</b>	-	-	-	-

The following table presents the Company's assets and liabilities that are measured at fair value at December 31, 2016:

	Level 1	Level 2	Level 3	Total
	Rupees in '000			
<b>Assets</b>				
Available-for-sale investments	150,799	-	-	150,799
<b>Liabilities</b>	-	-	-	-

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets and there were no changes in valuation techniques during the period.

Note 18

**Subsequent Events**

- 18.1** Subsequent to the reporting date, 26,500 Class B preference shares and related dividend payable on these shares have been converted into 178,381,644 ordinary shares of Rupees 10 each.
- 18.2** Subsequent to the reporting date, 488,839,429 ordinary shares from Parent Company have been transferred to WSL.



Note 19

**Date of Authorization for Issue**

This condensed interim financial information was authorized for issue on February 13, 2018 by the Board of Directors of the Company.

Note 20

**Corresponding Figures**

Corresponding figures have been re-arranged / reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. No material re-arrangements / reclassifications have been made in these financial statements.

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

